KEW
MEDIA GROUP

KEW MEDIA GROUP Reports Financial Results for Fourth Quarter of 2017

– Company Exceeds 2017 Pro Forma Adjusted EBITDA[1] [2]Forecast; Expects Further Growth Attributable to Acquisitions in 2018 –

Toronto, ON, April 2, 2018 – KEW MEDIA GROUP INC. ("KEW MEDIA", "KEW" or the "Company") (TSX:KEW and KEW.WT) today released its financial results for the three and twelve-month periods ended December 31, 2017 ("Q4 2017" and "2017"). KEW MEDIA's audited financial statements along with its Management's Discussion and Analysis for the three and twelve-month periods ended December 31, 2017 are available on the Company's website at http://www.kewmedia.com/financialinfo.php and under the Company's profile at www.sedar.com.

Q4 2017 Financial Highlights

Revenue:	$94.5 million
Gross Profit:	$19.4 million
Adjusted EBITDA[1]:	$6.8 million
Net Loss:	$7.7 million, or ($0.66) per share
Adjusted net income[3]:	$5.9 million, or $0.50 per share

Segmented Results:	Production	Distribution
Revenue:	$65.3 million	$29.2 million
Gross Profit:	$7.0 million	$12.4 million
Operating Profit:	$0.9 million	$3.9 million

KEW MEDIA's Q4 2017 results reflected good performance from the organic business, particularly the distribution segment, in addition to the positive effects of the acquisitions of TCB Media Rights and Sienna Films, net of the disposal of Aito Media. Q4 2017's revenue of $94.5 million was comprised of $65.3 million from Production and $29.2 million from Distribution. The total Q4 2017 revenue, as well as the gross profit of $19.4 million and the gross margin percentage of 20.5%, are consistent with the Company's expectations and the seasonality of revenues.

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[1] Adjusted EBITDA is EBITDA excluding certain items to better analyze trends in performance. These adjustments result in a truer economic representation on a comparative basis. Adjusted EBITDA includes the add-backs made to calculate the adjusted net profit and additionally add-backs for interest expense, net of interest income, income tax expense, depreciation and any non-cash amortization (to the extent not added in to adjusted net profit). See "Non-IFRS Measures" and "Forward-Looking Statements" below in this press release.
[2] Includes results of KEW MEDIA Distribution, formerly Content Media Corporation, for the 12 months ended March 31, 2018.
[3] Adjusted net income is loss before other items and income tax expenses, excluding certain items to better analyze trends in performance and present a truer economic representation on a comparative basis. Adjusted net profit includes add-backs for items such as transaction costs, reorganization and non-recurring exceptional costs, stock-based compensation, non-cash other intangibles amortization and realized gain/loss on the change in fair value of financial liabilities. See "Non-IFRS Measures" and "Forward-Looking Statements" below in this press release.

Gross profit in Q4 2017 was $7.0 million from Production and $12.4 million from Distribution, with segmented gross margin percentages of 10.7% and 42.5% respectively. The margin in production is within the range of expectations. Higher margins in the distribution segment were achieved from the sale of higher margin products in the quarter. Adjusted EBITDA[1] after non-controlling interests in Q4 2017 was $6.8 million, which was ahead of the Company's initial expectations, primarily reflecting the impact of acquisitions. The net loss in the quarter was $7.7 million, or $0.66 per share. Adjusted net income[3] was $5.9 million or $0.50 per share.

The Company noted that its full-year 2017 financial results reflect the operations of the companies acquired pursuant to its Qualifying Acquisition ("QA") from March 20, 2017, the date of completion of the QA, onward, being a period of nine months and 11 days only. In order to give investors a better understanding of the Company's performance for the year ended December 31, 2017, inclusive of the assets acquired in the QA, KEW also includes below unaudited pro forma results ("Pro Forma 2017") that reflect the pro forma results of operations of these assets from January 1, 2017 to December 31, 2017, together with the results from TCB and Sienna from acquisition to 31 December 2017. These accumulated and constructed results reflect, in part, unaudited pro forma results for the first quarter of 2017 set out in KEW's news release dated June 29, 2017 and the disclosures below should be read in conjunction with that release.

Pro Forma 2017 Financial Highlights

Revenue:	$260.3 million
Gross Profit:	$60.1 million
Adjusted EBITDA[1]:	$19.7 million
Net Loss:	$15.9 million

Segmented Results:	Production	Distribution
Revenue:	$177.1 million	$83.2 million
Gross Profit:	$32.8 million	$27.3 million
Operating Profit:	$11.8 million	$14.3 million

Reconciliation of Pro forma Adjusted EBITDA

In KEW's prospectus dated February 10, 2017 with respect to the QA (the "Prospectus"), the Company provided FY17 guidance on the expected EBITDA of the group on a pro forma basis, which was $19.1 million[1,2]. This pro forma calculation was based on various assumptions as outlined in the Prospectus, including assumptions on annualized cost savings for the core business. Set out below is a reconciliation of the Pro Forma 2017 Financial Highlights to the pro forma business acquired pursuant to the QA and as disclosed in the Prospectus.

Reconciliation of Prospectus Pro forma adjusted EBITDA:

Adjusted EBITDA above:	$19.7 million
Less: Effect of acquisitions/disposals:	$(2.2) million
Add: annualized overhead cost savings:	$2.0 million
Core business adjusted EBITDA:	$19.5 million
Prospectus guidance	$19.1 million[2]
Outperformance	$0.4 million

"The fourth quarter was highlighted by the acquisitions of TCB Media Rights and Sienna Films," said Steven Silver, Chief Executive Officer of KEW MEDIA. "TCB is one of the world's most prolific distributors of unscripted content, with a dynamic slate of factual entertainment titles. TCB significantly broadened our distribution activity in the non-scripted arena, while also aligning our distribution capacity with the content generation of many of our production companies. Sienna brings an impressive and diverse production slate to KEW, as well as a robust development pipeline. Known for its scripted television series with international appeal, Sienna marks the Company's entry into the production of scripted programming, and represents a highly complementary and strategic addition to our asset base."

KEW MEDIA's balance sheet as at December 31, 2017 continued to be strong. The Company had approximately $25.0 million in cash, with approximately $12 million of available borrowings and shareholders' equity of $93.5 million. The group will shortly move all the collateral of its Canadian production companies and TCB and Sienna, under its senior loan facility which will provide further borrowing availability. Accordingly, KEW is well positioned to strategically add to its asset base.

Outlook[4]

In 2018, KEW Media's results will reflect the first full year of trading from the acquisitions completed since March 2017. KEW Media expects full year 2018 organic revenue growth (excluding the impact of any further acquisitions) in the high single-digit range, from Pro Forma 2017 revenues disclosed in this release[5], which included 1.5 months of Sienna and 2.5 months of TCB. The Company noted that, since the majority of the FY17 revenue for both TCB and Sienna occurred in Q4 of 2017, annualizing their revenue for FY17 would not produce a material difference to the Pro Forma 2017 revenue. From a seasonality perspective, KEW Media expects product deliveries and consequent revenues to be higher in the second half of 2018, compared to the first half.

2018 Adjusted EBITDA margins are expected to vary from quarter to quarter, but for the year as a whole they are expected to be similar to the Pro Forma 2017 EBITDA margins in this release. Guidance for 2018 Adjusted EBITDA margins includes an assumption of increased corporate overhead in KEW Media's business designed to position the company for future growth into 2019 and beyond.

By leveraging the Company's enhanced management and distribution platform, KEW MEDIA will focus on generating organic growth and enhanced margins both from the base business and from further acquisitions.

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[4] The statements set out in the Outlook section regarding KEW's expected revenue and Adjusted EBITDA margins in 2018, organic revenue growth in 2018, seasonality of revenues in 2018 and future growth and enhanced margins from growing the base business and further acquisitions, are based on management's current strategies, assumptions concerning growth and assessment of the outlook for the business. These statements constitute forward-looking information for purposes of applicable Canadian securities legislation and readers are cautioned that KEW's actual result may vary from these forward-looking statements and that variation could be material. See "Forward Looking Statements" for a description of the assumptions and risks associated with these forward-looking statements.

[5] Pro Forma 2017 revenue and Adjusted EBITDA, as disclosed in this release, includes results from TCB and Sienna from acquisition date to December 31, 2017 and excludes results from Aito Media from its disposal date. Taking account of the mitigating effects of the acquisitions and the disposal and the effect of other Pro-Forma adjustments, the Company believes it is reasonable to use the Pro Forma 2017 as a base in providing the above guidance.

Conference Call
A conference call for analysts and interested listeners will be held Tuesday, April 3, 2018 at 9:00 a.m. (ET). The dial-in numbers for participants are 800 931 3971 in North America, 0800 528 0625 in the United Kingdom, and +1 415 226 5357 elsewhere.

In the event of difficulty in accessing the conference call with the above numbers, the backup numbers are 647 722 9124 in Canada and +44 203 300 0087 in the UK.

A replay of the call will be available until 11:59 pm ET, on April 28, 2018. To access the replay, call 416 626 4100 or 800 558 5253, and enter reservation number 21885730. A transcript of the call will be posted on the Company's website.

Forward-Looking Statements
This news release may include forward-looking statements. All such statements constitute forward looking information within the meaning of securities law and are made pursuant to the "safe harbour" provisions of applicable securities laws. Forward-looking statements may include, but are not limited to, statements about anticipated future events or results including comments with respect to the Company's objectives and priorities for 2018 and beyond, and strategies or further actions with respect to the Company, its business operations, financial performance and condition. Forward-looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions and are identified by words such as "will", "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions concerning matters that are not historical facts. Such statements are based on current expectations of the Company's management and inherently involve numerous risks and uncertainties, known and unknown, including economic factors.

In particular, the statements set out in the Outlook section of this press release regarding our expected revenue and Adjusted EBITDA margins in 2018, organic revenue growth in 2018, seasonality of revenue in 2018 and future growth and enhanced margins from growing the base business and further acquisitions, constitute forward-looking statements. These statements are based on management's current strategies, assumptions concerning growth and assessment of the outlook for the business. In particular, such statements assume that: (i) our production companies will continue to develop, produce and deliver successful productions in a manner consistent with past experience;(ii) we will continue to acquire and distribute content in a manner consistent with past experience; (iii) our operating and overhead costs will be within budget; (iv) that the companies we acquired on the QA and since the QA will meet or exceed our performance expectations; and (v) we will make future acquisitions that contribute to organic growth and enhanced margins. We consider the foregoing assumptions to be reasonable in the circumstances, given the time period for such outlook however, readers are cautioned that KEW's actual result may vary from these forward-looking statements and that variation could be material. The forward-looking information contained in this news release is presented for the purpose of assisting readers in understanding the Company's business and strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes. A number of risks, uncertainties and other factors may cause actual results to differ materially from the forward-looking statements contained in this news release, including, among other factors, those referenced in the section entitled "Risk Factors" in the Company's annual information form for the year ended December 31, 2017, a copy of which is available *on the SEDAR website at www.sedar.com under the Company's profile. Forward-looking statements contained in this news release are not guarantees of future performance and, while forward-looking statements are based on certain assumptions that the Company considers reasonable, actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Company. Readers are cautioned to consider these and other factors carefully when making decisions with respect to the Company and not place undue reliance on forward-looking statements. Circumstances affecting the Company may change rapidly. Except as may be expressly required by applicable law, K*EW MEDIA *does not undertake any obligation to update publicly or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.*

Non-IFRS Measures

This news release contains references to certain measures that do not have a standardized meaning under International Financial Reporting Standards ("IFRS") as prescribed by the International Accounting Standards Board and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing a further understanding of operations from management's perspective. Accordingly, non-IFRS measures should not be considered in isolation nor as a substitute for analysis of financial information reported under IFRS. The Company believes that non-IFRS measures, specifically EBITDA and Adjusted EBITDA, are frequently used by securities analysts, investors and other interested parties as measures of financial performance and to provide supplemental measures of operating performance and thus highlight trends that may not otherwise be apparent when relying solely on IFRS financial measures. Please see the Company's management's discussion and analysis for the three and twelve months ended December 31, 2017 for a detailed description of these measures and a reconciliation of these measures to the nearest IFRS measure.

Accounting Constructs and Unaudited Status of Financial Information

The financial information included in this release related to the unaudited pro forma results for the three months ended March 31, 2017, and therefore incorporated into the unaudited pro forma results for the twelve months ended December 31, 2017, are not required for any regulatory purpose and are provided for additional shareholder guidance only. The financial information for the three months ended March 31, 2017, is neither audited or IFRS audit reviewed. Where possible the information has been constructed by management from available audited or audit reviewed financial statements. Where no audited or audit reviewed information has been available, additional management accounting information has been utilised to construct the financial information.

About KEW MEDIA GROUP INC.

KEW MEDIA GROUP is a leading publicly-listed content company that produces and distributes multi-genre content worldwide. Companies included in the KEW family are the production companies: Architect Films, Bristow Global Media, Campfire Film & Television, Collins Avenue Productions, Frantic Films, Jigsaw Productions, Media Headquarters, Our House Media, Sienna Films and Spirit Digital Media; and the distribution companies: Content Media Corporation (now re-branded KEW MEDIA) and TCB Media Rights.

With primary offices in London, Los Angeles, New York and Toronto, the KEW MEDIA GROUP companies develop, produce and distribute more than 1,000 hours of content every year, as well as distribute a library of more than 10,000 hours, to almost every available viewing platform internationally. KEW aspires to offer great content from all over the world to viewers of all ages and tastes. We promote transparency, equality, respect, and inclusiveness and plan to grow with the benefit of people from a wide range of perspectives and backgrounds.

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