



MEDIACENTRAL

MEDIA CENTRAL REPORTS ON FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2019

TORONTO, ON., May 8 2020- [Media Central Corporation Inc. \(CSE: FLYY, FSE: 3AT\)](#) ("Media Central" or the "Company" or "we" or "us") today released full year financial statements and Management Discussion & Analysis for the 2019 year, ending December 31, 2019. Investors are cautioned against inferring future financial results on the basis of the 2019 results as the Company's two significant operational assets will only be fully reflected in the second quarter 2020 financial results due to the timing of both acquisitions: NOW Magazine in November 2019 and The Georgia Straight in February 2020.

"Our 2019 should in no way be indicative of the company's overall progress in the months subsequent to year-end. 2019 year-end results include: only one month of NOW Magazine's (acquired on November 29, 2020) performance with the balance of the results driven by research and development and corporate development costs associated with Canncentral.com and the legacy financials of IntellaEquity Inc., the predecessor platform which formed the basis of our reverse takeover, ultimately leading to our status as a reporting issuer. " said Brian Kalish, CEO of MediaCentral. "In the subsequent months we have emerged as the largest publisher of alternative media in Canada. We have accomplished a significant amount at an impressive pace including, but no limited to the acquisition of the Straight, which gives us a combined monthly audience of 6.5 million consumers to monetize, and an omnichannel approach to publishing which incorporates leading edge and proprietary technology from which to leverage the value of the potential acquisitions which we are busy effecting."

PRESENTATION OF FINANCIAL INFORMATION AND NON-IFRS MEASURES

Unless otherwise specified herein, financial results, including historical comparatives contained in this press release are based on Media Central Corporation Inc.'s 2019 Annual Consolidated Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). Unless otherwise specified, amounts are in thousands of Canadian dollars and percentage changes are calculated using whole numbers.

In addition to reported IFRS measures, industry practice is to evaluate media companies giving consideration to certain non-IFRS performance measures, such as Adjusted EBITDA, as reported below. For further details, please refer to Non-IFRS Measures.

RESULTS OF OPERATIONS

Select Annual Information

For the year ended December 31,	2019	2018
	\$	\$
Operating results		
Revenue	166	-
Gross profit	119	-
Loss and comprehensive loss for the year	(7,116)	-
Loss per share		
Basic loss per share	(0.02)	-
Diluted loss per share	(0.02)	-



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As at December 31,	2019	2018
Total assets	\$ 3,332	\$ 100
Total debt (ii)	\$ 421	-
Debt to total assets (i) (iii)	13%	0%
EBITDA (i) (iv)	\$ (7,062)	-
Adjusted EBITDA (i) (iv)	\$ (1,834)	-

(i) Represents a non-IFRS measure. Media Central's method for calculating non-IFRS measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Media Central's non-IFRS measures, refer to the non-IFRS measures section of this press release

(ii) Total debt is defined as accounts payable and other financial liabilities.

(iii) Debt to total assets is a non-IFRS measure and is calculated as total debt divided by total assets.

(iv) EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to the non-IFRS measures section of this press release for further details.

Adjusted EBITDA

Twelve months ended December 31,	2019	2018
	\$	\$
Loss for the period	(7,116)	-
Add (deduct):		
Income taxes	-	-
Finance costs	4	-
Depreciation and amortization	50	-
EBITDA (i)	(7,062)	-
EBITDA	(7,062)	-
Add:		
Stock-based compensation	2,634	-
Listing expenses	2,594	-
Adjusted EBITDA (i)	(1,834)	-

(i) Refer to non-IFRS measures section of this press release for further details.

Corporate Highlights for the year ended December 31, 2019

- In March and July, we completed our Series A and Series B financing rounds, including an aggregate seed financing round of \$4,300
- In October, we completed the reverse-takeover of IntellaEquity Inc., to list onto the Canadian Securities Exchange.
- In November, we completed our first acquisition, Toronto-based NOW Communications Inc., publishers of NOW Magazine, an iconic Canadian brand that has pioneered the independent voice for more than 38 years.
- In December 2019, we issued 3,214 shares for settlement of financial obligations of \$225.

In January and April 2020, we issued an aggregate 6,807 shares for settlement of financial obligations totaling \$452.



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SUBSEQUENT EVENTS

On February 21, 2020, the Company completed a non-brokered private placement and for gross proceeds of \$1,626, net of financing costs of \$112 and 1,607 broker warrants. The senior secured convertible notes bear interest at 10% and are due February 20, 2022. Each note may convert at the option of the holder into 14 common shares and 7 warrants. Each warrant entitles the holder to purchase one additional common share at \$0.20 per share.

On January 6, 2020, the Company announced its intention to acquire all the shares of Vancouver Free Press Publishing Corporation and its associated publications for \$1,250, plus customary closing costs. On March 2, 2020, the Company's received shareholder and regulatory approval to close the transaction.

On April 3, 2020, the Company settled \$180 of accounts payable and accrued liabilities through the issuance of 3,616 common shares at \$0.05 per share.

On April 3, 2020, the Company issued 800 stock options to purchase 100 common shares of the Group to an employee. The stock-options vest over a period of five years and have an exercise price of \$0.10 per share.

Since December 31, 2019, the outbreak of "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the Canadian government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these development and the impact on the financial results and condition of the Group and its operating subsidiaries in future periods.

FORWARD-LOOKING INFORMATION

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward-looking statements in this news release may include, but are not limited to, statements with respect to internal expectations, expectations with respect to estimated margins, cost structures, and cost structures in the media industry. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the media industry generally, income tax and regulatory matters; the ability of MediaCentral to implement its business strategies; competition; currency and interest rate fluctuations and other risks.

Readers are cautioned that the foregoing list is not exhaustive and should carefully review the various risks and uncertainties identified in the Company's filings on SEDAR. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

The forward-looking statements included in this news release are made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws.



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Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

SOURCE: Media Central Corporation Inc.

ADDITIONAL INFORMATION

About Media Central Corporation Inc.

Media Central Corporation Inc. (CSE: FLYY, FSE: 3AT) is an alternative media company situated to acquire and develop high-quality publishing assets starting with the recent acquisition of Vancouver Free Press Corp., the purchase of NOW Communications Inc. and the launch of digital cannabis platform CannCentral.com. MediaCentral is consolidating and digitally monetizing the over 100 million coveted and premium consumers of the approximately 100 alternative urban publications across North America, creating the most powerful audience of influencers.

www.mediacentralcorp.com

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Facebook: [Media Central Corp.](https://www.facebook.com/MediaCentralCorp)

About Vancouver Free Press Corp.,

Vancouver Free Press Corp., owns and operates Georgia Straight and straight.com. Established in 1967 as the news, lifestyle, and entertainment weekly in Vancouver, the Georgia Straight has been an integral part of the active urban West Coast lifestyle for over 50 years. Reaching over 56 million annual readers, every Thursday in print, and every day at straight.com, Georgia Straight delivers an award-winning editorial package of features, articles, and reviews. Regular coverage includes news, tech, arts, music, fashion, travel, health, cannabis, and food, plus Vancouver's most comprehensive listings of entertainment activities and special events. Vancouver Free Press Corp. is a wholly owned subsidiary of Media Central Corporation Inc. (CSE: FLYY, FSE: 3AT).

www.straight.com

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About NOW Central Communications Inc.

NOW Central owns and operates NOW Magazine and nowtoronto.com. Since 1981 NOW has been Toronto's news and entertainment voice, published in print every Thursday, and daily at nowtoronto.com. Reaching over 25 million annual readers, NOW has been a leading publication, defining and pioneering the independent and alternative voice for more than 38 years. NOW Central Communications Inc. is a wholly owned subsidiary of Media Central Corporation Inc. (CSE: FLYY, FSE: 3AT).

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For comprehensive disclosure of Media Central's performance reference should be made to the Company's Consolidated Financial Statements and notes thereto and Management's Discussion and Analysis for the year ended December 31, 2019, which have been filed electronically with the Canadian securities regulators through the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.

For further information:

Investor Relations: Investors@mediacentralcorp.com

Media: media@mediacentralcorp.com

