BOAT ROCKER MEDIA INC.

ANNUAL INFORMATION FORM

Fiscal year ended December 31, 2020

March 31, 2021

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BOAT ROCKER MEDIA INC.

ANNUAL INFORMATION FORM

MEANING OF CERTAIN REFERENCES

Unless otherwise noted in this Annual Information Form (the "**Annual Information Form**") or the context otherwise indicates, the "Company" or "Boat Rocker" refer to Boat Rocker Media Inc. and its direct and indirect subsidiaries and predecessors or other entities controlled by it or them. Furthermore, as used in this Annual Information Form, unless the context indicates otherwise, the following terms have the following meanings:

"**Board**" means Boat Rocker's board of directors, as constituted from time to time;

"**buyer**" refers to a purchaser or licensee of video content, namely a linear channel or OTT platform;

"**Canadian Person**" means a person who would qualify as Canadian for the purpose of achieving or preserving the Company's or any of its Canadian subsidiaries' status as a Canadian corporation for the purpose of the Canadian Status Rules;

"**Canadian Status Rules**" means (i) the ICA Canadian Status Rules, and (ii) if approved by the Board and each holder of Multiple Voting Shares, as defined below, (in each such holder's sole discretion) outstanding at the time of assessment of whether the Company is a Canadian Person, the rules and presumptions for determining who is a "Canadian" for purposes of the tax credits determined by the Board and the holders of Multiple Voting Shares to be applicable to the Company or any subsidiary from time to time. For clarity, if the Board or any holder of Multiple Voting Shares does not approve of the use of a form of assessment of whether a person or entity is a Canadian Person other than the ICA Canadian Status Rules pursuant to subsection (ii) in the immediately preceding sentence, the applicable Canadian Status Rules shall be only the ICA Canadian Status Rules;

"**Fairfax**" means Fairfax Financial Holdings Limited and/or its affiliates;

"greenlit" in respect to programming means the programming has been contracted for production and Boat Rocker has received commitments for all or substantially all of the required financing to cover the cost of producing the programming;

"**ICA**" means the *Investment Canada Act*;

"**ICA Canadian Status Rules**" means the rules and presumptions for determining who is a "Canadian" for purposes of the *Investment Canada Act*;

"**IDJ**" means, David Fortier, Ivan Schneeberg and John Young and/or their respective controlled subsidiaries, including controlled family trusts;

"**Non-Canadian Person**" is any person that is not a Canadian Person;

"**OTT platform**" refers to a service that delivers video content via a broadband or wireless Internet connection (such as Netflix and Amazon Prime Video) utilizing any of a variety of models, including subscription video on demand ("**SVOD**"), transactional video on demand (TVOD) or advertising-based video on demand ("**AVOD**"), thereby bypassing traditional television service providers; and

"**Principal Shareholders**" means IDJ together with Fairfax

Unless otherwise specified or the context otherwise requires, all information provided in this Annual Information Form is given as at December 31, 2020. All references to "$" or "dollars" are to Canadian dollars, references to "U.S.$" are to United States dollars and references to "£" are to UK pounds sterling. Amounts are stated in Canadian dollars unless otherwise indicated. Certain totals, subtotals and percentages throughout this Annual Information Form may not reconcile due to rounding.

This Annual Information Form contains certain trademarks, such as "Boat Rocker", "Platform One", "*Dino Ranch*", "*Danger Mouse*", "*Orphan Black*", and "*The Next Step*", among others, which are protected under applicable intellectual property laws and are Boat Rocker's property. Solely for convenience, Boat Rocker's trademarks and trade names referred to in this Annual Information Form may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that the Company will not assert, to the fullest extent under applicable law, the rights to these trademarks and trade names. All other trademarks used in this Annual Information Form are the property of their respective owners.

NON-IFRS MEASURES

In addition to using financial measures prescribed under International Financial Reporting Standards ("**IFRS**"), this Annual Information Form makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of Boat Rocker's results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS measures, including "Adjusted EBITDA", "Adjusted EBITDA Margin", "Cash Available for Use", "Cash Required for Use in Productions", "Free Cash Flow" and "Net Debt". Boat Rocker believes that these non-IFRS measures provide investors with supplemental measures of its operating performance and thus highlights trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets, and to determine components of management compensation.

For definitions and reconciliations of these non-IFRS measures to the relevant reported measures, please see **"**Non-IFRS Measures" and "Reconciliation Tables" sections of the Company's Management's Discussion and Analysis dated March 31, 2021 for the fiscal year ended December 31, 2020 (the "**Boat Rocker MD&A**"). A copy of the Boat Rocker MD&A can be accessed under the Company's profile on the system for electronic document analysis and retrieval ("**SEDAR**") at www.sedar.com.

Non-IFRS Measures

"**Adjusted EBITDA**" is defined as earnings before interest, taxes, depreciation and amortization (EBITDA) adjusted for amortization of non-cash program intangibles, change in fair value of financial liabilities, change in fair value of contingent consideration, share-based compensation, transaction and reorganization costs, goodwill impairment, loss on debt modifications and gain or loss on sale of assets. Adjusted EBITDA is used by management as a measure of the Company's profitability. This measure does not have a standardized meaning and as such may not be comparable to similar measures used by other companies. For further details and a reconciliation to IFRS measures please refer to the "*Non-IFRS Measures*" and "*Reconciliation Tables*' sections of the Boat Rocker MD&A.

"**Adjusted EBITDA Margin**" is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.

"**Cash Available for Use**" is defined as the total cash and cash equivalents of the Company less Cash Required for Use in Productions. Cash Available for Use funds ongoing working capital requirements, principal and interest payments on corporate demand loans as well as ongoing development and growth efforts and thus is an important liquidity measure that management uses to monitor the business on an ongoing basis. This measure does not have a standardized meaning and as such may not be comparable to similar measures used by other companies. For further details and a reconciliation to IFRS measures please refer to the "*Liquidity and Capital Resources – Cash*" section of the Boat Rocker MD&A.

"**Cash Required for Use in Productions**" represents cash required for the funding of productions in progress that is not considered by the Company to be available for other uses. The cash is not legally restricted and has not been classified as restricted cash on the Company's consolidated statement of financial position. This cash has been provided by buyers and third-party intellectual property ("**IP**") owners that have engaged the Company to provide services, as well as banks with whom Boat Rocker has contracted to provide interim production financing. Management uses the amount of Cash Required for Use in Productions to determine the Company's Cash Available for Use. This measure does not have a standardized meaning and as such may not be comparable to similar measures used by other companies. For further details and a reconciliation to IFRS measures please refer to the "*Liquidity and Capital Resources – Cash*" section of the Boat Rocker MD&A.

"**Free Cash Flow**" is defined as cash flow provided by operations adjusted for changes in interim production financing, payment of lease liabilities and distributions to non-controlling interests. Where these types of cash flows are excluded from cash provided by operations, management believes they add value to evaluating the ability of the business to generate cash flow. In particular, interim production financing is crucial to the funding of productions and thus has been included in the calculation of Free Cash Flow. Similarly, repayment of lease liabilities and distributions made to non-controlling shareholders have also been included as management considers these to be operating cash flows. This measure does not have a standardized meaning and as such may not be comparable to similar measures used by other companies. For further details and a reconciliation to IFRS measures please refer to the "*Liquidity and Capital Resources – Free Cash Flow*" section of the Boat Rocker MD&A.

"**Net Debt**" is defined as the carrying value of loans and borrowings (excluding interim production financing and convertible debentures) adjusted for the loss on loan modification and loan fees, plus lease liabilities less Cash Available for Use. Net Debt represents obligations the Company has to fund from its earnings and is viewed by management as a consistent measure of the Company's liquidity position. In contrast, interim production financing is drawn to bridge the timing between cash inflows from the license fees and production service fees of the buyer, the film and television tax credits earned on eligible production expenses, and cash outflows of the production expenses. Interim production financing for a particular production is expected to be repaid from the license fees and film and television tax credits of that same production in the ordinary course. As such, interim production financing is excluded from management's calculation of Net Debt. The Company does not include other liabilities in the Net Debt calculation such as: other financial liabilities that are based on estimates and probabilities, rather than specific amounts owing, and liabilities that may not be payable in cash. This measure does not have a standardized meaning and as such may not be comparable to similar measures used by other companies. For further details and a reconciliation to IFRS measures please refer to the "*Liquidity and Capital Resources – Net Debt*" section of the Boat Rocker MD&A.

FORWARD-LOOKING INFORMATION

This Annual Information Form contains forward-looking information and/or forward-looking statements within the meaning of applicable securities laws in Canada (collectively, "**forward-looking information**"). Forward-looking information may relate to anticipated events or results and may include information regarding Boat Rocker's financial position, business strategy, growth strategies, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding Boat Rocker's expectations of future results, performance, achievements, prospects or opportunities or the markets in which the Company operates is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "be achieved", "believes", "budget", "continue", "could", "expect", "estimate", "forecasts", "has an opportunity", "intend", "likely", "may", "objective", "outlook", "plans", "potential", "predict", "project", "prospect", "scheduled", "seek", "should", "strategy", "would", or "will", or variations of such words and phrases or similar expressions suggesting future outcomes or events, and the negative of any of these terms. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Discussions containing forward-looking information may be found, among other places, under "*The Business of the Company*", "*Dividend Policy*" and "*Risk Factors*".

This forward-looking information includes, among other things, statements relating to:

- matters relating to the expected operations;
- financial results and condition of the Company;
- the future impact of the global outbreak of the novel 2019 strain of the coronavirus and variants thereof (“**COVID-19**”), including the impact on the timing of production and delivery of greenlit programming;
- programming in-production and programming in development which is anticipated to be greenlit;
- expectations regarding industry trends, overall market growth rates and the Company’s growth rates and growth strategies;
- Boat Rocker’s future objectives and strategies to achieve those objectives, including, without limitation, the exploration of individual acquisition opportunities;
- the competitive position in the industry in which Boat Rocker operates;
- regulatory changes and potential impacts on Boat Rocker and the markets and industry in which it operates;
- Boat Rocker’s production pipeline;
- expectations regarding the ability of the Company to source, assess and monetize its IP;
- expectations regarding availability of future partnerships, expectations regarding the Company’s revenue, profitability, cash flows, Adjusted EBITDA and Adjusted EBITDA Margin, acquisitions and investments;
- changes in accounting standards; and
- the market price for the subordinate voting shares in the capital of Boat Rocker (the “**Subordinate Voting Shares**”)

These forward-looking statements reflect management’s current opinions, beliefs, estimates, expectations and assumptions and are based on information currently available to management, which includes assumptions about continued revenues based on historical past performance, management’s historical experience, perception of trends and current business conditions, expected future developments, and other factors which management considers appropriate and reasonable in the circumstances. With respect to the forward-looking statements included in this Annual Information Form, Boat Rocker has made certain assumptions with respect to, among other things, Boat Rocker’s growth outlook, the performance of the Company’s business and operations, the Company’s ability to maintain, expand and protect its IP portfolio, that Boat Rocker will meet its future objectives and strategies, and that its future projects and plans are achievable and will proceed as anticipated, as well as assumptions concerning the expected emergence from the restrictions associated with the COVID-19 pandemic, general economic and industry growth rates, currency exchange and interest rates, competitive intensity and consumer preferences, all of which are material factors made in preparing forward-looking statements and management’s expectations. There can be no assurance that the underlying opinions, beliefs, expectations, estimates and assumptions will prove to be correct.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that Boat Rocker considered appropriate and reasonable as of the date such statements were made, and are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the following risk factors described in greater detail under the heading entitled “*Risk Factors*”: risks relating to the competitive industry within which the Company operates; changes in public and consumer tastes and preferences and industry trends; the Company’s ability to source IP and creative talent who can develop IP; a limited number of buyers for the Company’s original programming; a limited pool of owned assets; developments in technology and industry trends; the potential impact of COVID-19 on the Company’s business, financial condition and results of operations; dependence on external factors; business interruptions; reliance on key personnel; reliance by Untitled Entertainment LLC ("**Untitled Entertainment**") on managers to build and maintain relationships with key talent clients; potential labour shortages; potential labour strikes or other forms of labour unrest affecting guilds or unions in the television and film industries; lack of output agreements with buyers and dependence on key relationships with buyers; budget overruns; the potential inability to accurately project revenues and results of operations; the Company's substantial capital requirements and financial risks, including liquidity needs; the potential inability of the Company to recoup acquisition, production, marketing and distribution costs incurred in production and distribution of video content; the potential inability to accurately estimate production tax credits and other subsidies; the potential inability to realize the Company's acquisition strategy or effective execution of the Company's acquisition strategy following the IPO Closing Date (as defined below); changes in the Company's business strategy; potential difficulty raising additional capital; risks related to doing business internationally; fluctuation in foreign currency exchange and interest rates; litigation or regulatory or arbitral action; protection and defense against intellectual property claims; dependence on the Company's information technology ecosystem; cybersecurity incidents or issues; inadequate investment in information technology infrastructure and slow integration of acquired businesses; unauthorized disclosure of proprietary and confidential information; adverse publicity; internal conflicts of interest; compliance with laws and regulations; the Company's dependence on tax credits to fund productions; potential loss of Canadian status; risks related to indebtedness; potential failure to design, test and maintain effective processes and controls; potential exposure to credit risk; potential failure to secure studio space within estimated costs; termination of material buyer and customer agreements; tax-related risks; outstanding registration rights and the effect on the Subordinate Voting Shares; outstanding rights to purchase shares in the Company's partially-owned subsidiaries absence of a prior public market; volatility in the market price of the Subordinate Voting Shares; future sales of Subordinate Voting Shares by existing Shareholders; financial reporting and other public company regulatory obligations and potential errors therein; possible future dilution of the Subordinate Voting Shares; future offerings of debt and equity; limited public company experience; significant ownership by the Principal Shareholders; and limited voting rights of the Subordinate Voting Shares.

If any of these risks or uncertainties materialize, or if the opinions, estimates, expectations or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. The opinions, estimates or assumptions referred to above and described in greater detail in "*Risk Factors*" should be considered carefully by readers.

Although Boat Rocker has attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to the Company or that Boat Rocker presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this Annual Information Form represents Boat Rocker's expectations as of the date hereof (or as the date they are otherwise stated to be made) and are subject to change after such date. However, Boat Rocker disclaims any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada.

All of the forward-looking information contained in this Annual Information Form is expressly qualified by the foregoing cautionary statements.

COVID-19

In light of the COVID-19 pandemic, the content production industry experienced a temporary pause on live action production, which impacted Boat Rocker's Television segment (as defined below in *"The Business of the Company – Company Overview"*) in both the scripted and unscripted production groups. As a result, the expected delivery dates of several Boat Rocker series have been delayed, shifting a substantial portion of expected revenue from 2020 into 2021. Talent clients in the Representation segment (as defined below in *"The Business of the Company – Company Overview"*) were also negatively impacted by the pandemic-related temporary shutdowns and restrictions imposed in 2020. However, production of the Company's animated content remained stable as Boat Rocker effectively and quickly transitioned its animation teams to work-from-home. While Boat Rocker faces an extraordinary and uncertain business environment as a result of COVID-19, the Company is actively taking steps to mitigate potential impacts on the business. The Company's COVID-19 response is guided by the recommendations of public health.

- The Company moved all of its employees to work-from-home, including 425 employees in its animation department. Since March 2020, the Company has remotely hired and on-boarded over 200 additional employees to support its on-going animation productions.
- The Company has worked with its buyers to push production start dates, re-work and re-budget projects to mitigate pandemic-related costs, and restart projects as soon as practicable.
- The Company has made claims under insurance policies for COVID-19 related costs in the aggregate amount of approximately $29 million (subject to deductibles), but there is no assurance that it will receive any proceeds from such claims and in many cases, even if those claims are successful, the Company's buyers are entitled to most of the insurance claim proceeds.
- In respect of the Company's live action productions, Boat Rocker was able to continue to edit and post-produce video content that was shot pre-shutdown by moving post-production crews to work-from-home and, in doing so, Boat Rocker succeeded in delivering its programming to its buyers on pre-COVID-19 schedules throughout the spring and summer of 2020. The Company also continued development activities on live action productions, such as writing and casting, through virtual writers rooms and casting sessions. As jurisdictions began to ease restrictions in the spring of 2020, Boat Rocker's scripted and unscripted teams worked diligently to pioneer what management believes are leading COVID-19 protocols, which allowed several of the Company's series to resume production once local restrictions were eased. By fall 2020, a majority of Boat Rocker's delayed shows had resumed production, including *Invasion*. *American Rust* commenced production in early March 2021.
- The Company has also received the Canada Emergency Wage Subsidy ("**CEWS**") for salaries paid to its employees. In the year ended December 31, 2020, the Company applied for $13.9 million of CEWS, the majority of which was received prior to December 31, 2020. While the subsidy is received upfront as cash and used to reduce personnel costs (service costs in the case of Jam Filled Entertainment), it reduces other assistance that productions would have received in the future in the form of federal and provincial film and television tax credits. The impact of the reduced tax credits will be recognized on the statement of operations as the related revenue and costs are recognized.
- The Ministry of Heritage provided an Emergency Relief Fund through the Canada Media Fund ("**CMF**") that was based on the level of CMF funds that had been accessed by the Company's content productions in the past three years. These funds were accessed by Boat Rocker in the amount of $0.6 million during the second quarter of 2020.

Management expects the demand for content to be sustained, post-COVID-19, based on both industry analysts' expectations and its own experience with content buyers. In the midst of the pandemic, Boat Rocker secured development financing and production financing commitments on multiple new series from its content buyers. The Representation segment has clients that have resumed work on projects across the industry. In light of increasing viewing trends during the pandemic, demand has remained steady for the third-party video content the Company distributes. Looking ahead, Boat Rocker has a slate of projects scheduled for delivery in 2021 and onwards, consisting of series that are in-production, greenlit, or in development (either internally or with a third-party financier), across each of its segments and management anticipates that in 2021 the Company will have approximately 40 shows in-production or greenlit.

CORPORATE STRUCTURE

Incorporation and Head Office

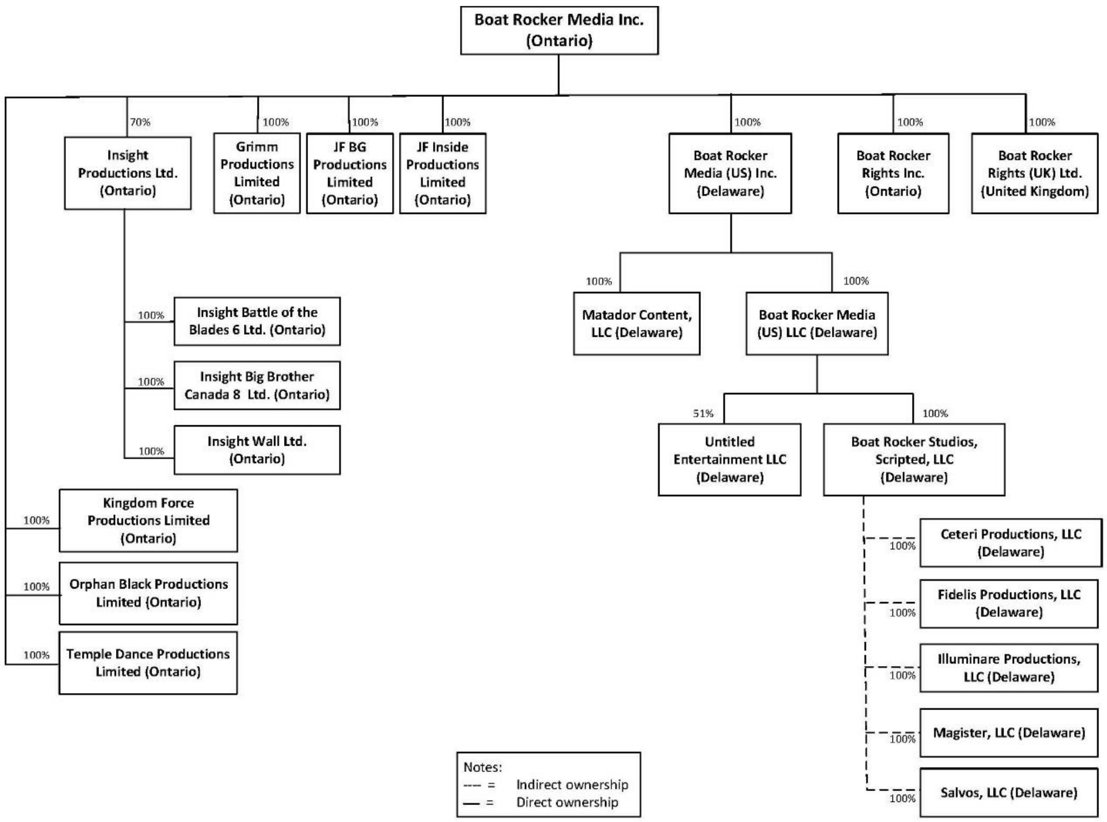
Boat Rocker was incorporated under the *Business Corporations Act* (Ontario) (the "**Corporations Act**") on January 29, 2003 under the name Fake City Films Corp. On February 27, 2007, the Company filed articles of amendment to change its name to Temple Street Productions Incorporated, and on April 14, 2016, the Company filed articles of amendment to change its name to Boat Rocker Media Inc. On December 30, 2020, the Company amalgamated its subsidiary, Jam Filled Entertainment Inc. into Boat Rocker.

On February 26, 2021, the Company filed articles of amendment to provide for the creation of an unlimited number of (i) multiple voting shares (the "**Multiple Voting Shares**"), (ii) Subordinate Voting Shares and (iii) preferred shares, issuable in series (the "**Preferred Shares**", and together with the Subordinate Voting Shares and the Multiple Voting Shares, the "**Shares**"). Immediately prior to the closing of the Company's initial public offering (the "**IPO**") on March 24, 2021 (the "**IPO Closing Date**"), the Company implemented the following pre-closing capital changes: (i) the Company's issued and outstanding shares were split on a 1.6016:1.0000 basis; (ii) all of the then issued and outstanding voting common shares were exchanged for Multiple Voting Shares on a one for one basis; (iii) all of the then issued and outstanding preferred and non-voting common shares were exchanged for Subordinate Voting Shares on a one for one basis; (iv) 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 other rights to acquire shares; and (v) previously issued stock options to acquire 2,052,220 non-voting common shares became fully vested and exercisable for Subordinate Voting Shares, in accordance with their original terms (the "**Pre-Closing Capital Changes**"). Following the IPO Closing Date, the Company filed articles of amendment to remove all former classes of shares included in Boat Rocker's authorized share capital other than the Multiple Voting Shares, Subordinate Voting Shares and Preferred Shares. See "*Description of Share Capital*" for more information about Boat Rocker's current share capital.

Boat Rocker's head office and registered office is located at 310 King Street East, Toronto, Ontario, Canada.

Intercorporate Relationships

The following chart identifies Boat Rocker's material subsidiaries (including jurisdiction of formation, incorporation, amalgamation or continuance of the various entities, and the percentage of their voting securities which are beneficially owned, controlled or directed, directly or indirectly by Boat Rocker) as of December 31, 2020. Subsequent to December 31, 2020, Platform One Media LLC ("**Platform One Media**") changed its name to Boat Rocker Studios, Scripted, LLC.



THE BUSINESS OF THE COMPANY

COMPANY OVERVIEW

Boat Rocker is an independent, integrated global entertainment company that harnesses the power of creativity and commerce to tell stories and build iconic brands for audiences around the world.

The Company creates and produces television and film content across all major genres, distributes thousands of hours of content worldwide (both its own and a represented third-party library), and represents leading on-screen talent and celebrities. Boat Rocker leverages its IP to create global entertainment brands that transcend television, resulting in multiple points of audience engagement. Examples include *Being Erica*, *The Next Step*, *Danger Mouse* and *Orphan Black*, all of which are worldwide brands, generating significant recurring revenue for the Company. Over the course of its 17-year history, the Company has developed and assembled what management believes is a unique set of creative and commercial capabilities. These include creation and development, production, animation, distribution, franchise and brand management, and talent management. Boat Rocker continues to add to, improve, and expand its capabilities to ensure that it meets the needs of its partners, creators, and stakeholders in an ever-evolving entertainment landscape.

Management believes that Boat Rocker is differentiated as a result of how its creative and commercial capabilities are applied to shorten the distance between each of the three steps in the Company's value creation process: Source the IP, Assess the IP, and Monetize the IP.

The Company reports the financial results of its business in three segments: "**Television**" (including live action scripted and unscripted content production and owned IP distribution, but excluding kids and family content); "**Kids and Family**" (including kids and family live action scripted and unscripted content, all animated content, owned IP distribution, and brand and merchandising); and "**Representation**" (including brand and management services to talent and IP representation and distribution services to third-party IP owners).

HISTORY OF THE COMPANY

Established in 2003 by former entertainment lawyers Ivan Schneeberg and David Fortier, the Company began by developing and producing television series, including the teen comedy, *Darcy's Wild Life*, the Canadian format version of *America's Next Top Model* and *Billable Hours*, a half hour comedy parodying the lives of corporate lawyers. In its early years, the Company focused on building up production and development expertise, fostering key industry relationships and diversifying by creating television series across genres for a multitude of buyers.

In 2008, the Company produced its first real hit: the drama, *Being Erica*, which premiered in 2009 and aired for four seasons and was sold around the world. *Being Erica* continues to generate recurring revenue to this day, is still lauded by the press and a remake is currently in development. After acquiring distribution rights to *Being Erica*, BBC Worldwide completed a minority equity investment in the Company in late 2008, providing additional capital for investing in creative development and infrastructure.

In the subsequent years, the Company underwent a period of significant growth, building out its slate of productions, focusing on its core competencies in producing scripted, unscripted and kids and family television series and bolstering its core management team, which included hiring current Chief Executive Officer, John Young in 2009.

Acquisitions (2015-2020)

In 2015, the Company embarked on the build-out of a full-service content studio, with leading creative teams developing and producing shows, supported by a corporate infrastructure capable of marketing, branding and selling its content around the world. The Company re-purchased the minority equity interest held by BBC Worldwide and subsequently sold a majority equity interest in the Company to Fairfax. Equipped with fresh capital, Boat Rocker executed a carefully designed strategy to solidify and develop its existing business, establish a meaningful presence in new entertainment verticals, expand the Company's geographic footprint and further diversify its buyer base worldwide. As a critical part of this growth plan, the Company successfully targeted, acquired and, where wholly-owned, integrated, nine companies, and acquired minority interests in several others. These acquisitions expanded the Company's geographic footprint in the kids and family genre and the scripted and unscripted genres and provided entry points into the animated content and talent management space.

Television

To expand its presence in the unscripted genre in Canada, the Company acquired the key production and distribution assets of Proper Television Inc. and its distribution arm Proper Rights in September 2017 and acquired a 70% stake in veteran unscripted producer Insight Productions Ltd. ("**Insight Productions**") in May 2018, thereby becoming a leader in the Canadian reality series business with productions such as *The Amazing Race Canada*, *Big Brother Canada*, *Battle of the Blades*, *MasterChef Canada, Iron Chef Canada, Top Chef Canada* and *The Great Canadian Baking Show*. In October 2018, the Company expanded into the United States and acquired a leading unscripted producer, Matador Content LLC ("**Matador Content**"), which is based out of New York City and Los Angeles. Matador series and feature length documentaries include *Dear…*, *Lip Sync Battle*, *Go-Big Show* and the widely acclaimed *Billie Eilish: The World's a Little Blurry.*

In August 2019, in order to grow the Company's U.S. and international scripted businesses, Boat Rocker acquired Los Angeles-based, Platform One Media, a producer of premium scripted television series. In addition to having three major series currently in-production or greenlit, *Invasion*, *American Rust* and *Beacon 23*, Platform One Media has a deep slate of development projects, seeded by its first-look deals with talent such as Dakota Johnson and Lena Headey.

Kids and Family

In December 2015, Boat Rocker acquired a 30% minority interest in and entered into an exclusive development, first-look and co-production agreement with Industrial Brothers Canada Ltd. ("**Industrial Brothers**"). This partnership has resulted in some of Boat Rocker's most exciting kids and family series to date, including *Kingdom Force*, *Remy and Boo*, *Dino Ranch* and the upcoming *Daniel Spellbound.* The Industrial Brothers deal was followed quickly by the acquisition of the award-winning animated content producer, Radical Sheep Productions, in March 2016. In Summer 2016, Boat Rocker acquired Jam Filled Entertainment, a leading animation service provider, with a roster of shows including *The Loud House*, *The Casagrandes, Bubble Guppies* and *DC Super Hero Girls* and shortly thereafter acquired certain assets of Arc Productions Ltd., a 3D animation company which fell into receivership in August 2016.

In January 2018, Boat Rocker acquired FremantleMedia Ltd.'s kids and family business (the "**International Kids and Family Acquisition**") which added valuable owned-IP and in-production series, including the *Danger Mouse* franchise and the right to co-produce and distribute the teen series, *Get Even*, with Children's BBC (CBBC).

Representation

In February 2019, the Company acquired a 51% majority interest in one of Hollywood's leading talent management firms, Untitled Entertainment. Untitled Entertainment continues to be led by its founders out of New York City and Los Angeles. Additionally, the sales and brand management executives that joined Boat Rocker through the International Kids and Family Acquisition have meaningfully enhanced the Company's ability to represent third-party IP, including the shows in the Fremantle catalogue that the Company distributes to buyers around the world.

Initial Public Offering

On March 24, 2021, the Company closed its IPO of Subordinate Voting Shares. The Subordinate Voting Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "BRMI". Pursuant to the IPO, Fairfax purchased an additional 3,333,334 Subordinate Voting Shares at a price per share equal to $9.00.

Three-Year Business Development History

2018

On January 24, 2018, Boat Rocker announced the acquisition of Fremantle Media's Kids & Family Entertainment division, headquartered in London, UK with offices in New York and Hong Kong.

On May 18, 2018, Boat Rocker announced the acquisition of a 70% stake in Insight Productions.

On October 30, 2018, Boat Rocker acquired Matador Content.

On October 30, 2018, Boat Rocker entered into an amended and restated offer of financing (the "**Corporate Credit Facility**") with the Bank of Montreal ("**BMO**"). The Corporate Credit Facility is guaranteed by certain Canadian, U.S. and UK subsidiaries of the Company.

2019

On February 1, 2019 Boat Rocker purchased 51% of Untitled Entertainment.

On February 1, 2019, Boat Rocker and BMO entered into an amendment to the Corporate Credit Facility, which set certain required covenants for all existing demand loans. See the Company's annual audited financial statements for the years ended December 31, 2019, 2018 and 2017 for more information.

On March 22, 2019, Boat Rocker issued preferred shares in the capital of the Company (which were subsequently converted into Subordinate Voting Shares pursuant to the Pre-Closing Capital Changes) to Evolution Media BRM, L.P.

On August 30, 2019, Boat Rocker issued a secured subordinate convertible debenture (the "**2019 Debenture**") to Fairfax in the principal amount of US$15 million (which was subsequently amended on November 16, 2020 to extend the maturity date and provide for the automatic conversion of the debenture into shares of the Company).

On August 31, 2019, Boat Rocker acquired Platform One Media.

On December 31, 2019, Boat Rocker and BMO entered into an amendment to the Corporate Credit Facility which amended certain interest rates and waived the testing of all covenants for the period from October 1, 2019 to December 30, 2020.

2020

On January 1, 2020, the second earnout associated with the purchase and sale agreement for Platform One was determined to be met, and on this date, 418,739 Series D non-voting common shares with a value of $6.648 million were issued to the seller.

On January 1, 2020, certain shares of the Company were issued to certain sellers of Matador Content. These shares were subsequently converted into Subordinate Voting Shares in connection with the IPO. In connection with the closing of the IPO, an aggregate of 1,373,535 Subordinate Voting Shares were issued to other former owners of Matador Content and to certain other Matador Content employees.

On July 20, 2020, Boat Rocker entered into a financing agreement with BMO, which amended the Corporate Credit Facility (the "**July 2020 Amendment**"). The amendment introduced an additional demand loan facility of U.S.$10 million, or the Canadian dollar equivalent, on the funding date, repayable at 5% of the principal balance per quarter over ten quarters commencing September 30, 2020, with the residual 50% principal balance due on the earlier of an acceleration event, defined as the earlier of demand and an event of default including a change of control, and December 31, 2022. The new facility bore interest at the Canadian prime rate plus 3%. These funds were accessed with government support from the Export Development Bank of Canada, which guaranteed 75% of the loan. The July 2020 Amendment waives the testing of financial covenants for all borrowings under the Corporate Credit Facility, as amended, until June 2021. The July 2020 Amendment set a target EBTIDA for certain legal entities over which the lender had security for the last two quarters of 2020 and first two quarters of 2021. As the impact of COVID-19 continued through the fall of 2020, the lender agreed to waive the EBITDA targets entirely.

On November 16, 2020, Boat Rocker issued to Fairfax a second secured, subordinated convertible debenture for up to $75 million, bearing an interest rate of 8% per annum (the "**2020 Debenture**"). Boat Rocker drew down an initial $25 million under the 2020 Debenture.

In December 2020, Boat Rocker announced the realignment of Boat Rocker Media with Boat Rocker Studios and certain other appointments. At the time the Company re-branded Platform One as Boat Rocker Studios, Scripted and folded into the division Temple Street Productions. The Company appointed Ivan Schneeberg and David Fortier, Boat Rocker Media Co-Executive Chairmen, as Co-Chairmen of Boat Rocker Studios; and Michel Pratte, Boat Rocker Media President, as General Manager, Boat Rocker Studios, overseeing the day-to-day operations of the studio. Additionally, Katie O'Connell Marsh, formerly Platform One Media's Chairman & CEO, was announced as Vice-Chair of Boat Rocker Studios, Steve Lescroart was elevated to President, Boat Rocker Studios, Scripted, Jay Peterson was appointed President, Boat Rocker Studios, Unscripted, Jon Rutherford was elevated to the role of President, Boat Rocker Studios, Kids and Family (while maintaining his title of President, Boat Rocker Studios, Rights), Andrew Spergel was appointed to the role of Chief Investment Officer and Cindy Brown was appointed to the role of Executive Vice-President, Human Resources.

Recent Developments

On January 1, 2021, the 2019 Debenture was converted into 2,130,309 non-voting common shares, which were subsequently converted into Subordinate Voting Shares pursuant to the Pre-Closing Capital Changes.

On January 1, 2021, Boat Rocker satisfied certain related party receivables outstanding in the amount of $8.4 million by returning paid-up capital to certain Shareholders.

On February 1, 2021, Boat Rocker drew down an additional $15 million on the 2020 Debenture.

On March 19, 2021, Boat Rocker filed a final prospectus in connection with its IPO.

On March 24, 2021, immediately prior to the Closing of the IPO, the Pre-Closing Capital Changes were implemented.

On March 24, 2021, Boat Rocker announced the closing of the IPO of 18,900,000 Subordinate Voting Shares at a price of $9.00 per Subordinate Voting Share for total gross proceeds of $170.1 million. The Subordinate Voting Shares are listed on the TSX under the symbol "BRMI".

On March 24, 2021, Boat Rocker issued 3,984,936 Subordinate Voting Shares to Fairfax in connection with the conversion of and pursuant to the terms of the 2020 Debenture.

On March 24, 2021, Boat Rocker repaid all of its term debt under the Corporate Credit Facility.

CREATIVE AND COMMERCIAL CAPABILITIES

Over the past 17 years, Boat Rocker has assembled a set of creative and commercial capabilities that management believes enables it to shorten the distance between each of the three steps in the Company's value creation process: Source the IP, Assess the IP and Monetize the IP. The Company has added to, improved and expanded this capability set over time, through both organic growth and acquisitions, and it continues to do so by allocating its resources accordingly. Boat Rocker's current set of creative and commercial capabilities includes:

Creation and Development

Boat Rocker, independently and in partnership with award-winning creators, writers, producers and global buyers, creates and develops the underlying creative materials, based on existing and original IP, necessary to produce premium video content across all major genres. The Company's development process is designed to determine the best route to monetization and seeks to ensure complete exploration of the commercial and creative potential of a project. The Company, through its partnership with Industrial Brothers, has provided the development funding and support to allow Industrial Brothers to produce sizzle reels for four concepts, *Kingdom Force*, *Remy and Boo*, *Dino Ranch* and *Daniel Spellbound*, all of which were used to successfully pitch and sell those projects to greenlight.

Production

Boat Rocker produces live action content across all major genres in countries around the world. Boat Rocker has produced over 300 series to date. Examples of Boat Rocker-produced content include hit series such as *Orphan Black*, *Lip Sync Battle*, *The Next Step*, *The Amazing Race Canada*, *Big Brother Canada*, *MasterChef Canada*, *Top Chef Canada* and *The Great Canadian Baking Show*. Boat Rocker's production expertise and capabilities span development to delivery, covering every step of production required to physically produce content and deliver such content to a buyer for viewing by consumers. Boat Rocker's full suite of live-action production and animation capabilities (see below) is designed to ensure that the Company has an opportunity to earn production fees on projects it produces, regardless of the Company's IP ownership position in any such project.

Animation

Management believes that Boat Rocker has one of North America's largest independent 2D and 3D computer graphic animation studios focused on production of television series. Located in Ottawa and Toronto, Ontario, and Halifax, Nova Scotia, Boat Rocker's animation studios have infrastructure capacity for nine concurrent animation productions and the ability to scale. The animation studio has produced over 20 different series for many of the world's top-tier animation buyers and production companies, including Netflix, Nickelodeon (owned by ViacomCBS), Universal Kids (owned by NBCUniversal) and Disney. Boat Rocker's animation expertise and capabilities span development to delivery; its creative and technical teams can develop, produce and package animation productions for the screen, or be engaged by third-party IP owners, buyers and other customers for one or more parts of the production lifecycle. Examples of content produced by Boat Rocker's animation studio include *Dino Ranch* and *Kingdom Force* (both in partnership with Industrial Brothers) and third-party animation productions including *Thomas and Friends*, *Bubble Guppies*, *The Loud House*, *DC Super Hero Girls*, and *Rusty Rivets*.

Distribution

Boat Rocker distributes and sells both its own content and carefully selected third-party content to buyers around the world, including to Netflix, Disney, ViacomCBS, BBC, Bell Media, ProSieben, Vivendi, Corus Entertainment and CBC. The content Boat Rocker distributes varies from time to time. The Company's current distribution library spans all major genres; while currently a minority of the library is comprised of premium scripted content, the Company intends to manage the distribution rights with respect to several of its premium dramas that are in development or have been greenlit. The Company's deeply experienced distribution team has an international presence, with offices in Canada, the U.S., U.K., and Hong Kong. The Company's distribution capabilities have been assembled to be relevant for the current sales market, where larger buyers are increasingly buying rights concurrently for multiple geographic jurisdictions, thereby reducing the number of remaining territories available for sale.

Franchise and Brand Management

The franchise and brand management team is responsible for developing, building and monetizing the Company's key franchises and brands. The team assesses the Company's development slates in all genres and identifies IP with franchise and brand potential. By engaging at the earliest stages, the franchise and brand management team seeks to ensure that the IP is developed to ultimately transcend television and offer consumers multiple points of engagement. Once a franchise or brand is established, the team is responsible for managing and maximizing monetization opportunities.

Talent Management

Boat Rocker owns a majority interest in one of Hollywood's leading talent management companies, Untitled Entertainment, whose managers represent many A-list stars and personalities. Boat Rocker works closely with the managers at Untitled Entertainment to identify opportunities to attach clients to Boat Rocker projects already in development or by partnering with Untitled Entertainment's clients on their own creative ideas and endeavors.

COMPETITIVE STRENGTHS

Differentiated Creative and Commercial Capabilities Already Assembled

The Company believes that it has assembled a broader, deeper and more diversified set of creative and commercial capabilities than most of its competitors of similar size and scale. Moreover, the Company believes that its particular set of creative and commercial capabilities are distinct amongst independent media companies worldwide irrespective of size and scale. Boat Rocker further believes that its model of applying its commercial and creative capabilities to shorten the distance between the three steps in the Company's value creation process results in greater and more effective value creation potential for both the Company and its partners compared to its peers.

Independent Company of Scale Unaffiliated with Any Major Studio or Buyer

Boat Rocker is an integrated and diversified entertainment company of scale while also being independent from, and unaffiliated with, any major Hollywood studio or buyer. Boat Rocker's independence affords the Company flexibility and optionality in how it sources and produces IP and, importantly, how it monetizes IP and manages risk.

The Company's scale allows Boat Rocker to invest in its own IP as a studio, thereby providing an opportunity, when appropriate, to retain ownership rights and the potential for brand building and future recurring revenue. Boat Rocker also has the diversified capabilities needed to assess and monetize those rights. Moreover, the Company has sufficient scale and expertise to fulfill all of its obligations as a studio and partner on projects.

Diversified Business Model

Boat Rocker is a diversified entertainment company in four distinct ways:

- **Across Genres:** Boat Rocker sources, creates and distributes content across all major genres, including scripted, unscripted and kids and family, both live action and animated.
- **Across Business Units:** Boat Rocker has business units (such as its animation studio and Untitled Entertainment) that generate regular and predictable revenue in lower risk sectors while still delivering significant margins. The Company also has business units that make investments in programming in order to secure or retain ownership rights and larger potential revenues (e.g., the Company's scripted division's planned investment in *Beacon 23*, and the kids and family division's investment in shows like *Dino Ranch*).
- **How it Generates Revenues From IP:** As described above, the Company assesses how to best allocate its resources to the IP it sources and produces so as to maximize potential revenue while minimizing risk. This allows the Company to take project-specific capital risk and pursue rights retention on select projects and to take a service fee without any project-specific capital risk on others.
- **Across Buyers:** Boat Rocker is platform agnostic and sells its video content to a global set of programming buyers, consisting of both linear channels and OTT platforms. In its process of assessing the IP, Boat Rocker is able to consider multiple potential buyers for its video content to ensure the optimal partner for the new project. Boat Rocker has capitalized on the significant growth in buyers, cultivating relationships with new buyers and, as a result, no one buyer contributed more than 10% of consolidated revenue in 2019. The Company intends to continue to manage buyer concentration in the future although buyer concentration may be higher in certain periods if the Company is delivering one or more big-budget programs to a given buyer.

Well-Positioned to Benefit from Industry Tailwinds with No Legacy Businesses

Boat Rocker engages in a variety of entertainment businesses in the global consumer video content market, with a focus on creating, producing, and monetizing on-screen content and IP. The consumption of media continues to grow each year, driven by advances in consumer technology and internet-connected devices. Specifically, the significant increase in consuming video content has been largely driven by the proliferation of OTT platforms. In order to compete with traditional entertainment companies' linear channels and proprietary OTT platforms (such as Disney+, Peacock, HBO Max, STARZ and Paramount+), standalone OTT platforms (such as Netflix, Amazon Prime Video and Apple TV+) have continued to invest substantially in original programming to differentiate their offerings, which is viewed as paramount in establishing a competitive moat. As such, five of the leading OTT platforms have increased their combined total content programming spend allocated to original programming from 6% in 2014 to approximately 25% in 2019, forecasted to further increase to approximately 37% by 2023.[1]

Management believes Boat Rocker is well-positioned to benefit from these trends given its diversified business model across genres, business units, buyers, and IP exploitation. The Company has strong relationships with the largest buyers of video content, and produces and exploits in-demand, high quality programming for audiences around the world. Boat Rocker does not operate any legacy entertainment businesses undergoing significant disruption (e.g. theatrical film exhibition, linear television channels or print media). This has enabled the Company to build and evolve, in a forward-looking manner, a business that is strategically positioned to succeed in the continuously evolving entertainment landscape.

Significant Acquisition and Investment Expertise

Boat Rocker has a proven track record of targeting, assessing, acquiring and integrating companies and assets across a wide range of corporate transactions, which has enabled the Company to enhance its capabilities in all three reporting segments and expand into new businesses. Since 2015, Boat Rocker has successfully completed and integrated nine acquisitions including Jam Filled Entertainment, Matador Content, Platform One Media, and Untitled Entertainment, and acquired minority interests in several other companies, including Industrial Brothers. Such acquisitions and investments have enhanced the Company's creative and commercial capabilities across all three of its reporting segments.

Experienced and Aligned Management Team

Since its inception in 2003, Boat Rocker has built an entrepreneurial culture that equally values creativity and commercial success. Founders, Co-Executive Chairmen, and Co-Chairmen of Boat Rocker Studios, David Fortier and Ivan Schneeberg bring experience as entertainment lawyers and as creative television producers, and the Company's Chief Executive Officer, John Young, brings operational expertise, with previous experience as a lawyer and private equity Managing Director. Most of the senior management team have worked continuously together for over a decade. Michelle Abbott, Chief Financial Officer, has both media and technology industry experience and has previously worked at a public company listed on the TSX.

Boat Rocker also benefits from a strategically aligned management team. The three most senior executives at Boat Rocker, Co-Founders and Co-Executive Chairmen, David Fortier and Ivan Schneeberg, and Chief Executive Officer, John Young, collectively own or control approximately 18.0% of the Company's Shares after giving effect to the IPO (assuming no exercise of the over-allotment option granted by the Company to the underwriters of the IPO (the "**Over-Allotment Option**")). Furthermore, David Fortier, Ivan Schneeberg and John Young have worked together for over a decade building the Company into the business that it is today and will remain in their roles going forward. Management believes that this

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[1] Kagan, a media research group within S&P Global Market Intelligence. Represents the aggregate estimated amortized programming costs for original programming and acquired programming, for Netflix (Kagan estimates as of September 2020), Amazon Prime Video (Kagan estimates as of July 2020), Apple TV+ (estimates as of January 2020), Disney+ (estimates as of November 2019) and Hulu (estimates as of May 2020).

combination of economic alignment with public shareholders and executive leadership continuity further differentiates Boat Rocker from its peers.

Strong Financial Profile Enhanced by Strategic Long-Term Shareholder

Boat Rocker has consistently proven its ability to add scale and drive long term shareholder value with increased revenue and profitability over time. In the five-year period from 2014 to 2019, the Company grew revenue at a 55% compounded annual growth rate ("**CAGR**") and Adjusted EBITDA at a 73% CAGR driven by secular industry tailwinds, strategic acquisitions and organic growth. In 2019, the Company generated revenue of $244 million, a net loss of $19.5 million, and Adjusted EBITDA of $32.5 million. The Adjusted EBITDA Margin in 2019 was 13%. See "*Non-IFRS Measures*"

Fairfax has been an investor in and majority shareholder of Boat Rocker since 2015. Fairfax is a leading Canadian institutional investor with an outstanding track record of partnering with successful entrepreneurs in a variety of business lines. Since Fairfax became an investor in the Company, Boat Rocker has benefited from its strategic support, mergers and acquisitions and capital markets expertise and planning support, which has helped the Company take advantage of the ongoing transition in the entertainment industry.

GROWTH STRATEGIES AND GOALS

Expanding Creative and Commercial Capabilities

Boat Rocker believes its integrated creative and commercial capabilities add value beyond the sum of their individual parts, empowering the Company to shorten the distance between each of the three steps in the Company's value creation process: Source the IP, Assess the IP and Monetize the IP.

Boat Rocker intends to continue to add to, improve, and expand its creative and commercial capabilities via acquisitions and organic growth by enhancing collaboration among its groups and seeking out strategic new hires where appropriate. Doing so is expected by management to strengthen Boat Rocker's competitive position in the market and propel the Company's revenues, and, whenever possible, the Company's recurring revenue profiles. Furthermore, Boat Rocker's efforts in this area are expected to enable continued access to differentiated new IP and additional avenues and capabilities to monetize IP. Boat Rocker expects to continue to add to and expand its capabilities through build (strategic hires), buy (acquisitions) and partnership (minority investments and venture capital) activities, in key sectors of interest. This may include, but is not limited to: branding and marketing, live events, local production (live action and animation) in high growth international markets, merchandising and licensing, podcast production and distribution, talent management expansion (e.g., literary, sports, music, behind-the-scenes talent), publishing and toys**.**

Capitalizing on Operating Leverage

As outlined in the "*History of the Company*", a number of Boat Rocker's key strategic capabilities have only recently been fully integrated into the Company's diversified business model. Specifically, the Company expanded its U.S. and international scripted series production via the acquisition of Platform One Media and entered into talent management via the acquisition of Untitled Entertainment, both of which occurred in 2019. The expansion into new markets and entrance into new verticals, which serve as key growth drivers, have positioned Boat Rocker to leverage its investments in personnel and infrastructure going forward, as their deployment was delayed due to COVID-19 restrictions. With live action production having largely resumed, management believes that the Company is well-positioned to take advantage of its fully integrated infrastructure and upfront investments to increase the number of series in-production, further monetize IP (including through investments in the Company's franchise and brand management capability), continue to partner with Untitled Entertainment's A-list clients, and, ultimately, expedite the growth of Boat Rocker's overall revenue and profitability. Management believes that, as currently constructed, the Company can produce more IP across all genres and generate new recurring revenue streams through the monetization of said IP without material increases in corporate overhead. Boat Rocker's operating leverage is at an inflection point, and management intends to capitalize on the available opportunities, thereby seeking to increase its Adjusted EBITDA margin in the process, see the Boat Rocker MD&A for further information on Boat Rocker's opportunities to capitalize on operating leverage.

Increasing Sources of IP

Boat Rocker intends to continue to add to, improve, and expand its sources of IP in order to gain access to a larger and richer volume of diverse ideas for projects that the Company can develop and then monetize. In order to effectively execute this strategy, Boat Rocker intends to seek opportunities to increase its sources of IP via:

- **Acquiring and Licensing**: With a strong track record of acquiring and licensing IP, Boat Rocker intends to pursue more and higher profile IP by purchasing IP libraries or brands, and acquiring or licensing well-known IP from third-party sources including books, articles, comics, stage plays, formats and original pitch concepts and speculative scripts.

- **Partnerships**: Boat Rocker intends to increase its IP sourcing from partnerships with content creators, talent and third-party brands across a variety of structures in order to source new ideas and develop content.

- **In-House Origination**: Boat Rocker intends to increase its in-house IP origination efforts by continuing to attract and retain top tier creative executive talent as well as expanding into new areas such as comic book publishing and podcasting where Boat Rocker can work with creators to finance, develop and monetize their work.

Building and Monetizing Global Entertainment Brands

Boat Rocker understands that compelling storytelling and leading talent are both essential to creating global entertainment brands that transcend television. The Company has invested in and built a team of experts, who have developed, produced, and monetized global brand franchises, including the Company's *Orphan Black*, *The Next Step*, *Love Monster* and *Danger Mouse*, as well as other companies' brands (in prior executive roles) including *SpongeBob SquarePants* and *Thomas and Friends*. Boat Rocker is well positioned to continue to seek to optimize value across the IP monetization spectrum (e.g., television, gaming, publishing, toys) for both current and new projects and will continue to apply a holistic brand portfolio approach to improve the outcomes for its prospective global entertainment brands.

Boat Rocker intends to continue fostering stronger, more direct relationships with audiences and consumers. Specific examples of this initiative could include:

- Leveraging social media and AVOD platforms to enhance audience reach and engagement;
- Deepening relationships with linear channels and OTT platforms in a broad range of markets; and
- Developing and enhancing strategic partnerships in key non-television monetization channels (e.g., live events, podcasts, and toys).

The Company will also aim to maximize monetization by selectively investing capital to retain rights in IP with high potential to earn recurring revenues, while offering an attractive risk reward profile.

Pursuing Strategic Acquisitions and Investments

Since 2015, Boat Rocker has successfully completed and integrated (where wholly-owned) nine acquisitions, including Jam Filled Entertainment, Matador Content, Platform One Media, and Untitled Entertainment, and acquired minority interests in several other companies, including Industrial Brothers. In doing so, Boat Rocker has established strong merger and acquisition expertise and is well placed to use its resources to enhance its competitive position through acquisitions within its Television, Kids and Family, and Representation segments. Additionally, Boat Rocker intends to utilize its ventures arm (Boat Rocker Ventures) to work with leading companies at the intersection of media, technology and consumer retail through joint ventures, minority investments and strategic partnerships. Finally, Boat Rocker intends to focus its strategic investment and acquisition efforts on expanding the Company's geographic footprint to capitalize on the global growth of content spend. Management believes that as a result of the temporary market disruption brought about by the COVID-19 global pandemic, attractive acquisition opportunities are likely to emerge.

Interim Production Financing

In respect of the Company's business of producing video content as a studio (as opposed to producing content on a "work for hire" or "services" basis), the Company funds the costs of its video content from third-party cash sources which, in the case of license fees and third-party distribution advances, are contracted prior to starting production, and, in the case of film and television tax credits, are estimated based on established tax laws, regulations and guidelines. In respect of any one program, the license fee(s) from the buyer(s) plus the film and television tax credits from federal, provincial, and/or state government agencies and any other sources of third-party financing (such as third-party distribution advances or other government grants) generally equal the expenses of the production budget for the particular program. However, the license fees (and, if applicable, third-party distribution advances) are paid on a negotiated schedule with the buyer that does not necessarily align with the cashflow requirements of the production budget. The tax credits are determined based on the labour (and in some cases, other costs) incurred to produce the content and are generally not earned until the costs have been incurred and are not collectable until many months thereafter. Specifically, video content that is financed with interim production financing may be produced over a period as short as six weeks (for a live event program) or as long as twenty-four months (for an animated series), with cash needed to fund costs throughout that period; license fees are generally payable on a schedule negotiated with the buyer where portions are paid on the commencement of pre-production, the commencement of principal photography, the completion of principal photography, and when certain post-production and delivery milestones are met. Canadian film and video production tax credits in respect of video content that is financed with interim production financing is typically received by the Company six to 18 months after delivery of the video content to the buyer (or six to 18 months after the end of the production company's fiscal year, in respect of certain of the Canadian tax credits). As a result of the mis-match in timing between the cash needs of a production and the receipt of those receivables which are intended to cover the production budget, the Company enters into interim production financing arrangements with lenders to borrow the necessary funds to seek to ensure that they are available when the cash is needed to fund the cost of producing the video content. The lender takes security over the receivables (license fees, third-party distribution advances (if any), film and television tax credits, and any other government subsidies or grants) so that those receivables are either directed to be paid to the lender to pay down the interim production financing facility, or received by the Company and deposited into the production-related bank account to repay the interim production financing. For most productions, the production budget includes the estimated interest expense on interim production financing, so that collectively the financiers of the video content are funding the cost of the interim production financing used in the production. Where the production budget does not include the interest expense, the Company generally covers the interest expense from the fees it charges to produce the video content.

Buyers

As an independent content creator, Boat Rocker is platform agnostic and sells its video content to a global set of programming buyers, consisting of both traditional entertainment players (e.g., ViacomCBS, Disney, Corus Entertainment, Bell Media, NBCUniversal, BBC, Discovery) and newer OTT platform market entrants (e.g., Netflix, Amazon Prime Video, Apple TV+). The proliferation of buyers presents an increased opportunity to find the optimal buyer for content, often resulting in competitive bidding. Boat Rocker has capitalized on the significant growth in buyers, cultivating relationships with new buyers and, as a result, has recently sold or licensed projects to new platforms including newer OTT platform market entrants such as Peacock, Apple TV+ and CBS All Access.

Competition

Boat Rocker operates in a highly competitive, high growth industry. Annual content programming spend continues to grow and Boat Rocker competes with numerous domestic and international entertainment and content companies to gain share of the growing sums spent on content by buyers. Boat Rocker's competitors for content sales include large, often vertically-integrated television production and distribution studios, mid-sized independent television studios, and small-scale, niche, domestic-only content producers.

While certain competitors within the competitive landscape share subsets of Boat Rocker's creative and commercial capabilities, many of the Company's smaller competitors do not have sufficient scale or diversity of operations to mitigate the inherent risk of a hit-driven business. In contrast, the larger, integrated television production and distribution studios that have substantial resources are often distracted by the management of other businesses undergoing significant disruption such as theatrical film distribution or linear channels. Furthermore, unlike these larger competitors which often own and operate television channels and SVOD services, Boat Rocker is unaffiliated with any individual content buyer. This allows the Company to retain control and flexibility when determining where to sell its IP (enabling the Company to sell each project to the optimal buyer, often in competitive situations).

Boat Rocker also competes with other entertainment and content companies for IP created by third parties, as well as for the services of performing artists, directors, writers and other creative and technical personnel required for a production.

The Company believes that it can successfully compete with its peers given its independence from any individual content buyer, its deep industry relationships and its differentiated creative and commercial capabilities.

Employees

Boat Rocker currently has over 850 employees in Toronto, Ottawa, Halifax, New York, Los Angeles, London and Hong Kong. Of these employees, over 600 employees work in its animation division, with the balance working in Boat Rocker's other divisions and across its corporate and executive team. Boat Rocker believes that it has strong relationships with its highly skilled and diverse workforce and is an employer of choice in the industry.

Diversity

Boat Rocker recognizes the importance and benefit of having a Board and executive and senior management comprised of highly talented and experienced individuals (i) who reflect the diversity of the Company's stakeholders, including its buyers, the viewers of its programming and employees and the changing demographics of the communities in which the Company operates; and (ii) having regard to the need to foster and promote diversity among Board members and executive and senior management with respect to, but not limited to, gender and sexual identities, indigenous identity, ethno-racial identity, place of origin, age and ability. The Board expects to adopt a written diversity policy consistent with the above.

Facilities

All of Boat Rocker's offices are rented. The Company's principal executive and administrative offices are located at 310 King Street East, Toronto, Ontario, Canada, M5A 1K6, and are comprised of 43,000 square feet of space under a lease that expires in November 2028. The Company also leases additional space in Toronto (in one case, on market terms from a company which is partly owned by the Principal Shareholders), Ottawa, Ontario and Halifax, Nova Scotia in Canada, New York City and Los Angeles in the United States, London, England and Hong Kong.

DESCRIPTION OF SHARE CAPITAL

The following description of Boat Rocker's share capital summarizes certain provisions contained in Boat Rocker's articles ("**Articles**"). These summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of the Articles.

Authorized Share Capital

The Company's authorized share capital consists of: (i) an unlimited number of Multiple Voting Shares; (ii) an unlimited number of Subordinate Voting Shares; and (iii) an unlimited number of Preferred Shares, issuable in series. As of the date of this Annual Information Form, there were 23,553,050 Multiple Voting

Shares issued and outstanding, 32,615,365 Subordinate Voting Shares issued and outstanding and no Preferred Shares issued and outstanding.

Shares

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.

Multiple Voting Shares and Subordinate Voting Shares

<u>Dividend Rights</u>

All Shares shall rank equally with the other Shares as to dividends on a share-for-share basis, without preference or distinction, except that, subject to applicable regulatory and stock exchange approvals, stock dividends or distributions may be declared by the Board that are payable in Multiple Voting Shares on the Multiple Voting Shares, and in Subordinate Voting Shares on the Subordinate Voting Shares, provided an equal number of shares is declared as a dividend or distribution on a per-share basis in each case. See "*Dividend Policy*".

<u>Voting Rights</u>

The holders of Multiple Voting Shares will be entitled to up to 10 votes per Multiple Voting Share, and the holders of Subordinate Voting Shares will be entitled to one vote per Subordinate Voting Share. Holders of Multiple Voting Shares and Subordinate Voting Shares will be entitled to receive notice of any meeting of shareholders of the Company (the "**Shareholders**") and may attend and vote at such meetings, except those meetings where only the holders of shares of another class or of a particular series are entitled to vote.

The number of votes to which a holder of a Multiple Voting Share is entitled will be determined as follows:

(a) If the holder is a Canadian Person, the holder of the Multiple Voting Share in question will be entitled to 10 votes in respect of such Multiple Voting Share; and

(b) If the holder is a Non-Canadian Person, the holder of the Multiple Voting Share in question will be entitled to a variable number of votes, not less than one and not exceeding 10 (and which may be a fraction), in respect of such Multiple Voting Share.

The variable number of votes will be determined on the following basis: all holders of Multiple Voting Shares who are Non-Canadian Persons 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. In so determining, all holders of Subordinate Voting Shares (other than persons who are also holders of Multiple Voting Shares that are Canadian Persons) shall be assumed to be Non-Canadian Persons. The variable number of votes shall automatically increase (but not to exceed 10) or decrease from time to time where applicable based on the above test. In the event that, and while the variable number of votes per Multiple Voting Share are reduced below 10, the Company will include disclosure to this effect in those public filings where a description of the material characteristics of the Company's outstanding securities is provided.

Subject to the *Business Corporations Act* (Ontario), at the request of the Company, registered and beneficial Shareholders and actual or proposed transferees will be required to respond to enquiries regarding their status as Canadian Persons or Non-Canadian Persons, and shall be required to provide declarations as to their status as a Canadian Person, failing which they would, in the Company's discretion, be deemed to be Non-Canadian Persons. Where a person has been required to furnish a declaration, the Articles of the Company will also permit the directors of the Company to refuse to register a transfer of a Share in such person's name or to issue a Share to such person until that person has furnished the declaration.

Under the Articles, where Shares are held, beneficially owned or controlled jointly by (a) one or more Canadian Persons and (b) one or more Non-Canadian Persons, such Shares shall be deemed to be held, beneficially owned or controlled by a Non-Canadian Person.

A person acting solely in the capacity of an intermediary in connection with either the payment of funds and/or the delivery of securities and that provides centralized facilities for the deposit, clearing or settlement of trades in securities (including CDS or any successor or assign), without general discretionary authority over the voting or disposition of such securities will not, for the purposes of the Articles, be considered to be a holder, beneficial owner, or controller of any Shares.

Offer to Purchase

The Company may not make an offer to purchase any outstanding Multiple Voting Shares unless at the same time it makes an offer to purchase, on the same terms, an equivalent proportion of the outstanding Subordinate Voting Shares.

Redemption

No class of Shares is redeemable at the option of either the Company or the holder of any such Shares.

Automatic Conversion of Multiple Voting Shares

Multiple Voting Shares will be automatically converted into Subordinate Voting Shares upon the earliest of any of the following events:

(a) for any particular holder's Multiple Voting Shares, if such holder's (together with such holder's permitted transferees) beneficial ownership in the aggregate declines below 1/3 of the Multiple Voting Shares that such holder beneficially owned as at the IPO Closing Date (after any exercise of the Over-Allotment Option), provided that, for greater certainty, any Multiple Voting Shares which are being transferred to the Principal Shareholders (as defined below) in accordance with the Principal Shareholders Agreement (as defined below) shall not be subject to such automatic conversion, and provided further that the foregoing shall not apply to any member of IDJ in the event that IDJ still hold in aggregate at least 1/3 of the Multiple Voting Shares that they held in aggregate as of the IPO Closing Date;

(b) for Fairfax, if a controlled subsidiary of Fairfax that holds Multiple Voting Shares ceases to be a controlled subsidiary of Fairfax such that the Multiple Voting Shares are no longer beneficially owned by Fairfax, provided that, for greater certainty, any Multiple Voting Shares which are being transferred to IDJ in accordance with the Principal Shareholders Agreement shall not be subject to such automatic conversion, and further provided that the Multiple Voting Shares that remain beneficially owned by Fairfax shall not be automatically converted and only those Multiple Voting Shares that are no longer beneficially owned by Fairfax shall automatically convert;

(c) for a member of IDJ, if such holder was a controlled subsidiary or family trust of any member of IDJ but ceases to be a controlled subsidiary or family trust of such member of IDJ, provided that for greater certainty any Multiple Voting Shares which are being transferred to other members of IDJ or to Fairfax in accordance with the Principal Shareholders Agreement shall not be subject to such automatic conversion; and

(d) for the applicable holder of Multiple Voting Shares, if any person other than Fairfax or IDJ becomes the beneficial owner (directly or indirectly, but without regard to the beneficial ownership of Fairfax or its successors for so long as it is a publicly-traded company) of such Multiple Voting Shares.

Redemption and Conversion Rights

Holders of Subordinate Voting Shares will have no redemption or conversion rights. Multiple Voting Shares, however, are convertible at any time at the option of the holder into fully-paid, non-assessable Subordinate Voting Shares.

Liquidation Rights

Upon the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of Multiple Voting Shares and Subordinate Voting Shares without preference or distinction, will be entitled to participate ratably (on a per share basis) in the remaining property of the Company, subject to the prior rights of the holders of any other prior ranking shares that may be outstanding at such time.

Subdivision and Consolidation

No subdivision or consolidation of the Multiple Voting Shares or Subordinate Voting Shares shall occur unless, simultaneously, the other classes of Shares are subdivided or consolidated or otherwise adjusted so as to maintain and preserve the relative rights of the holders of Shares of each of the said classes.

Preferred Shares

The Preferred Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of Preferred Shares as may, before the issue thereof, be determined by resolution of the Board. Subject to the provisions of the Corporations Act, the Board may, by resolution, fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to the Preferred Shares of each series including, without limitation, any right to receive dividends (which may be cumulative or non-cumulative and variable or fixed) or the means of determining such dividends, the dates of payment thereof, any terms or conditions of redemption or purchase, any conversion rights, any retraction rights, any rights on the liquidation, dissolution or winding up of the Company, any voting rights and any other provisions, the whole to be subject to the filing of articles of amendment setting forth the designation, rights, privileges, restrictions and conditions attaching to the Preferred Shares of the series. Except as required by law or in any series provisions, the Preferred Shares will not be entitled to receive notice of, attend or vote at any meeting of the Shareholders.

Preferred Shares of each series, if and when issued, will generally, with respect to the payment of dividends, rank on a parity with the Preferred Shares of every other series and will be entitled to preferred over the Multiple Voting Shares, the Subordinate Voting Shares and any other shares of the Company ranking junior to the Preferred Shares with respect to payment of dividends.

In the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of Preferred Shares will be entitled to receive, before any distribution of any part of the assets of the Company among the holders of the Multiple Voting Shares, the Subordinate Voting Shares and any other shares of the Company ranking junior to the Preferred Shares, for each Preferred Share, an amount equal to the redemption price of such share and any dividends declared (or accrued in the case of cumulative dividends) thereon and unpaid (if applicable) and no more.

Quorum at Meetings of Shareholders

A quorum for the transaction of business at a meeting of Shareholders shall be a number of Shareholders representing, collectively, a voting interest of at least 40% of the votes entitled to be cast at a meeting of Shareholders while the Multiple Voting Shares represent at least 33⅓% of the votes entitled to be cast at a meeting of Shareholders, and thereafter shall consist of 25% of the votes entitled to be cast at a meeting of Shareholders.

Advance Notice Provisions

The Company has included certain advance notice provisions with respect to the election of directors in its by-laws (the “**Advance Notice Provisions**”). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings; (ii) ensure that all Shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote. Only persons who are nominated by Shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of Shareholders.

Under the Advance Notice Provisions, a Shareholder wishing to nominate a director would be required to provide the Company with notice, in the prescribed form, within the prescribed time periods. These time periods include: (i) in the case of an annual meeting of Shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of Shareholders; provided, that if the first public announcement of the date (the “**Notice Date**”) of the annual meeting of Shareholders is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of Shareholders called for any purpose which includes electing directors, not later than the close of business on the 15th day following the day that is the earlier of the date that a notice of meeting is filed for such meeting and the date on which the first public announcement of the date of the special meeting of Shareholders was made.

Forum Selection

Boat Rocker has included a forum selection provision in its by-laws that provides that, unless the Company consent in writing to the selection of an alternative forum, the Supreme Court of Justice of the Province of Ontario, Canada and appellate courts therefrom, will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of the Company; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of the Company's directors, officers, or other employees to the Company; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the Corporations Act or the Articles or by-laws; or (iv) any action or proceeding asserting a claim otherwise related to the Company's "affairs" (as such term is defined in the Corporations Act). The forum selection provision also provides that the Company's securityholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the Company's by-laws.

MARKET FOR SECURITIES

As at December 31, 2020 the Subordinate Voting Shares were not listed for trading on any marketplace. Commencing on March 24, 2021, they began trading on the TSX.

PRIOR SALES

In connection with the Pre-Closing Capital Changes, Multiple Voting Shares were issued to the Principal Shareholders in exchange for previously issued common shares of the Company.

DIVIDEND POLICY

The Company has not declared or paid any cash dividends on the Company's securities since the IPO. Holders of Multiple Voting Shares and Subordinate Voting Shares will be entitled to receive dividends out of the assets of the Company legally available for the payment of dividends at such times and in such amount and form as the Board may determine. The Company will pay dividends thereon on a *pari passu* basis, if, as and when declared by the Board.

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. Any determination to pay dividends in the future will be at the discretion of the Board and will depend on many factors, including among others, the Company's financial condition, current and anticipated cash requirements, contractual restrictions and financing agreement covenants, solvency tests imposed by applicable corporate law and other factors the Board may determine to be relevant.

DIRECTORS AND OFFICERS

The names and jurisdiction of residence of the directors and executive officers of the Company, their respective positions and offices held with the Company and their principal occupation for the last five or more years are shown below as at the date hereof. Directors are elected to serve until the next annual meeting or until their successors are elected or appointed, unless their office is earlier vacated.

Name	Province or State and Country of Residence	Position	Office Held Since[1]	Principal Occupation During the Previous Five Years
David Fortier[2]	Ontario, Canada	Co-Executive Chairman, Boat Rocker, Co-Chairman, Boat Rocker Studios, and Director	2003	Co-Executive Chairman, Boat Rocker Media (2015 to present) Co-Executive Chairman, Boat Rocker Studios (2020 to present)
Ivan Schneeberg[3]	Ontario, Canada	Co-Executive Chairman, Boat Rocker, Co-Chairman, Boat Rocker Studios, and Director	2003	Co-Executive Chairman, Boat Rocker Media (2015 to present) Co-Executive Chairman, Boat Rocker Studios (2020 to present)
John Young	Ontario, Canada	Chief Executive Officer and Director	2009	Chief Executive Officer, Boat Rocker Media (2015 to present)
Quinn McLean	Ontario, Canada	Director	December 2, 2020	Vice President, Hamblin Watsa Investment Counsel (2011 to present)
Sangeeta Desai[2][3][4]	Founex, Switzerland	Director (independent)	February 1, 2021	Non-executive Director, Ocean Outdoor Ltd. (2017 to present) Non-executive Director, Panther Media Group (2020 to present) Chairman, Mopar Media Group (2020 to present) Non-executive Director, Aurora Acquisition Corp. (2021 – present) Non-executive Director, DNEG Ltd. (2019 to 2020) Group Chief Operating Officer, Chief Executive Officer of Emerging Markets, Chief Financial Officer, Fremantle Media (2013 to 2018)
Katherine Cunningham[2][3][4]	Ontario, Canada	Director (independent)	March 24, 2021	Chief Financial Officer, The Globe and Mail (2020 to present) Senior Vice President Corporate Finance, Chief Financial Officer Canada, Chief Auditor, Sun Life Financial (2014 to 2019)
Michelle Abbott	Ontario, Canada	Chief Financial Officer	2016	Chief Financial Officer, Interim Chief Financial Officer, Senior Vice President Finance, Boat Rocker Media (2016 to present) Contractor, Deloitte (August 2016 to September 2016)

Name	Province or State and Country of Residence	Position	Office Held Since(1)	Principal Occupation During the Previous Five Years
				Vice President Finance, Arc Productions Ltd. (April 2016 to August 2016)
Cindy Brown	Ontario, Canada	Executive Vice President, Human Resources	2017	Executive Vice President Human Resources, Boat Rocker Media (2017 to present) Director of Human Resources for Global Wealth Management, Director of Marketing for Canadian Mortgages, Scotiabank (2003 to 2017)
Michel Pratte	Ontario, Canada	President, Boat Rocker, and General Manager, Boat Rocker Studios	2008	President, Boat Rocker Media (2019 to present) General Manager, Boat Rocker Studios (2020 to present) Chief Revenue Officer, Boat Rocker Media (2016 to 2019) Senior Vice President, Boat Rocker Ventures (2015 to 2016)
Andrew Spergel	Ontario, Canada	Chief Investment Officer	2018	Chief Investment Officer, Boat Rocker Media (2020 to present) Executive Vice President, Ventures, Boat Rocker Media (2018 to 2020) Senior Vice President Corporate Development & Strategy, Vice President Strategic Initiatives, Entertainment One (2016 to 2018)
Samantha Traub	Ontario, Canada	Chief Corporate Officer and General Counsel	2007	Chief Corporate Officer and General Counsel, Boat Rocker Media (2019 to present) Chief Operating Officer, Boat Rocker Media (2016 to 2019) Senior Vice President, Business and Legal Affairs, Boat Rocker Media (2015 to 2016)

Notes:

(1) Includes years with Boat Rocker and its predecessors.
(2) Member of the Audit and Risk Committee.
(3) Member of the Compensation, Nominating and Corporate Governance Committee.
(4) Independent director for the purposes of National Instrument 58-101 – Disclosure of Corporate Governance Practices ("**NI 58-101**") of the Canadian Securities Administrators. Boat Rocker is relying on the exemption provided in section 3.2(2) of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), which provides the Company a period of up to one year from the date of the receipt for the final prospectus filed in connection with the IPO, to appoint a third independent director to the Audit and Risk Committee, who will replace David Fortier.

Ownership Interest

The Company’s directors and executive officers, as a group, beneficially own, or control or direct, directly or indirectly an aggregate of approximately 9,644,469 Multiple Voting Shares and 462,597 Subordinate Voting Shares, representing approximately 18.0% of the issued and outstanding Shares.

Cease Trade Orders

To the knowledge of the Company, no director or executive officer of the Company (nor any personal holding company of any of such individuals) is, as of the date of this Annual Information Form, or was within ten years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including the Company), that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an “**Order**”), that was issued while the individual was acting in the capacity as a director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the individual ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that individual was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

Other than as set out below, no director or executive officer of the Company, or to the best of its knowledge, a Shareholder holding a sufficient number of securities to affect materially the control of the Company (nor any personal holding company of any of such individuals): (i) is, as of the date of this Annual Information Form, or has been within the ten years before the date of this Annual Information Form, a director or executive officer of any company (including the Company) that, while that individual was acting in that capacity, or within a year of that individual ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

From April 2016 to August 2016, Michelle Abbott was Vice-President, Finance of Arc Productions Ltd., which was placed into receivership in August 2016. The Company acquired assets from Arc Productions Ltd. in that receivership process and Abbott was invited to join the Company at that time.

Penalties or Sanctions

None of the directors or executive officers of the Company, and to the best of its knowledge, no Shareholder holding a sufficient number of securities to affect materially the control of the Company (nor any personal holding company of any of such individuals), has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflicts of Interest

To the knowledge of the Company, there are currently no known material existing or potential conflicts of interest among the Company’s directors, officers or other members of management as a result of their outside business interests. Certain of the Company’s directors and officers serve as directors and officers of other public and private companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies from time to time.

See “Directors and Officers” and “Interest of Management and Others in Material Transactions”.

The Corporations Act requires, among other things, that the directors and executive officers of Boat Rocker act honestly and in good faith with a view to the best interest of Boat Rocker, to disclose any personal interest which they may have in any material contract or transaction which is proposed to be entered into with Boat Rocker and, in the case of directors, to abstain from attending any part of a meeting during which such material contract or transaction is discussed and from voting as a director for the approval of any such material contract or transaction. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the Corporations Act.

AUDIT AND RISK COMMITTEE

Composition of the Audit and Risk Committee

The Audit and Risk Committee consists of three directors, a majority of whom are persons determined by the Board to be independent within the meaning of NI 52-110, and each of whom is financially literate within the meaning of NI 52-110. The Audit and Risk Committee is currently comprised of Katherine Cunningham, who will act as chair of the Audit and Risk Committee, Sangeeta Desai and David Fortier. Each of Ms. Cunningham and Ms. Desai are independent and meet the criteria for financial literacy established by applicable laws, including NI 52-110.

Relevant Education and Experience of the Audit and Risk Committee Members

Katherine Cunningham

Katherine Cunningham is the Chief Financial Officer at The Globe and Mail Inc., Canada’s national newspaper, where she is responsible for strategy, corporate development and all aspects of financial management. Until 2019, she was a Senior Vice President at Sun Life Financial Inc., holding SVP Finance, Chief Financial Officer Canada, and Chief Auditor roles. Prior to joining Sun Life in 2014, Cunningham was an Audit Partner at KPMG Canada LLP in the Communications and Media and, later, Financial Services industries. She is a Chartered Professional Accountant (CPA, CA) and has a Bachelor of Commerce from Queen’s University.

Sangeeta Desai

Sangeeta Desai has held leadership roles in the international content production and distribution industry, and currently serves on a number of listed and private boards globally. She is the chair of the board of directors of Mopar Media Group AB and is a non-executive director of Panther Media Group Ltd., Aurora Acquisition Corp. and Ocean Outdoor Ltd. She is also chair of the audit committee of Ocean Outdoor Ltd. Until 2018, she was Group Chief Operating Officer and Chief Executive Officer of Emerging Markets at Fremantle, and prior to that, she was Chief Operating Officer of Hit Entertainment Ltd. Prior to joining HIT Entertainment Ltd., Desai was a Principal at Apax Partners LLP investing in the media industry globally, and she began her career as an investment banker at Goldman Sachs Group Inc. and JP Morgan Chase & Co. She holds a Bachelor of Science in Business Administration from the Haas School of Business at the University of California, Berkeley and a Masters in Business Administration from the Wharton School at the University of Pennsylvania.

David Fortier

David Fortier (along with Ivan Schneeberg) is the Co-Executive Chairman of the Company and Co-Chairman of Boat Rocker Studios. Fortier (together with Schneeberg) co-founded the Company in 2003 and is familiar with the internal controls of the Company and the accounting principles used by the Company to prepare its financial statements. Together the pair originated and executive-produced dozens of televisions series, including the critically acclaimed, international commercial successes, *Orphan Black*, *Being Erica*, and *The Next Step*. From there, Fortier and Schneeberg went on to oversee the growth and transformation of the Company into a global entertainment company.

Fortier and Schneeberg were finalists for the Ernst & Young Entrepreneur of the Year award (Ontario) in 2012 and are the proud recipient of numerous industry awards for their work as executive producers in television, including the prestigious Peabody Award, which the pair accepted for *Orphan Black*.

Prior to founding the Company, Fortier was a lawyer in the Entertainment Group at Goodmans LLP. Fortier holds a Bachelor of Arts from McGill University and a Juris Doctor from the University of Toronto.

Audit and Risk Committee Charter

The Board has adopted a written charter in the form set forth in Appendix A, setting forth the purpose, composition, authority and responsibility of the Audit and Risk Committee, consistent with NI 52-110. The Audit and Risk Committee assists the Board in fulfilling its oversight of:

- financial statements and financial reporting processes;
- the systems of internal accounting and financial controls;
- the annual independent audit of the financial statements;
- legal and regulatory compliance;
- reviewing the capital structure of the Company, reviewing and monitoring compliance with debt covenants and reviewing the process and reports with which the Company measures financial results or performance;
- public disclosure items such as quarterly press releases, financial-oriented investor relations materials and other public reporting requirements; and
- oversight of the Company's risk management activities generally.

The members of the Audit and Risk Committee have been appointed by the Board, and each member of the Audit and Risk Committee will serve at the request of the Board until the member resigns, is removed, or ceases to be a member of the Board.

Pre-Approval Policies and Procedures

All non-audit services to be provided by the Company's external auditor are required to be pre-approved by the Audit and Risk Committee. The Audit and Risk Committee may delegate authority to one or more independent members to grant pre-approvals of non-audit services, provided that any such pre-approvals will be presented to the full committee at its next scheduled meeting.

External Auditor Service Fee

Boat Rocker incurred the following fees from its external auditors, PricewaterhouseCoopers LLP ("**PwC**") for the years ended December 31, 2019 and 2020:

	2019	**2020**
Audit fees(1)	C$889,705	C$1,144,445
Audit related fees(2)	C$121,462	C$1,206,605
Tax fees(3)	C$147,375	C$200,195
All other fees(4)	C$250,302	C$53,425
Total fees paid	**C$1,408,845**	C$**2,604,670**

Notes:

(1) Include the audits and interim reviews of Boat Rocker's financial statements during the 12 months ended December 31, 2020 and 2019**.**
(2) Include support provided in due diligence matters, as well as prospectus-related assistance to the underwriters of the IPO and related procedures in connection with the IPO.
(3) Fees for tax compliance, tax advice and tax planning.
(4) All other fees including, IPO readiness consulting and usage of PwC entertainment and media report.

MATERIAL CONTRACTS

The following are the only material contracts of the Company that are in effect (other than certain agreements entered into in the ordinary course of business). The summaries describe the material attributes of each of the material contracts and are subject to, and qualified in their entirety by reference to, the relevant material contract, copies of which have been filed with the Canadian securities regulatory authorities and available under Boat Rocker's profile on SEDAR at www.sedar.com. Investors are encouraged to read the full text of such material agreements (each as defined below).

- Principal Shareholders Agreement;
- Coat-tail Agreement;
- Untitled Entertainment LLC Agreement; and
- Insight Shareholders Agreement.

Principal Shareholders Agreement

Effective upon the closing of the IPO, the Principal Shareholders entered into a shareholders agreement (the "**Principal Shareholders Agreement**") with respect to the ownership, transfer and conversion of the Multiple Voting Shares and rights in certain governance matters.

Nomination Rights

The Principal Shareholders Agreement provides that Ivan Schneeberg ("**IS**", which includes his controlled subsidiaries, including family trusts) and David Fortier ("**DF**", which includes his controlled subsidiaries, including family trusts, and together with IS, "**ID**"), together will be entitled to nominate the greater of:

(a) up to two individuals for election to the Board for so long as at least one of IS and DF remain employed as a senior executive officer of the Company, provided that, if neither IS nor DF remain so employed, IS and DF together shall still be entitled to nominate up to two individuals for election to the Board so long as: (i) IS and DF collectively, continue to beneficially own, directly or indirectly, at least 50% of the Multiple Voting Shares that were collectively held by IS and DF as of the IPO Closing Date; or (ii) the securities beneficially owned, directly or indirectly, by either of IS or DF represent not less than 7.5% of all of the votes eligible to be cast by all securityholders at a meeting of Shareholders; or (iii) the securities beneficially owned, directly or indirectly, by IS and DF collectively represent not less than 12.5% of all of the votes eligible to be cast by all securityholders at a meeting of Shareholders; and

(b) the number provided for below, having regard to the combined holdings of ID and John Young ("**JY**", which includes his controlled subsidiaries, including family trusts) (i) for so long as IDJ own securities to which are attached not less than 30% of the total votes that may be cast at a meeting of Shareholders, ID will be entitled to nominate up to three directors for election to the Board (and if three directors are so nominated, one of them shall be JY for as long as he is the Chief Executive Officer of the Company, failing which one of the nominated directors shall be independent from the Company within the meaning of NI 52-110); and (ii) for so long as IDJ own securities to which are attached more than 50% of the total votes that may be cast a meeting of Shareholders, ID will be entitled to nominate up to four directors for election to the Board (and if four directors are so nominated, one of them shall be independent from the Company within the meaning of NI 52-110, and one of them shall be JY for as long as he is the Chief Executive Officer of the Company, failing which two of them shall be independent from the Company within the meaning of NI 52-110).

ID may elect to nominate fewer individuals than it is entitled to nominate, but this shall not affect ID's right to nominate the full number of individuals it is entitled to nominate in the future. The Chief Executive Officer of the Company shall at all times be a nominee for election to the Board so long as JY is the Chief Executive Officer. In addition, if clause (a) above applies and JY is not a nominee of ID, and Fairfax is entitled to and does nominate four directors, then JY (in his capacity as Chief Executive Officer) shall be an additional fifth nominee of Fairfax.

The Principal Shareholders Agreement also provides that Fairfax shall be entitled to nominate individuals for election to the Board as follows:

(a) for so long as Fairfax owns securities to which are attached more than 50% of the total votes that may be cast at a meeting of Shareholders, Fairfax will be entitled to nominate up to four directors for election to the Board;

(b) for so long as Fairfax owns securities to which are attached not less than 40% of the total votes that may be cast at a meeting of Shareholders, Fairfax will be entitled to nominate up to three directors for election to the Board;

(c) for so long as Fairfax owns securities to which are attached not less than 15% of the total votes that may be cast at a meeting of Shareholders, Fairfax will be entitled to nominate two directors for election to the Board; and

(d) for so long as Fairfax owns securities to which are attached not less than 7.5% of the total votes that may be cast at a meeting of Shareholders, Fairfax will be entitled to nominate one director for election to the Board.

Fairfax shall ensure that, if it is entitled to and does appoint: (a) four nominees for election to the Board, three of them shall be independent from the Company within the meaning of NI 52-110; (b) three nominees for election to the Board, two of them shall be independent from the Company within the meaning of NI 52-110; and (c) two nominees for election to the Board, one of them shall be independent from the Company within the meaning of NI 52-110. In any event, the required number of independent director nominees shall be reduced by the number of independent directors nominated by ID.

To the extent that Fairfax nominates any independent directors for election to the Board, Fairfax agrees to consult with IS, DF and the Chief Executive Officer of the Company in respect of such nomination, provided that this shall not limit or otherwise restrict Fairfax from nominating any qualified and independent individual in Fairfax's sole discretion following such consultation. For clarity, Fairfax may elect to nominate fewer individuals than it is entitled to nominate, but this shall not affect Fairfax's right to nominate the full number of individuals it is entitled to nominate in the future.

The Company will put forward and recommend such nominees to the Shareholders for election to the Board, ID will support and vote in favour of the election of each of Fairfax's nominees to the Board (and if applicable the Chief Executive Officer), and Fairfax will support and vote in favour of the election of each of ID's nominees to the Board (and, if applicable, the Chief Executive Officer).

Pre-Emptive Rights

The Principal Shareholders Agreement provides that in the event that the Company decides to issue equity securities of the Company or rights to acquire equity securities of the Company, each holder of Multiple Voting Shares will have customary pre-emptive rights in proportion to such party's *pro rata* ownership share of all Multiple Voting Shares at such time, provided that the pre-emptive rights granted to a holder of Multiple Voting Shares will terminate on the date that such holder no longer holds, directly or indirectly, in the aggregate, less than the lesser of: (i) 5% of the issued and outstanding Shares from time to time and (ii) 1/3 of the number of Multiple Voting Shares held by such holder as of the IPO Closing Date. Further, these pre-emptive rights will not apply in connection with the following: (i) incentive compensation issued under the Company's security-based compensation arrangements; (ii) securities issued to lenders; (iii) capital reorganizations of the Company; (iv) equity securities issued in lieu of cash dividends; (v) equity securities (or rights to acquire equity securities) issued pursuant to a shareholder rights plan; (vi) equity securities (or rights to acquire equity securities) issued pursuant to a dividend reinvestment plan; (vii) the issuance of Subordinate Voting Shares in respect of a conversion of Multiple Voting Shares or any other right to acquire equity securities; (viii) any corporate transaction or share or asset acquisition where equity securities (or rights to acquire equity securities) are used to pay all or a portion of the purchase price; or (ix) any issuance of equity securities (or rights to acquire equity securities) where the exercise of pre-emptive rights by such holder would require Shareholder approval, except as otherwise determined by the Board.

Transfer Restrictions and Sale Procedures

IDJ may not transfer any Multiple Voting Shares held by them except: (i) for greater certainty, to their respective controlled subsidiaries (an "**IDJ Internal Reorganization**"); (ii) to other members of IDJ, subject to certain coat-tail provisions (i.e., at a price not more than a 15% premium to the prior 20 trading day average closing price of the Subordinate Voting Shares as determined in accordance with applicable securities laws) (a "**Permitted IDJ Transfer**"); (iii) to any of IDJ in connection with them exercising the IDJ Second Purchase Right (as defined below); and (iv) to Fairfax in connection with Fairfax exercising the Fairfax Purchase Right (as defined below).

Fairfax may not transfer any Multiple Voting Shares held by it except: (i) for greater certainty, to its controlled subsidiaries (a "**Fairfax Internal Reorganization**"); or (ii) to IDJ in connection with any of IDJ exercising their right of first refusal in connection with a proposed conversion by Fairfax.

Pledges of Multiple Voting Shares will be prohibited unless, subject to TSX approval, made in connection with a *bona fide* lending arrangement with an arm's length financial institution pursuant to which the lender agrees to be subject to the restrictions regarding Multiple Voting Shares described herein in the event of realization and to convert them into Subordinate Voting Shares should it wish to vote them or cause them to be voted at any time following an event of default under such lending arrangement which is continuing.

Rights of First Refusal

In the event that Fairfax wishes to convert any of its Multiple Voting Shares into Subordinate Voting Shares, except in connection with a Fairfax Internal Reorganization, Fairfax will first send a notice offering to sell such Multiple Voting Shares to IDJ for purchase for a period of 10 days, which notice shall specify the price per share (the "**Fairfax Price Per Share**") at which IDJ would be entitled to acquire the Multiple Voting Shares subject to such notice. Any member of IDJ may purchase such Multiple Voting Shares in proportion to his or its percentage ownership of all Multiple Voting Shares held by IDJ at the time. In the event that one or more of IDJ wishes to purchase less than or none of his or its entitlement to such Multiple Voting Shares, such available Multiple Voting Shares may be purchased within 10 days by the other members of

IDJ at the Fairfax Price Per Share in their respective pro rata proportions or may be purchased in such proportions as may be otherwise agreed by IDJ. Any Multiple Voting Shares not purchased by IDJ in accordance with the foregoing may be converted by Fairfax or its applicable controlled affiliate(s) within 30 days thereafter, and may thereafter be sold at any time, provided that the Subordinate Voting Shares resulting from the conversion thereof may not be sold to any purchaser at less than the Fairfax Price Per Share, except pursuant to a sale by way of a public offering via a prospectus (or a non-prospectus offering or sale to the extent a prospectus exemption is available), at the then prevailing marketing price plus a standard market discount, and if not converted within such period the above restrictions shall again apply.

In the event that any member of IDJ wishes to convert any of his or its Multiple Voting Shares into Subordinate Voting Shares, except in connection with an IDJ Internal Reorganization or a Permitted IDJ Transfer, such person will first offer such Multiple Voting Shares to the other members of IDJ for purchase for a period of 30 days, which notice shall specify the price per share (the "**IDJ Price Per Share**") at which the other members of IDJ would be entitled to acquire the Multiple Voting Shares subject to such notice (the "**IDJ Second Purchase Right**"). Any member of IDJ may purchase such Multiple Voting Shares in proportion to his or its percentage ownership of all Multiple Voting Shares held by the non-offering members of IDJ at the time. In the event that one of the non-offering members of IDJ wishes to purchase less than or none of his or its entitlement to such Multiple Voting Shares, such available Multiple Voting Shares may be purchased within 10 days by the other member of IDJ at the IDJ Price Per Share. Any Multiple Voting Shares not purchased by non-offering members of IDJ in accordance with the foregoing will then be offered to Fairfax for purchase for a period of 10 days at the IDJ Price Per Share (the "**Fairfax Purchase Right**"). Any Multiple Voting Shares not purchased by IDJ or Fairfax in accordance with the foregoing may be converted by the offering member of IDJ within 30 days thereafter, and may thereafter be sold at any time, provided that the Subordinate Voting Shares resulting from the conversion thereof may not be sold to any purchaser at less than the IDJ Price Per Share, except pursuant to a sale by way of a public offering via a prospectus (or a non-prospectus offering or sale to the extent a prospectus exemption is available), at the then prevailing marketing price plus a standard market discount, and that if not converted within such period the above restrictions shall again apply.

Both the Fairfax Price Per Share and the IDJ Price Per Share may not exceed the maximum price permitted under the coat-tail arrangements applicable to the Multiple Voting Shares (which will conform to the maximum price permitted under the "private agreement" take-over bid exemption under Ontario securities laws, and will be deemed to be automatically reduced to such maximum permitted price in such event if it would exceed such amount). This maximum permitted price will be determined as the maximum permitted price on the date of the original offer (or, if applicable and if lower, on the date of an acceptance thereof).

Term

The Principal Shareholders Agreement will terminate upon the earliest of: (i) one Shareholder holding all of the issued and outstanding Multiple Voting Shares; (ii) the mutual agreement of the Principal Shareholders; (iii) the conversion of all Multiple Voting Shares into Subordinate Voting Shares (whether by automatic or voluntary conversion); and (iv) the dissolution, winding-up or liquidation of the Company or its assets. Termination of the Principal Shareholders Agreement will not affect or prejudice any rights or obligations of each of the Principal Shareholders which may have arisen or accrued under the Principal Shareholders Agreement prior to its termination.

Coat-tail Agreement

Effective as of the IPO Closing Date, the Principal Shareholders, the Company and TSX Trust Company, as the trustee, entered into a coat-tail agreement (the "**Coat-tail Agreement**"). The Coat-tail Agreement contains provisions customary for dual class, TSX listed corporations designed to prevent transactions that otherwise would deprive the holders of Subordinate Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Multiple Voting Shares, as the subject of any applicable take-over bid, had been Subordinate Voting Shares.

The following is a summary of the material attributes and characteristics of the Coat-tail Agreement. This summary is qualified in its entirety by reference to the provisions of the Coat-tail Agreement, which contains a complete statement of those attributes and characteristics.

The undertakings in the Coat-tail Agreement do not apply to prevent a sale by the Principal Shareholders or a Permitted Holder (as defined in the articles of amendment of the Company) of Multiple Voting Shares if concurrently an offer is made to purchase issued and outstanding Subordinate Voting Shares that:

(a) offers a price per Subordinate Voting Share at least as high as the highest price per share to be paid pursuant to the take-over bid for the Multiple Voting Shares;

(b) provides that the percentage of outstanding Subordinate Voting Shares to be taken up (exclusive of Shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Multiple Voting Shares to be sold (exclusive of Multiple Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);

(c) has no condition attached other than the right not to take up and pay for Subordinate Voting Shares tendered if no Shares are purchased pursuant to the offer for Multiple Voting Shares; and

(d) is in all other material respects identical to the offer for Multiple Voting Shares.

In addition, the Coat-tail Agreement does not prevent the transfer of Multiple Voting Shares by the Principal Shareholders to Permitted Holders, provided such transfer is not or would not have been subject to the requirements to make a take-over bid (assuming the vendor or transferee were resident in Ontario) or constitutes or would constitute an exempt take-over bid (as defined in Ontario securities legislation). The conversion of Multiple Voting Shares into Subordinate Voting Shares, whether or not such Subordinate Voting Shares are subsequently sold, does not constitute a disposition of Multiple Voting Shares for the purposes of the Coat-tail Agreement.

The Coat-tail Agreement contains provisions for authorizing action by the trustee to enforce the rights under the Coat-tail Agreement on behalf of the holders of the Subordinate Voting Shares. The obligation of the trustee to take such action is conditional on the Company or holders of the Subordinate Voting Shares providing such funds and indemnity as the trustee may reasonably require. No holder of Subordinate Voting Shares has the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coat-tail Agreement unless the trustee fails to act on a request authorized by holders of not less than 10% of the total outstanding number of Subordinate Voting Shares and reasonable funds and indemnity have been provided to the trustee.

Other than in respect of non-material amendments and waivers that do not adversely affect the interests of holders of Subordinate Voting Shares, the Coat-tail Agreement provides that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of the TSX; and (b) the approval of at least two-thirds of the votes cast by holders of Subordinate Voting Shares represented at a meeting duly called for the purpose of considering such amendment or waiver, voting together as if they were a single class, excluding votes attached to Subordinate Voting Shares held by the Principal Shareholders or their affiliates and any persons who have an agreement to purchase Multiple Voting Shares on terms which would constitute a sale or disposition for purposes of the Coat-tail Agreement, other than as permitted thereby.

No provision of the Coat-tail Agreement limits the rights of any holders of Subordinate Voting Shares under applicable law.

Untitled Entertainment LLC Agreement

In connection with the acquisition of Untitled Entertainment, Boat Rocker entered into an amended and restated limited liability company agreement, dated February 1, 2019 which governs Untitled Entertainment and its members (the "**Untitled Entertainment LLC Agreement**"). Pursuant to the Untitled Entertainment LLC Agreement, the member of Untitled Entertainment with a 49% interest, which is owned by the two key principals of Untitled Entertainment, has a put right with respect to some or all of its interest commencing in February 2024 (or earlier in the event of certain "good leaver" employment termination events) pursuant to which such member will be entitled to receive the fair market value (as mutually agreed or determined by an independent appraiser) of such interest, payable in cash. Reciprocally, the Company has call rights over some or all of such 49% interest commencing in February 2024 (or earlier in the event of certain terminations of employment), pursuant to which the member will be entitled to receive the fair market value (as mutually agreed or determined by an independent appraiser) of such interest, payable in cash. The party exercising can withdraw from the put or call transactions, as applicable in the circumstances, if it is not satisfied with the price determined by the independent appraiser. Certain discounts to the payment amounts may apply in the case of specified "bad leaver" events. The amount of any required payment is not possible to determine at this time, and may need to be funded by a combination of cash reserves or, if insufficient, borrowed funds.

Insight Shareholders Agreement

In connection with the Company's acquisition of Insight Productions, it entered into a unanimous shareholders agreement dated May 17, 2018, which governs Insight Productions and its shareholders (the "**Insight Shareholders Agreement**"). Pursuant to the Insight Shareholders Agreement, the 30% holder of Insight Productions, which is controlled by the chief executive officer of Insight Productions, has a put right with respect to its 30% interest commencing in May 2021 (or earlier in the event of death or termination of employment of Insight Productions' chief executive officer) pursuant to which the holder will be entitled to receive the fair market value (as mutually agreed or determined by an arbitrator) of such shares (less a 20% discount in the event of termination for cause of Insight Productions' chief executive officer). Reciprocally, the Company has call rights over such 30% interest commencing at the same time (or earlier in the event of termination of employment of Insight Productions' chief executive officer), pursuant to which the holder will be entitled to receive the fair market value (as mutually agreed or determined by an arbitrator) of such shares (less a 20% discount in the event of termination for cause or resignation of Insight Productions' chief executive officer without good reason). The 30% holder can elect cash or Shares (based on their then market price) at the holder's option.

RISK FACTORS

*In addition to all other information set out in this Annual Information Form, as well as the Company's audited consolidated financial statements and notes for the year ended December 31, 2020 and the Boat Rocker MD&A, the following specific factors could materially adversely affect the Company and/or the Company's business, financial condition and results of operations. Other risks and uncertainties that Boat Rocker does not presently consider to be material, or of which we are not presently aware, may also become important factors that affect the Company's future business, financial condition and results of operations. The occurrence of any of these risks could materially and adversely affect Boat Rocker's business, assets, liabilities, prospects, financial condition, results of operations, cash flow or the value of future trading price of the Subordinate Voting Shares (one or more of the foregoing, a "**Material Adverse Effect**"). This Annual Information Form also contains forward-looking statements that involve risks and uncertainties. Boat Rocker's actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors including the risks described below. See "Forward-Looking Information".*

Risks Related to Boat Rocker's Business and Industry

Boat Rocker may be adversely affected by various operating risks common to the content production and distribution and talent management industries, including competition, consumer opinions and reviews, technological changes and the Company’s dependence on key personnel and relationships, any or all of which may adversely affect Boat Rocker.

Boat Rocker faces substantial competition.

The industry within which Boat Rocker operates is competitive, with many video content production companies and studios competing to have their ideas and scripts funded, productions greenlit and produced, and video content aired and re-ordered for subsequent seasons. Some of Boat Rocker’s competitors are much larger and more diversified and have greater financial resources than the Company has. The resources and influence that some of Boat Rocker’s competitors have may give them an advantage in terms of having projects ordered by buyers. Increasingly, current buyers of the Company are seeking to build their own studios and acquire or partner with production companies that compete with the Company, which means that the Company’s current buyers may limit the amount of product they purchase from independent third-party studios and producers like Boat Rocker.

Competition can lead to reduced margins. As many production companies and studios compete for a limited talent pool and limited financing, the Company’s costs of doing business may increase, and its margins may shrink. Low barriers to entry may enable new competitors to quickly establish themselves with only a single popular program or series. New participants with a popular idea or property can gain access to consumers and become a source of competition for the Company, including through new widely and easily available platforms, including advertising-based video on demand platforms such as YouTube. Those upstart competitors tend to be smaller and have lower overhead costs than Boat Rocker and can, as a result, produce video content for Boat Rocker’s buyers at a lower price than the Company, which could drive down the fees the Company can charge its buyers. Conversely, some of Boat Rocker’s competitors are much larger than Boat Rocker and are better capitalized. They may, as a result, be willing to pay more than the Company for intellectual property rights and talent, which could reduce the Company’s ability to source and develop projects that are marketable to its buyers. As a result, Boat Rocker may not be able to continue to compete effectively against current and future competitors, which could have a negative impact on its business, financial condition, operating results, liquidity and prospects.

Changes in public and consumer tastes and preferences and industry trends could reduce demand for productions and adversely affect the business of the Company.

Boat Rocker’s business depends on the appeal of its programming to its buyers. The Company’s ability to generate revenues is highly sensitive to rapidly changing consumer preferences and industry trends, as well as the popularity of the talent, brands and owners of intellectual property the Company represents, and the assets it owns. Consumer preference is difficult to predict and is subject to influences beyond the Company’s control, such as the quality and appeal of competing programming, general economic conditions and the availability of other entertainment activities. The Company makes decisions about which projects to develop and finance long before those projects are completed as finished video content and available for consumption. As such, Boat Rocker needs to anticipate consumer sentiments in the future and its success depends on its ability to deliver entertainment properties and brands which will be desired by buyers, viewers, and consumers in the future. The production and sales of video content and the exploitation of brands is inherently risky because the revenues the Company derives from various sources primarily depend on its ability to satisfy consumer tastes and expectations in a consistent manner.

Boat Rocker’s success depends on the commercial success of the programming it creates, which is unpredictable. Generally, the popularity of the Company’s video content depends on many factors, including the critical and popular acclaim it receives, the format of initial release, on-screen talent, genre and specific subject matter of the video content, the quality and acceptance of video content that Boat Rocker’s competitors release into the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure activities, general economic conditions and other tangible and intangible factors, many of which the Company does not control and all of which may change. Boat Rocker cannot provide assurance that its programing will obtain favorable reviews or ratings, or that buyers will license the rights to broadcast any of its video content in development, order subsequent seasons of recently completed programs, or renew licenses to broadcast programming in its library. The failure to achieve any of the foregoing could have a Material Adverse Effect.

Specific to programming created by Boat Rocker's kids and family division intended to be developed into a brand franchise, it takes years to develop kids and family programming, produce the programming, partner with licensees for toys and other merchandise, secure meaningful exhibition windows for the programming, and have the program air in key markets on a consistent and substantial basis. Even if all of those elements are achieved, ultimately the Company does not know whether the video content and any related products will appeal to children and parents and achieve consumer acceptance. Even if one of Boat Rocker's brands becomes successful, it may cease to be so or be rapidly replaced with a competing product. A decline in the popularity of the Company's brands and entertainment properties, or the failure of the Company's video content, entertainment properties and brands to achieve and sustain market acceptance with consumers, could significantly lower the Company's revenues and operating margins, which would harm the Company's business, financial condition and performance.

In regards to the Company's business of producing and exploiting video content, despite the proliferation of streaming services over the past few years having increased demand for content and despite the COVID-19 pandemic having increased the amount of time people are spending watching video content at home, it is not certain that such demand will be sustained over the long term or that the Company will benefit from consumer appetite for programming. Consumer desire may pivot to leisure activities outside the home, or to audio visual content which the Company doesn't currently produce, such as virtual reality products, short form user-generated content or video games.

Boat Rocker's success is dependent on its ability to source IP and creative talent who can develop IP.

The Company competes with other producers, studios and platforms for entertainment properties, ideas and storylines created by third parties. The competition to source high quality IP from which the Company can generate video content and partner with creative talent who can shepherd their projects through development and production is fierce. While Boat Rocker has entered into a number of first-look deals with talent which guarantee the payment of overhead costs and salaries for a period of time in exchange for the first opportunity to develop IP with such artists, the Company is smaller than some of its competitors and may not be able to extend such first-look deals at any given time or secure more of them. Boat Rocker's competitors, some of whom are bigger and better capitalized, may enter into long term arrangements with talent and Boat Rocker cannot necessarily pay the same option fees and guaranteed compensation that these larger players can offer. Some of the Company's competitors have distribution platforms (such as SVOD services) which allow them to offer creators and showrunners a guarantee that their projects will be produced and exhibited; as the Company does not have a distribution platform, it cannot offer that guarantee, which may make the Company less competitive in bidding for projects and talent. In addition, Boat Rocker competes with other producers, studios and platforms to license underlying IP (such as books, articles, comics, stage plays, formats, original pitch concepts and speculative scripts) and the Company may not be able to pay as much for such IP as its competitors. Boat Rocker's inability to source compelling IP and/or secure top-tier creators, writers, showrunners and talent will limit its ability to sell projects and retain rights which could adversely affect the business, results of operations or financial condition of the Company.

A limited number of buyers could hinder the Company's performance.

While Boat Rocker is platform agnostic and sells its video content to a global set of programming buyers and no one buyer contributed more than 10% of consolidated revenue in 2019, it is possible in future years that revenue from production and distribution of video content may originate from disproportionately few buyers and the Company may have higher buyer concentration if it is delivering one or more big-budget programs to a given buyer. In addition, depending on the genre of a particular property, there may only be six to 12 buyers that would or could contribute the license fees necessary to produce the project. While there are many buyers for completed video content internationally, there are generally only a handful of platforms that will consider pre-licensing content (i.e., agreeing to provide substantial funding upfront to the cost of producing programming, rather than acquiring rights after the video content is completed). Moreover, many of the Company's buyers are also competitors. If the Company cannot find buyers for its projects, it will severely impact business results. If the Company is dependent on one or a few buyers for a high percentage of its revenue, the Company's business results may be negatively impacted if those buyers cease to buy video content from the Company or if the business, results of operations or financial condition of those buyers are adversely affected in the future.

A limited pool of owned assets could hinder the Company's performance.

While the Company has numerous programs currently in-production or greenlit for production in 2021, revenue from production of Boat Rocker's video content may originate from only a few of its programs if those programs have disproportionately bigger budgets than other of the Company's programs. In respect of the Company's business of distributing video content, in any given year the Company may depend on a limited number of titles for a significant portion of the revenues generated by its content library, particularly if it has a "hit" show which is substantially more popular than other titles in its library. In addition, some of the titles in the Company's distribution library are not presently distributed and generate minimal or no revenue. If the Company cannot acquire or develop new products and rights to popular titles through production, distribution agreements, acquisitions, mergers, joint ventures or other strategic alliances, it could have a Material Adverse Effect.

The Company may not be able to keep up with developments in technology and evolving trends.

The media industry in which the Company operates is characterized by technological change and evolving trends. Technological change can have positive effects, but may also have a Material Adverse Effect on the Company's business, prospects, results of operations and financial condition. For example, the emergence of new production or computer-generated imagery technologies, or a new digital broadcasting standard, may diminish the value of the Company's existing equipment and content.

Although Boat Rocker is committed to adapting new production technologies, there can be no assurance that it will be able to incorporate other new production and post-production technologies which may become de facto industry standards.

Risks Related to External Factors Which Boat Rocker Cannot Control, Including COVID-19

The impact of the COVID-19 global pandemic could materially adversely affect the Company's business, financial condition and results of operations.

The impacts associated with the ongoing COVID-19 global pandemic, measures to prevent its spread, and the resulting economic uncertainty, have and may continue to affect the Company's business adversely.

Commencing in March of 2020, governments in jurisdictions in which the Company produces programming implemented preventative measures in order to curb the spread of COVID-19. As a result of these measures, and the Company's need to protect its employees, crews, talent and broader communities, certain of Boat Rocker's productions were temporarily suspended or delayed.

While the Company was able to re-commence production on many of its shows in the summer and fall of 2020, there continues to be a risk that governments in jurisdictions in which the Company operates will order future lock-downs which could force Boat Rocker to again suspend productions. As well, while the Company may be permitted to continue to film its programming, a case of COVID-19 amongst its cast or crew could result in a temporary or full shut-down of a program in-production. If production on any programming is halted, the Company could incur substantial costs and further filming would be delayed which could result in Boat Rocker losing access to key crew, talent and locations. While the Company has implemented industry standard health and safety protocols and procedures on all of its sets and in all of its offices in an effort to avoid the spread of COVID-19, these procedures are not infallible and it is still possible for cast or crew to contract COVID-19.

Additionally, insurance against risks relating to the COVID-19 pandemic, including potential liability for infections, an unexpected shutdown of operations, or other hazards as a result of operation of the business, is limited or not available. There are currently certain government-backed insurance programs in place in Canada and internationally that the Company may be able to rely upon for some level of insurance coverage, but they will likely not cover all of the costs associated with a COVID-19 related claim, and are currently only available in certain territories, not including the United States. The lack of insurance in the event of a COVID-19 related claim could materially reduce the funds available to the Company for future operations and a significant shutdown could result in a Material Adverse Effect.

In addition to the foregoing, the ongoing impact of COVID-19 may continue to have the following Material Adverse Effects on the Company, including, among others:

- continued disruptions and volatility in the global capital markets, which may increase cost of capital and restrict access to capital;

- continued impacts on workforces throughout the regions in which COVID-19 is present, which may result in the Company's workforce being unable to work effectively, including because of labour shortages, illness, quarantines, government actions, facility closures or other restrictions in connection with the COVID-19 pandemic;

- availability and cost of interim financing for production receivables if traditional lenders deem production activities too risky or underinsured; and

- other unpredictable adverse impacts.

The Company currently expects that there will be a large-scale rollout of safe, effective and widely available vaccines in the United States in the first half of 2021 and in Canada in the latter part of 2021, which the Company expects will mitigate the risks of COVID-19 and avoid any significant COVID-19 production suspensions or shutdowns thereafter, though it is currently unclear whether the vaccines will be effective against existing or future variants of COVID-19.

The extent to which COVID-19 may have a sustained impact on the Company's results is uncertain and it is possible that the Company's future results may continue to be materially negatively impacted.

Boat Rocker's success depends on external factors which it cannot control.

Global economic turmoil and regional economic conditions in the U.S., Canada and globally could adversely affect the Company's business. Global economic turmoil, such as that being created by the ongoing COVID-19 global pandemic and its effects, may cause a general tightening in the credit markets, lower levels of liquidity, increases in the rates of default and bankruptcy, increased regulation from governments, increased taxes, decreased consumer confidence, overall slower economic activity and extreme volatility in credit, equity and fixed income markets. A decrease in economic activity in the regions of the world in which Boat Rocker does business could adversely affect demand for its video content, thus reducing the Company's revenues and earnings. For instance, lower household income and decreases in consumer discretionary spending, which are sensitive to general economic conditions, may affect cable television and other video service subscriptions and ad sales for the Company's buyers, which in turn may reduce buyers' budgets and ability to commission the Company's programming. In respect of Boat Rocker's Kids and Family brand business, a decrease in consumer discretionary spending may result in decreased demand for merchandise produced by the Company's licensees.

Business interruptions could adversely affect Boat Rocker's operations.

Boat Rocker's operations are vulnerable to outages and interruptions due to fire, floods, power loss, telecommunications failures, pandemics such as COVID-19 and similar events beyond its control.

In the event of a short-term power outage, the Company has installed uninterrupted power source equipment designed to protect its servers for a sufficient amount of time designed to allow for the system to be shut down safely without risking the loss of data. The Company also mitigates the risk around loss of critical data by increasingly relying on third-party cloud-based service providers for certain business operations (e.g., payroll, enterprise software, document management, etc.). Cloud services allow many departments to work independently of the Company's data centres and continue operations throughout an outage of certain infrastructure. In addition, cloud services tend to be more secure than on-premises servers, but they are not immune to technological failures or security breaches. The Company has not experienced any major service interruptions with its key technology providers, with the exception of certain internet interruptions, which affected large portions of North America and were not specific to the Company's connections. During this time, some employees were not able to access email or connect to the Company's resources in the Company's data centre. Outages have been brief, however there can be no assurance that any future outages will continue to be so.

However, a long-term power outage or other damage such as fire or flood to the Company's information technology infrastructure could disrupt its operations and generate losses. While Boat Rocker has critical data backed-up on a regular basis and while its head office data centre has temperature sensors, a security system, surge protection and water-proofing, in the event of an unlikely but catastrophic failure of the Company's technology infrastructure, the Company would incur delays in accessing its files, which could delay the delivery of certain of its programming, harm Boat Rocker's reputation with its buyers, and lead to increased costs. The Company currently carries insurance for damage to its systems and infrastructure and business interruption insurance for potential losses; however, this insurance may not available in all circumstances or may not be sufficient to fully cover the Company's losses or those of its buyers, and such insurance may not continue to be available to on affordable terms in the future.

Risks Related to Securing and Retaining Key Personnel and Business Relationships

Boat Rocker relies on key personnel, the loss of any one of whom could have a negative effect on its business.

Boat Rocker's success depends to a significant extent on its ability to attract, recruit and retain quality executives and other key employees, including production, creative and technical personnel, as well as talent managers in respect of Untitled Entertainment, in a highly competitive labour market. There are many contributing factors that affect the Company's ability to retain key employees, some of which are within its control and some of which are not (for example, the economic climate, sector growth and skill demand). The impact of failing to retain key employees can be high due to loss of key knowledge and relationships, lost productivity, and hiring and training costs, and could have a Material Adverse Effect.

Untitled Entertainment depends on the relationships of its managers with clients and any failure by Untitled Entertainment to identify, sign and retain clients could adversely affect the Company's business.

Untitled Entertainment depends heavily upon relationships that its managers and other key personnel have developed with clients. In particular, Untitled Entertainment's client management business is dependent upon the highly personalized relationships between its manager teams and their respective clients. A substantial deterioration in the relationship between managers and clients could result in the loss of a client which could have an adverse effect on Boat Rocker's business, financial condition and results of operations.

Untitled Entertainment derives substantial revenue from the engagements and endorsements entered into by its clients. Untitled Entertainment depends on identifying, signing and retaining as clients those performers and artists who are in high demand by producers, studios, networks, the public and brands. Untitled Entertainment's success is dependent on its continuing ability to attract, develop and retain clients whose work is likely to achieve a high degree of value. Untitled Entertainment's failure to attract and retain these clients, an increase in the costs required to attract and retain such clients, or an untimely loss or retirement of these clients could adversely affect the Company's financial results and growth prospects.

Boat Rocker may face labour shortages that could slow its growth.

The successful operation of the Company's business depends upon its ability to attract, motivate and retain a sufficient and significant number of qualified employees. In particular, the production of live action programming depends on securing crew members from limited talent pools in shooting locations with significant competition for talent. Similarly, the Company's animation studios are dependent on large teams of designers, animators, lighters, technical directors and other production personnel; in the markets in which Boat Rocker operates its animation studios there is significant competition for these individuals. An inability to secure talented and experienced crews on its productions (whether live-action or animated) could adversely impact the Company's ability to deliver high quality productions to its buyers. In addition, competition for qualified employees could require Boat Rocker to pay higher wages, which could result in higher labour costs and could have an adverse effect on the Company's business, financial condition and results of operations.

A strike or other form of labour unrest affecting guilds or unions in the television and film industries could disrupt the Company's production schedules which could result in delays and additional expenses.

Production of many of the Company's live-action programs is dependent on the services of specialized union members who are essential to the production of video content. A strike by, or a lockout of, one or more of the unions that provide personnel essential to the production of programming could delay or halt the Company's ongoing production activities, or could cause a delay in the delivery of its video content. While the Company seeks to maintain positive relationships with the guilds and unions in the industry, a strike or other form of labour protest or unrest affecting those guilds or unions could, to some extent, disrupt production schedules which could result in delays and additional expenses.

Some parts of the Company's video content production business are not unionized. Specifically, Boat Rocker does not utilize unionized crews on many of its unscripted productions or its animated series. The Canada Media Guild ("**CMG**"), together with the International Alliance of Theatrical Stage employees ("**IATSE**"), have sought to unionize Canadian unscripted production crews for over five years. See description of the class action lawsuit filed against Insight Productions under "*Legal Proceedings*" below.

On January 29, 2021, a subsidiary of Boat Rocker received notice of an application for certification filed by IATSE with the Labour Board of Nova Scotia, which seeks to unionize certain animation employees employed at Boat Rocker's animation studio in Halifax, Nova Scotia, Canada. The vote to determine whether the Halifax animation studio will be unionized occurred on February 4, 2021, but the result will ultimately not be determined until sometime in the second half of the second quarter of 2021 at the earliest. Management believes that IATSE has been attempting to organize animation workers in Halifax prior to the Company opening its studio there in late 2019 and management does not believe that the application is an indication that its employees in Halifax are disgruntled or dissatisfied with their working conditions. That said, if the Company's Halifax studio were unionized, the Company's costs to produce animation in Halifax could increase, which may reduce the Company's margins in respect of programming produced in Halifax. In addition, if the Halifax studio were unionized, IATSE may be emboldened to pursue more aggressive campaigning in respect of the Company's Toronto and Ottawa animation studios.

The Company has no output agreements with buyers and it depends on key relationships with buyers.

A key component of the Company's success is its relationships with buyers and programming executives at the linear networks and OTT platforms that purchase or license its programming. Boat Rocker is dependent on maintaining these existing relationships and expanding upon them to seek to ensure that the Company has a robust network of buyers for its programming. The Company does not have any long-term output agreements with its buyers and, as a result, every project it intends to produce requires a commission or sale on bespoke negotiated terms. The relationships between Boat Rocker's key personnel and those of its buyers are crucial to selling the Company's programming. Any loss in key sales personnel at Boat Rocker, any fractures in relationships with key buyers, or any transitions of key buying executives to roles at competitors, may limit the Company's ability to sell its video content and could result in a Material Adverse Effect. Additionally, programming executives who work for the Company's buyers regularly resign or are terminated; when this occurs, successor executives will often wish to "start fresh" and may choose not to greenlight projects in development that were supported by their predecessors. This kind of "regime change" amongst executives who work for the Company's buyers could have a negative impact on the Company's ability to secure greenlights, which would in turn negatively impact the Company's results of operations or financial condition.

Risks Related to Anticipating and Managing Costs, Revenues and Liquidity

Boat Rocker cannot guarantee the avoidance of budget overruns.

Boat Rocker's business model is predicated on delivering its video content for the cost set out in its production budgets. The production, completion and distribution of video content can be subject to a number of uncertainties, including delays and increased expenditures due to disruptions or events beyond the Company's control. Although the Company has historically completed its productions within their budget parameters, there can be no assurance that it will continue to do so. The Company currently maintains insurance policies covering certain potential disruptions or risks that if occasioned would increase its production costs. There can be no assurance that any overrun resulting from any occurrence will be adequately covered or that such insurance coverage will continue to be available or, if available, whether it will be on terms acceptable to the Company. In the event of budget overruns, the Company may have to seek additional financing from outside sources in order to complete production of a television program. No assurance can be given as to the availability of such financing or, if available, whether it will be on terms acceptable to the Company. In addition, in the event of substantial budget overruns, there can be no assurance that such costs will be recouped from future sales of the production, which could have a significant impact on the Company's results of operations or financial condition.

Boat Rocker's revenues and results of operations may fluctuate significantly.

Results of the Company's operations for any periods are significantly dependent on the number and timing of programming delivered or made available to licensees. Boat Rocker's results of operations depend significantly upon the timing of programming orders, deliveries and the number of programs that are in-production in a given year. As well, video content distribution revenues can fluctuate significantly from period to period, driven by timing fluctuations and/or quarterly reporting from the Company's distribution partners. Accordingly, Boat Rocker's results of operations may fluctuate significantly from period to period, and the results of any one period may not be indicative of the results for any future periods. Programming produced by the Company may not be re-ordered for subsequent seasons and items in its distribution catalogue may not be licensed by exhibitors, both of which could have a Material Adverse Effect in a given period.

The Company's operating results also fluctuate due to its accounting practices, which may cause the Company to recognize production expenses in different periods than the recognition of related revenues, which may occur in later periods. For example, in accordance with IFRS and industry practice, Boat Rocker recognizes the revenue from programming made on a "work for hire basis" as the video content is produced. For programming which the Company owns, it recognizes revenue when the video content is delivered in full. Consequently, the Company's results of operations may fluctuate materially from period to period and the results of any one period are not necessarily indicative of production volume or results for future periods. Cash flows may also fluctuate and are not necessarily closely correlated with revenue recognition.

The Company faces substantial capital requirements and financial risks, including liquidity needs.

The acquisition, production and distribution of video content requires substantial capital. Although Boat Rocker reduces the risks of its production exposure through pre-sale licenses to buyers, tax credit programs, other government and industry subsidies, co-financiers, third-party distributors and other sources, the Company cannot assure investors that it will continue to be able to successfully implement these arrangements or that it will not be subject to substantial financial risks relating to the acquisition, production and distribution of future video content.

The Company may contribute a recoupable distribution advance towards the financing of certain of its video content. Such investments are made based on Boat Rocker's internal sales estimates. If those estimates prove erroneous, the Company may not recoup its investment in the video content, or may not recoup it as quickly as the Company had anticipated.

If Boat Rocker increases (through internal growth or acquisition) its programming slate or its production budgets, the Company may be required to increase overhead and/or make larger upfront payments to talent and, consequently, bear greater financial risks. Any of the foregoing could have a Material Adverse Effect.

While Boat Rocker intends to seek to manage liquidity by forecasting and monitoring operating cash flows and through the use of interim production financing, any failure to adequately manage liquidity could adversely affect the business and its results of operations, including by limiting its ability to meet its working capital needs. There can be no assurance that Boat Rocker will continue to have access to sufficient short-term capital resources, on acceptable terms or at all, to meet its liquidity requirements.

Boat Rocker may incur impairments and write-offs if the video content it acquires and produces does not perform well enough to recoup the Company's acquisition, production, marketing and distribution costs.

The Company incurs significant costs to acquire, produce and distribute video content. Where Boat Rocker acts as a distributor, it may invest funds as a minimum guarantee against future sales. The minimum guarantees are derived from Boat Rocker's estimate of net revenues that will be realized from its distribution of the video content in the relevant markets, and actual results may differ from those estimates. If sales do not meet the Company's original estimates, Boat Rocker may: (i) not recognize the expected gross margin or net profit; (ii) not recoup its minimum guarantees; (iii) record accelerated amortization and/or fair value write-downs of minimum guarantee paid; and/or (iv) not recoup the additional funds and expenses invested to market the programming that the Company has produced or acquired.

With respect to video content that Boat Rocker produces, it is required to amortize capitalized production costs based on estimated ultimate revenues. Unamortized production costs are evaluated for impairment each reporting period on a project-by-project basis. If estimated remaining revenue is not sufficient to recover the unamortized production costs, the unamortized production costs may need to be written down to fair value. In any given quarter, if Boat Rocker lowers its previous forecast with respect to total anticipated revenue from any individual program, it may be required to accelerate amortization or record impairment charges with respect to the unamortized costs, even if Boat Rocker has previously recorded impairment charges for such project or other projects. Such impairment and accelerated amortization charges and write-offs could result in a Material Adverse Effect.

Many of Boat Rocker's productions are funded in part by tax credits, which may be overestimated or subject to audit.

The costs of many of Boat Rocker's programs are subsidized through tax credits or other grants. The Company is required to estimate production tax credits and other subsidies receivable on such programming, taking into applicable tax laws, regulations, guidelines and interpretations that pertain to such funding and Boat Rocker's operations. In addition, Boat Rocker is subject to audits from tax authorities on an ongoing basis and the outcome of such audits could materially affect the amount of tax credits receivable recorded on its consolidated balance sheets and the income tax expense recorded on its consolidated statements of earnings. If Boat Rocker fails to accurately estimate tax credits and other grants, misinterprets applicable laws, regulations or guidelines related to such subsidies, or becomes the subject of a regulatory audit which uncovers inaccuracies in applications for tax credits and other subsidies, there could be a negative implication for Boat Rocker's business, financial condition and operating results or prospects.

Risks Related to Boat Rocker's Growth Strategy

Boat Rocker may be unable to realize its future acquisitions strategy and there may be additional risks to the Company's business and operations in executing those acquisitions.

The Company has made, and intends to continue to pursue, various acquisitions, investments and joint ventures intended to complement or expand its business. See "*The Business of the Company – Growth Strategies and Goals*". The successful implementation of such acquisition strategy depends on the capital resources of the Company and Company's ability to identify suitable acquisition candidates, acquire such companies on acceptable terms, integrate the acquired company's operations and technology successfully with its own, and maintain the goodwill of the acquired business. The Company is unable to predict whether or when it will be able to identify any suitable additional acquisition candidates that are available for a reasonable price, or the likelihood that any potential acquisition will be completed. When evaluating a prospective acquisition opportunity, the Company cannot assure that it will correctly identify the costs and risks inherent in the business to be acquired. The scale of such acquisition risks will be related to the size of the company or companies acquired relative to that of the Company at the time of acquisition, and certain target companies may be larger than Boat Rocker.

Although the Company seeks to conduct appropriate levels of due diligence of its acquisition targets, these efforts may not always prove to be sufficient in identifying all risks and liabilities related to the acquisition, including as a result of limited access to information, time constraints for conducting due diligence, the inability to communicate with the target company's personnel or buyers or other limitations on the due diligence process. As a result, the Company may become subject to liabilities or risks not discovered through the due diligence process, which could have a materially adverse effect on the Company's businesses, operations, prospects or cash flows.

Growth and expansion resulting from past or future acquisitions may place significant demands on management's resources. While Boat Rocker believes it has the experience and know-how to integrate acquisitions, such efforts entail significant risks including, but not limited to: (a) the failure to integrate successfully the personnel, information systems, technology, and operations of the acquired business; (b) the potential loss of key employees or buyers from either the Company's current business or the business of the acquired company; (c) the failure to maximize the potential financial and strategic benefits of the transaction; (d) the failure to realize the expected synergies from acquired businesses; (e) the assumption of significant and/or unknown liabilities of the acquired company; and (f) the diversion of management's time and resources.

Changes in Boat Rocker's business strategy, plans for growth or restructuring of its businesses may increase costs or otherwise affect the profitability of the business.

As changes in Boat Rocker's business environment occur, it may adjust its business strategies to meet these changes, which may include growing a particular area of business or restructuring a particular business or asset. In addition, external events, including changing technology, changing consumer patterns, and changes in macroeconomic condition, including the volatility and uncertainty in financial markets as a result of the ongoing COVID-19 global pandemic and its effects, may impair the value of Boat Rocker's assets. When these changes or events occur, Boat Rocker may incur costs to change its business strategy and may need to write down the value of assets. The Company may also make investments in existing or new businesses, including investments in the international expansion of its business and in new business lines. Some of these investments may have short-term returns that are negative or low and the ultimate prospects of the businesses may be uncertain, or, in international markets, may not develop at a rate that supports the Company's level of investment. In any of these events, the Company's costs may increase, it may have significant charges associated with the write-down of assets, or returns on new investments may be lower than prior to the change in strategy, plans for growth or restructuring.

Boat Rocker may have difficulty raising additional capital which could adversely affect the market for the Company's securities.

The Company may require capital in the future in order to meet additional working capital requirements, to make capital expenditures, to take advantage of investment and/or acquisition opportunities or for other reasons. Additionally, if Boat Rocker increases (through internal growth or acquisition) its programming slate or its production budgets, it may be required to fund more development projects, provide additional funding for video content, increase overhead, make larger upfront payments to talent, and consequently bear greater financial risks. Accordingly, it may need to raise additional capital in the future. The Company's ability to obtain additional financing will be subject to a number of factors, including market conditions and its operating performance. These factors may make the timing, amount, terms and conditions of additional financing unattractive or unavailable for the Company. Disruptions in the capital markets, including changes in market interest rates or lending practices or the availability of capital, could have a materially adverse effect on the Company's ability to raise or refinance debt.

In order to raise such capital, the Company may sell additional equity securities in subsequent offerings and may issue additional equity securities. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect the prevailing market price for the securities. With any additional sale or issuance of equity securities, investors will suffer dilution and the Company may experience dilution in its earnings per share.

Alternatively, the Company may incur debt. Capital raised through debt financing would require the Company to make periodic interest payments and may impose restrictive covenants on the conduct of the Company's business.

Furthermore, additional financings may not be available on terms favourable to the Company, or at all. The Company's failure to obtain additional funding could prevent the Company from making expenditures that may be required to grow its business or maintain its operations.

Risks Related to Doing Business Internationally

Boat Rocker faces risks inherent in doing business internationally, many of which are beyond its control and which could have a Material Adverse Effect.

Boat Rocker produces and distributes video content and conducts other business activities outside of Canada directly and through foreign subsidiaries and derives revenues from these sources. As a result, Boat Rocker is subject to certain risks inherent in international business, many of which are beyond its control. These risks include:

- changes in local regulatory requirements, including restrictions on content;
- changes in the laws and policies affecting trade, investment and taxes (including laws and policies relating to the repatriation of funds and to withholding taxes);
- impact of trade disputes;
- anti-corruption laws, sanctions and other bans instituted by the applicable authorities on doing business with particular countries, companies and individuals;
- differing degrees of protection for IP and less stringent attitudes toward piracy;
- differential regulation around data privacy and security;
- changes in local regulatory requirements including regulations designed to stimulate local productions, promote and preserve local culture and economic activity (including local content quotas, investment obligations, local ownership requirements, and levies to support local film funds);
- instability of foreign economies and governments;
- increased market concentration in certain territories;
- difficulties in understanding and complying with local laws, regulations and customs in foreign jurisdictions;
- inability to adapt the Company's offerings successfully to differing languages, cultural tastes, and preferences in international markets;
- wars and acts of terrorism; and
- the spread of viruses, diseases or other widespread health hazards, including COVID-19.

Any of these factors could have a Material Adverse Effect.

Fluctuations in foreign currency exchange rates could harm the Company's results of operations. Foreign currency and exchange control regulations may adversely affect the repatriation of funds to Canada.

The presentation currency for the Company's consolidated financial statements is the Canadian dollar. Foreign exchange affects the Company's revenues and results of operations in two ways. First, revenue is recognized in the Company's United States subsidiaries in U.S. dollars and in the Company's U.K. subsidiary in pounds sterling. If the U.S. dollar and/or pound sterling weakens against the Canadian dollar, it would have a negative impact on the Company's consolidated operating results upon translation to Canadian dollars for the purposes of financial statement consolidation. Second, the Company invoices for sales, recognizes debt, and incurs expenses in a currency other than the functional currency of the legal entity. For example, a Canadian legal entity may invoice and receive U.S. dollar revenue, forcing that sale to be translated to Canadian dollars. If the relative values of the Canadian dollar and U.S. dollar fluctuate between invoicing and collection of cash, a foreign currency gain or loss is recognized on the consolidated statement of income. Currency exchange rates are determined by market factors beyond the control of the Company and current foreign exchange rates may not be indicative of future exchange rates. Although the Company may engage from time to time in hedging its foreign exchange risk by locking in rates for cash flows in the future, depending upon changes in future currency rates, such gains or losses could have a significant and potentially adverse effect on Boat Rocker's results of operations.

In addition, the ability of the Company to repatriate to Canada funds arising in connection with the foreign exploitation of its programming may also be adversely affected by currency and exchange control regulations imposed by the country in which the production is exploited. At present, the Company is not aware of any existing currency or exchange control regulations in any country in which the Company currently contemplates exploiting its programming which would have an adverse effect on the Company's ability to repatriate such funds.

Risks Related to Litigation, IP Infringement and IP Protection

Boat Rocker may be subject to claims and legal proceedings that could be time-consuming, expensive and result in significant liabilities for the Company.

Governmental, legal or arbitration proceedings may be brought in the future or threatened against Boat Rocker. Regardless of their merit, any such claims could be time consuming and expensive to evaluate and defend, divert management's attention and focus away from the business and subject Boat Rocker to potentially significant liabilities.

In particular, Insight Productions, of which the Company currently owns 70%, is the defendant in a class action for alleged unpaid overtime and misclassification of employees as independent contractors. Insight Productions believes that the claim has been sponsored by the CMG and IATSE who wish to leverage unscripted producers in Canada into signing collective agreements in respect of their crews who are not unionized. While the claim has not been certified as a class action, and Insight Productions believes it has many defenses to the claim, there is no assurance that Insight Productions will be successful in defending this action, or that other similar actions may not emerge against the Company. See "*Legal Proceedings*".

Boat Rocker's business involves risks of liability claims for content, which could adversely affect Boat Rocker's business, results of operations and financial condition.

As a distributor and producer of video content, the Company's revenues are dependent on the unrestricted ownership or control of its rights to programming. Any successful claims challenging ownership or control of these intangible assets could hinder the Company's ability to exploit these rights.

One of the risks of the video content production business is the possibility that others may claim that Boat Rocker's programming misappropriates or infringes the intellectual property rights of third parties with respect to their previously developed films and television series, stories, characters, other entertainment or intellectual property. Boat Rocker seeks to protect itself against these claims by not accepting unsolicited submissions, undertaking appropriate searches, securing grants to intellectual property rights in writing, legally monitoring its programming for these kinds of claims, and securing insurance. Despite the processes and protections the Company puts in place, these types of IP claims are not uncommon in the Company's business. Regardless of the validity or the success of the assertion of any such claims, the Company could incur significant costs and diversion of resources in enforcing its intellectual property rights or in defending against such claims. Any imposition of liability that is not covered by insurance or is in excess of insurance coverage could have a Material Adverse Effect.

Protecting and defending against intellectual property claims may have a Material Adverse Effect on the Company's business.

Boat Rocker's ability to compete depends, in part, upon successful protection of its intellectual property. The Company attempts to protect proprietary and intellectual property rights to its programming through available copyright and trademark laws and licensing and distribution arrangements with reputable international companies in specific territories and media for limited durations. Despite these measures, existing copyright and trademark laws afford only limited practical protection in certain countries in which the Company may distribute its products and no assurance can be given that challenges will not be made to the Company's copyrights and trademarks. In addition, technological advances and conversion of video content into digital format have made it easier to create, transmit and share unauthorized copies of television programs. Users may be able to download and/or stream and distribute unauthorized or "pirated" copies of copyrighted material over the internet. As long as pirated content is available to download and/or stream digitally, some consumers may choose to digitally download or stream material, even where it is illegal to do so. As a result, it may be possible for unauthorized third parties to copy and distribute the Company's programming, which could have a Material Adverse Effect.

Risks Related to the Company's Infrastructure and Protection of Confidential Information

Boat Rocker is dependent on its information technology ecosystem. Failures in certain components of the information technology ecosystem could adversely affect the Company and its operations.

Boat Rocker's ability to conduct its business, including maintaining financial controls, and keeping its production at its animation studio on schedule, is based in part on the efficient and uninterrupted operation of its information technology ecosystem, including its management information systems, animation infrastructure, access to the internet and various cloud solutions. If any of Boat Rocker's production, financial, rights management, personnel, email, other information technology systems, internet access or other systems or processes were to stop operating properly for any significant period of time for any reason (including, for example, hardware or software malfunctions, computer viruses, internet problems or sabotage), Boat Rocker could suffer a disruption to its business, loss of data, increased costs, regulatory intervention and/or reputational damage. In order to reduce the risk that its systems fail, the Company regularly replaces hardware, upgrades software and maintains a robust infrastructure and systems team. In the event the Company does not adequately maintain its information technology systems, any failure of such systems would negatively impact its ability to operate the business, deliver projects on time and would harm the Company's reputation with its buyers and other partners. An inability to operate or enhance information technology systems could have an adverse impact on, among other things, the Company's ability to produce accurate and timely invoices, manage operating expenses and produce accurate and timely financial reports. See also "*Risk Factors – Risks Related to External Factors Boat Rocker Cannot Control, Including COVID-19 – Business interruptions could adversely affect Boat Rocker's operations*."

A breach of the Company's network security or other theft or misuse of confidential and proprietary information, digital content could have a Material Adverse Effect.

The number and sophistication of attempted and successful information security breaches have increased in recent years and, as a result, the risks associated with such an event continue to increase. Outside parties regularly attempt to penetrate the Company's systems and those of its vendors or to fraudulently induce its employees or buyers or employees of its vendors to disclose sensitive or confidential information to obtain or gain access to the Company's data, business information or other sensitive or confidential information. The Company and its employees are regularly targeted in phishing schemes, including attempts by hackers to impersonate executives or vendors to direct payments outside the Company. Increasingly, the Company is concerned that hackers could attempt to penetrate its information technology systems so as to hold its data and work in progress hostage subject to the payment of significant ransom amounts.

Although the Company has taken steps to reduce these risks, there can be no assurance that potential failures of, or deficiencies in, these systems or processes will not have an adverse effect on the Company's operations and/or its financial results. Moreover, if the Company's systems are penetrated, the costs to repair those systems and the concomitant downtime in the Company's production pipeline can be significant and costly.

Inadequate investment in information technology infrastructure and slow integration of acquired businesses could increase vulnerability of the Company's cyber security against ever changing cyber risks.

The Company has grown and expects to grow through acquisitions. Certain of the businesses the Company has acquired and may acquire in the future have unsophisticated information technology infrastructure which leaves the ecosystem of that business and the Company as a whole vulnerable. If the Company is unable to integrate new businesses into its information technology ecosystems in a timely manner, and apply its policies and practices to all of its infrastructure and users, the Company may be exposed to cyber risks which could negatively impact the Company and its operations and results.

Unauthorized disclosure of sensitive or confidential information could harm the Company's business and standing with its clients, customers, buyers or employees.

The protection of client, buyer, customer, employee and other business data is critical to the Company. Boat Rocker collects, stores, transmits and uses information relating to, among others, its buyers, partners, representatives and financiers. In addition, at any given time the Company has personal information in its files related to its employees, crew and cast members, and the clients of Untitled Entertainment. Despite the Company's attempt to adhere to privacy regulations in various jurisdictions, there is always a risk that personal information within the scope of these regulations could be inadvertently or deliberately disclosed by the Company's employees or that the Company's systems where such information is stored could be breached. See "*Risk Factors – Risks Related to the Company's Infrastructure and Protection of Confidential Information – A breach of the Company's network security or other theft or misuse of confidential and proprietary information, digital content could have a Material Adverse Effect"*. The Company also provides confidential information, digital content and limited personal information to third parties when it is necessary to pursue business objectives. While Boat Rocker seeks assurances that these third parties will protect this information and, where appropriate, monitor the protections employed by these third parties, there is a risk that data systems of these third parties may be compromised and the confidential information may be disclosed.

Risks Related to Bad Publicity and Negative Perceptions of the Company's Business, Key Personnel, Clients or Brands

Adverse publicity concerning Boat Rocker, one of its businesses, its clients or its key personnel or talent could negatively affect the Company's business.

The Company's professional reputation is essential to its continued success, and any decrease in the quality of its reputation could impair its ability to, among other things, recruit and retain key personnel, retain or attract Untitled Entertainment's managers and clients, maintain relationships with its buyers and partners.

Boat Rocker's reputation may be negatively impacted by a number of factors, including negative publicity concerning the Company, members of its management or other key personnel. In addition, Boat Rocker is dependent for a portion of its revenues on key talent managed by Untitled Entertainment, such as actors, many of whom are public personalities with large social media followings whose actions generate significant publicity and public interest. Any adverse publicity relating to such individuals or entities that Boat Rocker employs or represents, or to the Company (including Untitled Entertainment), including from reported or actual incidents or allegations of illegal or improper conduct, such as harassment, discrimination or other misconduct, could result in significant media attention, even if not directly relating to or involving Boat Rocker. Such publicity could have a negative impact on the Company's professional reputation, potentially resulting in termination of licensing or other contractual relationships, or the shunning of talent represented by Untitled Entertainment. Boat Rocker's professional reputation could also be impacted by adverse publicity relating to one or more of its brands or programs. Any the foregoing situations could adversely affect the Company's business, financial condition and results of operations.

In addition, changes in consumers' tastes or a change in the perceptions of the Company's business partners, whether as a result of the social and political climate or otherwise, could adversely affect Boat Rocker's operating results. The Company's failure to avoid a negative perception among consumers or buyers or anticipate and respond to changes in consumer preferences, including in the video content it creates, could result in reduced demand for the Company's services and content offerings or those of its clients, which could have a Material Adverse Effect.

Boat Rocker's business involves potential internal conflicts of interest.

Increasingly, the Company must manage actual and potential internal conflicts of interest in its business due to the breadth and scale of its operations. Different parts of Boat Rocker's business may have actual or potential conflicts of interests with each other, including client representation, video content production, brand exploitation, and content development businesses. Although the Company attempts to manage these conflicts appropriately, any failure to adequately address or manage internal conflicts of interest could adversely affect Boat Rocker's reputation and the willingness of buyers, talent and third parties to work with the Company may be affected if it fails, or appears to fail, to deal appropriately with actual or perceived internal conflicts of interest, which could have a Material Adverse Effect.

Risks Related to Regulations

The Company's activities are subject to a variety of laws and regulations which may adversely impact its operations or, if violated, could subject the Company to an increased risk of litigation and regulatory actions.

The Company is subject to numerous laws and regulations in each territory in which it operates, including among others privacy laws, and any failure by the Company to comply with such laws and regulations could have a Material Adverse Effect.

Boat Rocker is dependent on tax credits to fund its productions, and any change in the regulations for subsidies or reduction in such subsidies could negatively affect the Company's business.

In addition to license fees from buyers, in respect of some of the content produced by the Company (particularly the programming produced in Canada), the Company finances a significant portion of those production budgets with funding from federal and provincial governmental agencies and incentive programs, including, in some cases, the CMF, provincial film equity investment and incentive programs, federal tax credits, provincial tax credits and state tax credits, and other investment and incentive programs. In addition, many of the Company's programs produced outside of Canada are also financed by tax credits and government grants which are subject to complicated eligibility rules and dependent on the ongoing support of such programs by local governments. While Boat Rocker seeks to ensure that it qualifies for local subsidies and that such subsidies are secure, there can be no assurance that individual incentive programs available to the Company will not be reduced, amended or eliminated or that the Company or its productions will qualify for such incentive programs, or that the Company will not have compliance issues in respect of tax credits, any of which may have a Material Adverse Effect.

Loss of Canadian status may result in loss of government tax credits and incentives or default by the Company under broadcast licenses.

The Company could cease to be eligible for the television and film production-related Canadian government tax credits and incentives which subsidize many of its productions produced in Canada if it ceases to be "Canadian" as defined under the ICA. The ICA establishes the ICA Canadian Status Rules for determining who is a "Canadian" for purposes of the ICA. Under the ICA Canadian Status Rules, the Company would not be considered to be Canadian if one non-Canadian or two or more members of a voting group who are non-Canadians own 50% or more of the voting Shares of the Company. Moreover, as the Company is engaged in a prescribed business which is related to Canada's cultural heritage or national identity (i.e., a so called "cultural business" which includes among others, any business which is engaged in film or television production or distribution in Canada), even if the Company qualifies as Canadian-controlled by virtue of the normal ICA Canadian Status Rules, the Minister of Canadian Heritage may nevertheless determine that the Company is not Canadian-controlled where, after considering any information and evidence submitted by or behalf of the Company or otherwise made available to the Minister, the Minister is satisfied that the Company is controlled in fact by one or more non-Canadians. If the Company ceases to be "Canadian" under the ICA, it will no longer be eligible for applicable "Canadian content" government tax credits and incentives and could be required to repay previously received amounts, both of which could have a Material Adverse Effect. The Company's Multiple Voting Shares are designed to help Boat Rocker maintain Canadian status for such purposes. See "*Description of Share Capital*".

In addition, a certain number of the Company's programs are contractually required by Canadian buyers to be certified as "Canadian-content" productions. If the Company ceased to be "Canadian" under the ICA, it would be in default under any broadcast licenses which require "Canadian content" certification. In the event of such default, among other remedies, the Canadian buyer could refuse acceptance of the Company's productions and demand repayment of its license fee. Moreover, if the Company was no longer "Canadian" under the ICA, it could no longer qualify as a co-production partner under international treaty co-production agreements and it could no longer qualify as a Canadian distributor both for its own productions and for Canadian productions produced by third parties, which would limit its ability to source new library content from Canadian producers.

The regulatory system that governs Canadian producers and Canadian media is under review and changes to the system may have a negative impact on the Company.

Since September 2016, the Canadian government has been reviewing its cultural policies and the legislative frameworks around telecommunications and broadcasting acts, in an effort to update and modernize its approach for the digital era and to address, among other things, how to best support the creation, production and distribution of Canadian content. On November 3, 2020, the Canadian Heritage Minister tabled a bill seeking to modernize the *Broadcasting Act* (Canada) by extending its application to foreign OTT platforms. The proposed changes to the *Broadcasting Act* (Canada) would, if adopted, require online players such as Netflix, Amazon Prime Video, Disney+ and Spotify to financially contribute to the support of Canadian music, stories, creators and producers. If the legislation is passed, it is anticipated that these changes to the Canadian regulatory system will be beneficial to the Canadian video content producers, including the Company. However, any change in the regulatory system could have other consequences which could in turn have an adverse effect on the business of the Company.

Risks Related to Indebtedness

As of December 31, 2020, the Company had loans and borrowings of $93.6 million (inclusive of amounts owing under the Corporate Credit Facility and the certain equipment leases), convertible debentures issued to Fairfax of $47.3 million (of which $22.0 million was converted into equity on January 1, 2021 and the remainder was converted into Subordinate Voting Shares under the IPO), lease obligations of $31.5 million (inclusive of amounts owing under Insight Production's amended and extended credit facility with a Canadian chartered bank) and interim production financing of $139.8 million (inclusive of amounts outstanding under the US Scripted Production Facility). The Company repaid all of its term debt under the Corporate Credit Facility from the net proceeds of the IPO.

Risks related to US Scripted Production Facility.

Subsidiaries of the Company are party to a US$100,000,000 senior secured five-year revolving credit facility with a major U.S. bank, which may be increased to US$250,000,000, in connection with the interim financing of the television productions of Boat Rocker's US scripted division (the "**US Scripted Production Facility**"). The US Scripted Production Facility could have adverse consequences on the business of Boat Rocker, such as:

- limiting Boat Rocker's ability to obtain additional financing;
- requiring a substantial portion of the Company's cash flows to be dedicated to debt service payments and capitalization of the facility instead of other purposes;
- increasing the Company's vulnerability to the ongoing COVID-19 global pandemic and its effects, economic downturns and adverse developments in its business;
- exposing the Company to the risk of increased interest rates as certain of its borrowings under the US Scripted Production Facility are at variable rates of interest;
- limiting Boat Rocker's flexibility in planning for and reacting to changes in the conditions of the financial markets and its industry;
- placing the Company at a competitive disadvantage compared to other, less leveraged competitors and limiting its ability to seek alternative financing for future projects;
- increasing the Company's cost of borrowing;
- restricting the way in which the business of the Company, specifically its U.S.-based scripted television division, is conducted because of financial and operating covenants in the facility; and/or
- exposing Boat Rocker to potential events of default (if not cured or waived) if one of the Company's subsidiaries breach covenants contained in the credit agreement.

Risks related to corporate debt.

The Company and certain of its subsidiaries are currently indebted under the Corporate Credit Facility and the certain equipment leases, as applicable, and may incur additional indebtedness under such facilities or otherwise in the future. The Company repaid all of its term debt under the Corporate Credit Facility from the proceeds of the IPO. The Company's corporate indebtedness currently requires, and may require the Company in the future, to comply with various restrictive financial and other covenants that affect, among other things, the manner in which the Company may structure or operate its business or pursue its growth strategies.

Risks related to the Company's other interim production financing arrangements.

Many of the Company's programs are financed by Canadian banks who specialize in lending to media producers. These interim production facilities could have adverse consequences on Boat Rocker's business, such as:

- these interim production facilities are demand loans which can be called for repayment by the financier at any time;
- Boat Rocker is required to estimate the repayment date for these loans and the interest costs over the life of the loans and, if any of these estimates are incorrect, the cost of borrowing could be higher than anticipated;
- these facilities restrict the way in which Boat Rocker conducts its business because of operating covenants in the agreements which prohibit certain actions and expose Boat Rocker to potential events of default (if not cured or waived); and/or
- these interim production facilities are generally guaranteed by Boat Rocker's parent entity and/or other operating companies within the business, and as a result the financiers generally have the ability to seek recourse from Boat Rocker in respect of a default by the operating companies which provided the guarantees.

Other Risks

Failure to design, test and maintain effective processes and controls could lead to errors in the Company's financial reporting, which could harm the Company's financial performance and cause a decline in its share price.

Boat Rocker has not historically prepared public company financial statements. Boat Rocker was not required to design or maintain effective controls over the financial statement close and reporting process in order to ensure the accrual and timely preparation of financial statements in accordance with IFRS. In addition, information technology controls, including end user and privileged access rights and appropriate segregation of duties, were not required to be designed and tested.

Boat Rocker does not expect that its disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially adversely affected, which could also cause investors to lose confidence in the Company's reported financial information, which in turn could result in a reduction of the trading price of the Company's Shares or prevent the continued trading of its securities.

Boat Rocker may be exposed to credit risk arising from cash and cash equivalents as well as outstanding receivables which may have a Material Adverse Effect.

Credit risk arises from cash and cash equivalents, as well as credit exposure to buyers, including outstanding receivables. Boat Rocker will seek to manage credit risk on cash and cash equivalents by seeking to ensure wherever appropriate that the counterparties are banks, governments and government agencies with high credit ratings. The balance of trade amounts receivable are mainly with a range of linear channels and other distribution buyers. Management seeks to manage credit risk by regularly reviewing and accounts receivable and appropriate credit analysis.

In assessing credit risk, management includes in its assessment the Company's long-term receivables and considers what impact the long-term nature of the applicable receivable has on credit risk. For certain arrangements with licensees, the Company is considered the agent, and only reports the revenue net of the licensor's share. When the Company bills a third-party in full where it is an agent for the licensor, the Company records an offsetting amount in accounts payable that is only payable to a licensee when the amount is collected from the third-party. This reduces the risk, as the Company is only exposed to the amounts receivable related to the revenue it records.

Boat Rocker may not be able to secure the necessary studio space to produce its television series, or the cost of such studio space may be in excess of estimated amounts.

Boat Rocker produces much of its live action video content in Los Angeles, New York and Toronto, where there is a shortage of suitable studio space for filming live action productions. The Company's larger competitors are able to commit to renting studio space at a premium for multi-year terms in order to ensure they always have space available for their productions. Boat Rocker cannot make such commitments in advance of securing full financing for any production and as such it may have to consider less than ideal studio spaces or pay for studio space in excess of budgeted amounts. If the demand for studio space continues, and the supply is not increased, Boat Rocker will continue to have uncertainty in respect of its ability to produce the series on its development slate at the estimated cost and as contemplated in its production schedules, which could have a negative effect on the Company's business operations and results.

Certain of the Company's buyers and customers may terminate their contracts.

Much of the Company's programming, particularly animation, is produced on a "work for hire" or "services" basis. In those cases, the Company is contracted by the owner of the intellectual property to produce a project on agreed terms and Boat Rocker has no rights to the project or, in some cases, assurance that the customer will not terminate the services agreement or re-hire Boat Rocker for a subsequent season. Though Boat Rocker has never had a customer terminate an animation contract mid-way through production and endeavours to negotiate service agreements that have limited termination rights, provide sufficient notice of termination and/or provide the Company with a significant termination fee in the event of cancellation, there can be no assurance that it will always be able to secure these terms or that a customer will not elect to terminate a project underway. In respect of unscripted programming produced on a "work for hire" or "services" basis, buyers may indicate that a program is greenlit, but subsequently choose not to order the show, or in some limited cases, enter into a binding contract to engage the Company to produce video content and subsequently terminate the contract prior to the start of principal photography. In the latter case, the Company will be paid for its work to date and may be paid a termination fee, but not the entirety of the fees it would have made if the programming was produced. If the Company's customers and buyers exercise their termination rights it could have a negative effect on the Company's business operations and results.

Boat Rocker is subject to income taxes both federally and provincially, and to audits from tax authorities in those jurisdictions. Any audits could materially affect the income taxes payable or receivable in any jurisdiction, which changes would affect Boat Rocker's financial statements.

In preparing its financial statements, the Company is required to estimate production tax credits receivable in each of the jurisdictions in which it operates, taking into consideration tax laws, regulations and interpretations that pertain to its activities. In addition, Boat Rocker is subject to audits from these tax authorities on an ongoing basis and the outcome of such audits could materially affect the amount of tax credits receivable recorded on its consolidated balance sheets and the income tax expense recorded on its consolidated statements of earnings. Any cash payment or receipt resulting from such audits would have an impact on Boat Rocker's cash resources available for its operations and its overall results of operations.

Registration rights of certain Shareholders could result in a significant reduction in the market price of the Subordinate Voting Shares.

Shareholders who have been granted registration rights pursuant to the registration rights agreements entered into with the Company after the completion of the IPO (the "**Registration Rights Agreement**") have the right to require the Company to arrange the sale of their Subordinate Voting Shares by way of a prospectus. Any sale of Subordinate Voting Shares by such Shareholders by way of prospectus or otherwise could significantly reduce the market price of the Subordinate Voting Shares and impede Boat Rocker's ability to raise capital through the issuance of additional Subordinate Voting Shares.

Partially-owned entities.

The Company has interests in non-wholly-owned subsidiaries, including Insight Productions and Untitled Entertainment, which are subject to agreements that may affect the Company's flexibility and ability to implement strategies and financing and other plans that the Company believes are in the Company's and/or the applicable subsidiary's best interests. Such agreements may also contain, among other things, provisions relating to the applicable subsidiary's governance structure, drag and/or tag along rights, put/call rights and restrictions on equity transfers.

Specifically, the founders of Untitled Entertainment have a put right with respect to some or all of their interest commencing in February 2024 (or earlier in the event of certain "good leaver" employment termination events) pursuant to which the founders will be entitled to receive the fair market value (as mutually agreed or determined by an independent appraiser) of such interest, payable in cash. Boat Rocker has a reciprocal call right. In the event that one or both of the founders of Untitled Entertainment elects to exercise their put right, the value of their stake in the business will be determined, in part, on whether such founder has agreed to continue to work for Untitled Entertainment beyond the closing of the put/call transaction. In the event one or both of the founders of Untitled Entertainment exercised their put right and do not elect to continue to work for Untitled Entertainment, there is a risk that Untitled Entertainment will be unable to retain its managers and/or clients, which could result in a Material Adverse Effect. See "*Material Contracts – Untitled Entertainment LLC Agreement*".

The sellers of Insight Productions retain a 30% ownership stake in the company. Effective May 17, 2021, the minority shareholder of Insight Productions will have the right to "put" its remaining stake in Insight Productions to Boat Rocker for purchase (and Boat Rocker has a mirror "call" right). The employment agreement for John Brunton, Insight Production's chairman and chief executive officer (and founder, who is the majority shareholder of the minority shareholder) expires at the same time. Mr. Brunton has long standing relationships with many of Boat Rocker's buyers of unscripted content, particularly in Canada. In the event Mr. Brunton elects to cause the minority shareholder of Insight Productions to exercise the put, and he does not continue his employment with Insight Productions, their ability to sell unscripted content in the Canadian market may be negatively impacted which could result in a Material Adverse Effect. See "*Material Contracts – Insight Shareholders Agreement*".

Risks related to forward-looking information in this Annual Information Form.

The forward-looking statements included in this Annual Information Form relating to, among other things, future results, performance, achievements, prospects or opportunities of the Company or the market in which the Company operates are based on opinions, assumptions and estimates made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Actual results of the Company in the future may vary significantly from the historical and estimated results and those variations may be material. There is no representation by the Company that actual results achieved by the Company in the future will be the same, in whole or in part, as those included in this Annual Information Form.

The market price of the Subordinate Voting Shares may be volatile as a result of factors beyond the Company's control.

Securities markets have a high level of price and volume volatility, and the market price of shares of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The market price for the Subordinate Voting Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including without limitation the following:

- actual or anticipated fluctuations in the Company's quarterly results of operations, including changes in earnings or variations in operating results;
- change in the value of the Company's assets;
- operating performance and, if applicable, share price performance of the Company's competitors;
- addition or departure of members of management and other key personnel;
- sales of additional Subordinate Voting Shares;
- conditions in the economy in general or in the film, television, talent management or broadcasting sectors in particular;
- the impact of the ongoing COVID-19 global pandemic and measures to prevent its spread, and the resulting economic uncertainty;
- changes in applicable laws and regulations;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related industry and market issues; and/or
- loss of a major funding source.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities and that have often appeared to have been unrelated to the operating performance, underlying asset values or business prospects. Accordingly, the market price of the Subordinate Voting Shares may decline even if the Company's operating results, underlying asset values or business prospects have not changed. No prediction can be made as to the effect, if any, that future sales of Subordinate Voting Shares or the availability of Subordinate Voting Shares for future sale (including Subordinate Voting Shares issuable upon the exercise of stock options or other rights) will have on the market price of the Subordinate Voting Shares prevailing from time to time.

In addition, the trading market for the Subordinate Voting Shares may rely in part on the research and reports that securities analysts and other third parties choose to publish about the Company, if applicable. The Company does not control these analysts or other third parties and it is possible that no analysts or third parties will cover the Company. The price of the Subordinate Voting Shares could decline if one or more securities analysts downgrade the Company or if one or more securities analysts or other third parties publish inaccurate or unfavourable research about the Company or cease publishing reports about the Company.

Future sales of Subordinate Voting Shares by existing Shareholders.

Sales of a substantial number of issued and outstanding Subordinate Voting Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Subordinate Voting Shares intend to sell their Subordinate Voting Shares, could reduce the market price of the Subordinate Voting Shares. The Company cannot predict the effect, if any, that future public sales of these securities or the availability of these securities for sale will have on the market price for the Subordinate Voting Shares. If the market price of the Subordinate Voting Shares was to drop as a result, it could impair the Company's ability to raise additional capital through the sale of securities.

Moreover, pursuant to the Registration Rights Agreement, certain of the Company's existing Shareholders will have certain rights to require the Company to file a prospectus covering their registrable securities or to include their registrable securities in prospectuses that the Company may file. The Company cannot predict the size of future issuances of the Subordinate Voting Shares or the effect, if any, that future issuances and sales of Subordinate Voting Shares will have on the market price for such securities.

Public company financial reporting and other regulatory obligations.

Prior to the IPO, the Company was not subject to the continuous and timely disclosure requirements of Canadian securities laws and the rules, regulations and policies of any stock exchange. As a public company, Boat Rocker will incur increased legal, accounting and other costs not incurred as a private company. Boat Rocker is and will continue to be subject to, among other things, the rules and regulations of the applicable securities regulators and stock exchange. Boat Rocker expects that compliance with these requirements will increase the Company's legal and financial compliance costs and will make some activities more time consuming and costly. In addition, the Company expects that its management and other personnel will need to divert attention from operational and other business matters to devote substantial time to these public company requirements. The Company has made, and will continue to make, changes to its financial management control systems and other areas to seek to manage its obligations as a public company, including corporate governance, internal controls, disclosure controls and procedures and financial reporting and accounting systems. However, the Company cannot assure holders of Subordinate Voting Shares that these and other measures that it might take will be sufficient to allow it to satisfy its obligations as a public company on a timely basis.

As a public company, the Company is and will continue to be subject to the reporting requirements and related rules and regulations of the Canadians securities regulators, as well as the rules of any applicable stock exchange. The financial and managerial resources necessary to seek to ensure such compliance could escalate significantly in the future, which could have a Material Adverse Effect. In order to establish effective disclosure controls and procedures and internal control over financial reporting, under applicable securities law, significant resources and management oversight will be required. The Company expects to incur significant additional annual costs related to its public company status including but not limited to filing fees, fees related to its reporting requirements, legal and administrative costs, and increased audit fees. As well, such laws and regulations are subject to change. Accordingly, it is impossible for the Company to predict the cost or impact of such laws and regulations on future operations.

Dilution.

The Company is authorized to issue an unlimited number of Shares for such consideration and on those terms and conditions as shall be determined by the Board without the approval of any Shareholders, subject to applicable stock exchange and regulatory requirements. The Company may make future acquisitions or enter into other transactions involving the issuance of securities which may be dilutive.

Future offerings of debt and equity.

In the future, the Company may attempt to increase its capital resources by making offerings of debt securities or additional offerings of equity securities. Upon bankruptcy or liquidation, holders of the Company's debt securities and lenders with respect to other borrowings will be entitled to receive a distribution of the Company's available assets prior to the holders of its Subordinate Voting Shares. Additional equity offerings may dilute the holdings of the Company's existing Shareholders or reduce the market price of its Subordinate Voting Shares, or both. Preferred Shares, if issued, could have a preference on liquidating distributions or a preference on dividend payments or both that could limit the Company's ability to make a dividend or other distribution to the holders of its Subordinate Voting Shares. The Company's decision to issue securities in any future offering will depend on market conditions and other factors beyond its control. As a result, the Company cannot predict or estimate the amount, timing or nature of its future offerings, and purchasers of its Subordinate Voting Shares bear the risk of the Company's future offerings reducing the market price of its Subordinate Voting Shares and diluting their ownership interest in the Company.

Limited public company experience.

The individuals who now constitute Boat Rocker's senior management team have limited or no experience managing a publicly-traded company and limited or no experience complying with the increasingly complex laws pertaining to public companies. Boat Rocker's senior management team may not successfully or efficiently manage the Company's transition to being a public company subject to significant regulatory oversight and reporting obligations under Canadian securities laws. In particular, these new obligations will require substantial attention from the Company's senior management and could divert their attention away from the day-to-day management of Boat Rocker's business.

Significant ownership by the Principal Shareholders.

The Company's Multiple Voting Shares have up to 10 votes per share and the Company's Subordinate Voting Shares have one vote per share. Fairfax purchased 3,333,334 Subordinate Voting Shares as part of the IPO. As at the date of this Annual Information Form, Fairfax, either directly or indirectly, holds an approximate 56.1% voting interest (and an approximate 45.0% equity interest) in the Company through its ownership of Shares (or is expected to hold an approximate 55.5% voting interest and a 42.8% equity interest in the Company if the Over-Allotment Option is exercised in full). As at the date of this Annual Information Form, IDJ, either directly or indirectly, holds an approximate 36.2% voting interest (and an approximate 18.0% equity interest) in the Company through their ownership of Shares (or is expected to hold an approximate 35.8% voting interest and a 17.1% equity interest in the Company if the Over-Allotment Option is exercised in full). As a result, the Principal Shareholders, in the aggregate, have over 90.0% of the voting power over all corporate actions requiring Shareholder approval, including election of the Company's directors and significant corporate transactions.

In addition, because of the maximum 10-to-1 voting ratio between the Company's Multiple Voting Shares and Subordinate Voting Shares, the Principal Shareholders will continue to control a majority of the combined voting power of the Company's voting Shares even where the Multiple Voting Shares represent a substantially reduced percentage of the Company's total outstanding Shares. The concentrated voting control of the Principal Shareholders will limit the ability of holders of Subordinate Voting Shares to influence corporate matters for the foreseeable future, including the election of directors of the Company as well as with respect to decisions regarding amendment of the Company's share capital, creating and issuing additional classes of shares, making significant acquisitions, selling significant assets or parts of the Company's business, merging with other companies and undertaking other significant transactions. As a result, the Principal Shareholders will have the ability to influence many matters affecting the Company and actions may be taken that holders of Subordinate Voting Shares may not view as beneficial. The market price of the Subordinate Voting Shares could be adversely affected due to the significant voting interest of the Principal Shareholders. The Subordinate Voting Shares may be less liquid and trade at a discount relative to the trading that could occur in circumstances where the Principal Shareholders did not have the ability to significantly influence or determine matters affecting the Company. Additionally, the Principal Shareholders' interest in the Company may discourage transactions involving a change of control of the Company, including transactions in which an investor, as a holder of Subordinate Voting Shares, might otherwise receive a premium for its Subordinate Voting Shares over the then-current market price. See "Material Contracts - Principal Shareholders Agreement".

Limited voting rights of the Subordinate Voting Shares.

Holders of Subordinate Voting Shares will only have a right to vote, as a class, in the limited circumstances described elsewhere in this Annual Information Form. The Board will determine major policies and strategy, including policies and strategy regarding financing, growth, debt capitalization and any future dividends to Shareholders. Generally, the Board may amend or revise these and other policies and strategies without a vote of the holders of Subordinate Voting Shares. The Board's broad discretion in setting policies and strategies and the limited ability of holders of Subordinate Voting Shares to exert control over those policies and strategies may increase the uncertainty and risks of an investment in the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of Boat Rocker, other than as outlined below, there are no material legal proceedings to which it or any of its subsidiaries is a party or to which any of their respective property is subject and, to Boat Rocker's knowledge, no such proceedings are contemplated.

On February 21, 2020, a class action lawsuit was filed by Cavalluzzo LLP against Insight Productions, a subsidiary of the Company. The claim alleges that all non-managerial and non-unionized persons who, since 2001 worked or continue to work for Insight Productions in Ontario were either misclassified as independent contractors and ought to have been engaged as employees and receive the benefits afforded to employees under the *Employment Standards Act (Ontario)*, or were engaged as employees but were not paid overtime or vacation pay. The claim demands $35 million in general damages and other relief. The claim has not been certified as a class action. No date has been set for a class certification hearing and no filings are currently due by Insight Productions. It has been agreed by the parties to the litigation and the case management judge that no dates will be set in this matter until Cavalluzzo LLP files its materials in support of its claim. As of the date of this Annual Information Form, no such materials have been filed.

For context, a nearly identical proposed class action lawsuit was filed against Cineflix Media, an unrelated and unaffiliated Canadian-based producer, on October 9, 2018. The Cineflix Media claim has not been certified as a class action and according to available public records, the certification hearing for the Cineflix Media claim is not scheduled until June 2021.

Management of Insight Productions believes that the claim has been sponsored by CMG and IATSE who wish to leverage unscripted producers in Canada into signing collective agreements in respect of their crews who are not unionized, though it is the belief of the Company that on the whole the crews who work on the Company's unscripted productions in Canada do not wish to be unionized.

Boat Rocker believes that the claim is without merit and that the Company has valid defenses to the claim, and intends to vigorously contest it on several grounds. As a result, and given that no certification materials have been filed, the Company cannot estimate any potential liability in regards to the matter. As such, no provision relating to this matter has been recorded in the Company's financials as at September 30, 2020.

On January 29, 2021, a subsidiary of the Company received notice of an application for certification filed by IATSE with the Labour Board of Nova Scotia, which seeks to unionize certain animation employees employed at Boat Rocker's animation studio in Halifax, Nova Scotia, Canada. The vote to determine whether the Halifax animation studio will be unionized occurred on February 4, 2021, but will ultimately not be determined until sometime in the second half of the second quarter of 2021, at the earliest. See "Risk Factors".

PROMOTERS

The staff of the Ontario Securities Commission has notified the Company that at the time of the IPO it was of the view that Mr. Schneeberg and Mr. Fortier were promoters of the Company within the meaning of Ontario securities laws. Neither the Company, Mr. Schneeberg nor Mr. Fortier agree or admit that Mr. Schneeberg and Mr. Fortier are promoters of the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described elsewhere in this Annual Information Form, the Company's audited consolidated financial statements and notes for the year ended December 31, 2020, and the Boat Rocker MD&A, there are no material interests, direct or indirect, of any of the Company's directors or executive officers, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of the Company's outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect Boat Rocker or any of the Company's subsidiaries.

TRANSFER AGENT AND REGISTRAR

TSX Trust Company, at its principal offices in Toronto, Ontario, is the transfer agent and registrar for the Shares.

INTERESTS OF EXPERTS

The Company's auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Professional Accountants, located at Toronto, Ontario. PwC has prepared an independent auditor's report dated March 31, 2021 in respect of the consolidated financial statements of the Company as at and for the years ended December 31, 2020 and 2019. PwC has advised that they are independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

ADDITIONAL INFORMATION

Additional information about Boat Rocker is available on Boat Rocker's website at www.boatrocker.com or SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, will be contained in the Company's management information circular that will be filed in connection with Boat Rocker's next annual meeting of Shareholders. Once filed, the management information circular will be available at www.sedar.com.

Additional financial information is provided in the Company's audited annual consolidated financial statements and Boat Rocker MD&A for the year ended December 31, 2020.

References to Boat Rocker's website in this Annual Information Form or any documents that are incorporated by reference in this Annual Information Form do not incorporate by reference the information on such website into the Annual Information Form, and Boat Rocker disclaims any such incorporation by reference.

APPENDIX A - AUDIT AND RISK COMMITTEE CHARTER

BOAT ROCKER
MEDIA

AUDIT AND RISK COMMITTEE CHARTER

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit and Risk Committee (the "**Committee**") of the board of directors (the "**Board**") of Boat Rocker Media Inc. (the "**Company**").

Section 1 Statement of Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- financial statements and financial reporting processes;
- the systems of internal accounting and financial controls;
- the annual independent audit of the financial statements;
- legal and regulatory compliance;
- reviewing the capital structure of the Company, reviewing and monitoring compliance with debt covenants and reviewing the process and reports with which the Company measures financial results or performance;
- public disclosure items such as quarterly press releases, financial-oriented investor relations materials and other public reporting requirements; and
- oversight of the Company's risk management activities generally.

Section 2 Committee Membership

The Committee shall consist of as many directors of the Board as the Board may determine (the "**Members**"), but in any event, not less than 3 (three) Members. Subject to any exceptions permitted thereunder, all of the Members should meet the criteria for independence and financial literacy established by applicable laws and the rules of any stock exchanges upon which the Company's securities are listed, including National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"). NI 52-110 requires, subject to any exceptions therein, that, to be independent, a Member be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a Member's independent judgment.

Members shall be appointed by the Board, taking into account any recommendation that may be made by the Compensation, Nominating and Corporate Governance Committee of the Board (the "**CNCG Committee**"). Any Member may be removed and replaced at any time by the Board and will automatically cease to be a Member if he or she ceases to meet the qualifications required of Members. The Board will fill vacancies on the Committee by appointment from among qualified directors of the Board, taking into account any recommendation that may be made by the CNCG Committee. If a vacancy exists on the Committee, the remaining Members may exercise all of their powers so long as there is a quorum.

Chair

Unless a Chair of the Committee (the "**Chair**") is designated by the Board, the Members may designate a Chair by majority vote of the full Committee membership.

Qualifications

All Members should be independent and financially literate as described above, subject to any exceptions permitted. Members should have suitable experience and must be familiar with auditing and financial matters.

Attendance of Ex Officio Members, Management and other Persons

The Committee may invite, at its discretion, senior executives of the Company or such persons as it sees fit to attend meetings of the Committee and to take part in the discussion and consideration of the affairs of the Committee. Senior executives and other employees of the Company shall attend a Committee meeting if invited by the Committee. The Committee may also require senior executives or other employees of the Company to produce such information and reports as the Committee may deem appropriate in the proper exercise of its duties. The Committee may meet without senior executives in attendance for a portion of any meeting of the Committee.

Delegation

Subject to applicable law, the Committee may delegate any or all of its functions to any of its independent Members or any independent sub-set thereof, from time to time as it sees fit.

Section 3 Committee Operations

Meetings

The Chair, in consultation with the other Members, should determine the schedule and frequency of meetings of the Committee. Meetings of the Committee should be held at such times and places as the Chair may determine. To the extent possible, advance notice of each meeting will be given to each Member unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings of the Committee either in person or by telephone, video or other electronic means. Powers of the Committee may also be exercised by written resolutions signed by all Members.

At the request of the external auditors of the Company, the Chief Executive Officer, the Co-Executive Chairmen or the Chief Financial Officer of the Company or any Member, the Chair should convene a meeting of the Committee. Any such request should set out in reasonable detail the business proposed to be conducted at the meeting so requested.

Agenda and Reporting

To the extent possible and desirable, in advance of every regular meeting of the Committee, the Chair should prepare and distribute, or cause to be prepared and distributed, to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may request that senior executives and other employees of the Company produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

The Chair should report to the Board on the Committee's activities since the last Board meeting. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board. Minutes of each meeting of the Committee should be approved by the Members and then circulated to the Board.

Secretary and Minutes

The secretary of the Company may act as secretary of the Committee unless an alternative secretary is appointed by the Committee. The secretary of the Committee should keep regular minutes of Committee proceedings.

Quorum and Procedure

A quorum for any meeting of the Committee will be a simple majority. The procedure at meetings will be determined by the Committee. The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all Members. In the absence of the Chair, the Committee may appoint one of its other Members to act as Chair of any meeting.

Exercise of Power between Meetings

Between meetings, the Chair, or any Member designated for such purpose by the Committee, may, if required in the circumstance, exercise any power delegated by the Committee on an interim basis. The Chair or other designated Member should promptly report to the other Members in any case in which this interim power is exercised.

Section 4 The Committee's Role

As part of its function in assisting the Board in fulfilling its oversight role (and without limiting the generality of the Committee's role), the Committee should perform the actions set out below.

Financial Reporting and Disclosure

Review and recommend to the Board for approval, the audited annual financial statements, including the auditors' report thereon, the quarterly financial statements, press releases with financial results, management discussion and analysis, financial reports, financial-oriented investor relations materials, and other applicable financial disclosure, prior to the public disclosure of such information.

Discuss with the independent auditors the matters required to be discussed by the applicable auditing standards from time to time, including any critical audit matters.

Review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management information circulars, material change disclosures of a financial nature and similar disclosure documents prior to the public disclosure of such documents or information.

Review with senior executives of the Company, and with external auditors, all critical accounting policies and practices to be used by the Company and alternative treatments under International Financial Reporting Standards ("**IFRS**"), with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly the Company's financial position and the results of its operations in accordance with IFRS, as applicable.

Review periodically the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (if any), on the financial statements of the Company.

Seek to ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, the Company's disclosure controls and procedures and periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration.

Internal Controls and Internal Audit

Review the adequacy and effectiveness of the Company's internal control and information systems through discussions with senior executives of the Company and the external auditor relating to the maintenance of: (i) necessary books, records and accounts in sufficient detail to accurately and fairly reflect the Company's transactions; (ii) effective internal control over financial reporting; and (iii) adequate processes for assessing the risk of material misstatements in the financial statements and for detecting control weaknesses or fraud. From time to time the Committee should assess any requirements or changes with respect to the establishment or operations of the internal audit function having regard to the size and stage of development of the Company at such time.

Satisfy itself, through discussions with senior executives of the Company, that the adequacy of internal controls, systems and procedures has been periodically assessed in accordance with regulatory requirements and recommendations.

Periodically review the Company's policies and procedures for reviewing and approving or ratifying related-party transactions.

External Audit

Provide recommendations to the Board relating to the appointment, compensation, retention, oversight and, when necessary, termination of any auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (including the resolution of disagreements between management and such firm regarding financial reporting).

Consult with the external auditors on a regular basis.

Review, at least annually, the qualifications, performance and the independence of the external auditors.

Review the audit plan of the external auditors prior to the commencement of any audit. Establish and maintain a direct line of communication with the Company's external auditors.

Pre-approve all auditing services and non-audit services to be provided to the Company by its independent external auditor. The Committee may delegate authority to one or more independent members to grant pre-approvals of audit and permitted non-audit services; provided that any such pre-approvals will be presented to the full Committee at its next scheduled meeting.

Meet in camera with only the external auditors, senior executives of the Company, or the Members, where and to the extent that, such parties are present, at any meeting of the Committee.

Review the results of the external audit and the external auditor's report thereon, including discussions with the external auditors as to the quality of accounting principles used and any alternative treatments of financial information that have been discussed with senior executives of the Company and any other matters.

Review any material written communications between senior executives of the Company and the external auditors and any significant disagreements between the senior executives and the external auditors.

Discuss with the external auditors their perception of the Company's financial and accounting personnel, records and systems, the cooperation which the external auditors received during their course of their review and availability of records, data and other requested information and any recommendations with respect thereto.

Discuss with the external auditors their perception of the Company's identification and management of risks, including the adequacy or effectiveness of policies and procedures implemented to mitigate such risks.

Review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board.

Review annually a report from the external auditors in respect of their internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to address any such issues.

Financial Strategy and Financial Transactions

Review, assess and discuss, including, as and when appropriate, with management, the Company's current and future capital and operating plans and budgets, the Company's capital structure, including debt and equity components, current and expected financial leverage, interest rate and foreign currency exposures and make recommendations to the Board regarding the same.

Review material prepared by management regarding any proposed issues of equity and debt, including public and private debt, credit facilities with banks and others, hybrid securities and other credit arrangements such as capital and operating leases and, in connection therewith, make recommendations to the Board for consideration.

Review and monitor compliance with the debt covenants of the Company, as applicable.

Periodically review and assess the method by which the Company measures and reports financial results and performance, and, in connection therewith, make recommendations to the Board for consideration.

Risk Oversight

Oversee the development of, and review, assess and discuss, as and when appropriate, with management, the Company's policies and procedures related to legal compliance and enterprise risk assessment, management, reporting and response, including limits and tolerances, risk roles and responsibilities, risk appetite and profile and risk mitigation decisions.

Review associated risks that affect or could affect the Company, the Company's employees and the public and seek to ensure proper management of those risks. Such review should include a review of regulatory risks, including those relating to (i) changes to federal, provincial and state funding and incentive programs, including tax credits; (ii) potential loss of "Canadian" status under the *Investment Canada Act* (Canada); and (iii) changes to legislation and regulations affecting or potentially affecting the Company.

Review and oversee the Company's health, safety, sustainability and environmental policies, programs, issues and initiatives.

Review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities.

Assess and make recommendations to the Board relating to the adequacy of insurance coverage maintained by the Company.

Seek to ensure that the Company's business strategy and implementation is consistent with its risk policies, appetite and profile and that risk assessment is an integral aspect of the business strategic planning process.

Review and evaluate management's implementation of the Company's risk strategy.

Other

Establish, monitor and periodically review the Company's applicable procedures for:

- the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- the confidential, anonymous submission by directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; and
- if applicable, any violations of applicable law, rules or regulations that relate to corporate reporting and disclosure.

Review and approve the Company's hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Company.

Direct and supervise the investigation into any matter brought to its attention within the scope of the Committee's role. Address such other matters as may be assigned to it by the Board from time to time or as may be required by applicable law.

Section 5 The Committee Chair

In addition to the role of the Chair described above, the Chair should oversee and report on the evaluations to be conducted by the Committee, as well as monitor developments with respect to accounting and auditing matters in general and report to the Committee on any related significant developments.

Section 6 Committee Evaluation

The performance of the Committee should be evaluated by the Board as part of its regular evaluation of the Board committees.

Section 7 Access to Information and Authority to Retain Independent Advisors

The Committee shall be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors of the Company, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Company's expense, independent legal, financial, and other advisors, consultants and experts to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve their fees. The Committee shall select such advisors, consultants and experts after taking into consideration factors relevant to their independence from management and other relevant considerations.

The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and any advisors that the Committee chooses to engage, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall act in accordance with its business judgment and shall assess the information provided by the Company's management and the external advisers in accordance with such judgment. Members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons and organizations from whom they receive information, and on the accuracy and completeness of the information provided. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable law.

The Committee also has the authority to communicate directly with internal and external auditors. While the Committee has the roles and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or comply with IFRS and other applicable requirements. These are the responsibilities of the senior executives of the Company responsible for such matters and the external auditors. The Committee, the Chair and any Members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her role on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure. This Charter is not intended to change or interpret the constating documents of the Company or applicable law or stock exchange rule to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws and rules.

Section 8 No Liability

The Company (acting through its Board) may in its sole discretion from time to time permit departures from the terms hereof, either prospectively or retrospectively, and no provision of this Charter is intended to give rise to civil liability to securityholders, or any other liability whatsoever except as expressly provided herein.

Section 9 Review of Charter

The Committee should periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.