

July 13, 2023



Kartoon Studios Announces Kartoon Films

Company Launches Package of Original Animated Feature Films for Children to Debut Exclusively Across its own Streaming Platforms in 2024 and 2025

Unit to be Led by Former Disney Execs, David Neuman, President of Walt Disney Television, and Paul Robinson Managing Director of Disney Channel Worldwide

Strategy to Leverage AI Technology to Animate More Content in Less Time and Reduce Expenses, while Maintaining Human Creativity

Multi Emmy Winning Producer/Director, Mike Maliani, to Oversee Creative

BEVERLY HILLS, Calif., July 13, 2023 (GLOBE NEWSWIRE) -- Kartoon Studios (NYSE:TOON) announced today a package of original full-length animated features for children based on existing Kartoon Studios properties, which will leverage AI technology to animate more content, in less time and reduce expenses, while staying true to the Company's core focus on human creativity and positive content. The new films will debut exclusively across the Kartoon Channel! U.S. streaming platforms in 2024, as well as being distributed to broadcasters and streamers globally.



Films slated to debut in 2024 and 2025 reflect the importance of the Stan Lee brand in the Company's future, as well as the importance of pre-sold recognizable properties, including:

- 'STAN LEE'S COSMIC CRUSADERS' (featuring Stan Lee)
- 'STAN LEE'S SUPERHERO KINDERGARTEN'
- 'LLAMA'S BIG ADVENTURE' (Llama Llama)
- 'AN OMAHA YANKEE IN KING ARTHUR'S COURT' (Warren Buffett's Secret Millionaires Club)
- 'FIX AND FOXI'
- 'RAINBOW RANGERS HOT CONCERT TO COOL GLOBAL WARMING' (Rainbow Rangers)

Andy Heyward, Kartoon Studios CEO, said, "We have observed a strong appetite for recognized brands that began in either television, toys, video games, or publishing, to become full-length animated feature films. We have seen this with top brands like *Super Mario Brothers*, *Sonic the Hedgehog*, *Spiderman*, *the Grinch*, and *Hotel Transylvania*, which were translated into animated movie hits. Much of our catalogue has such roots and pedigree, with a number of brands coming from successful books like *Llama Llama* or *Rainbow Rangers* and from brands and pedigrees like *Stan Lee*."

Mike Maliani added, "By using both AI, human creativity, and the existing assets that have already been developed with the brands, production costs will be reduced, while upholding the highest levels of quality. Previously the costs of producing an original full-length animated feature for a streaming service were prohibitive, however with the advent of AI technology, and using existing key materials, footage, and animation cycles already in place, we now have an incredibly cost-effective model that we believe is a game changer, which will enable quality animated films to be brought to the consumer for a fraction of what it would have previously cost. We can do all this while maintaining our focus on content written by proven industry creators. We like this model, because we are investing in *our own brands*, as we additionally drive awareness for consumer product sales, as well as viewership for our channel, and creating an evergreen asset that can be used again and again."

The company will additionally draw titles from its Munich-based affiliate company, *Your Family Entertainment*. Certain films will feature celebrity voice actors, as well as original music sound tracks, while highlighting a diversity of characters, global names, and a mix of ages, genders, and ethnicities. Additionally, the Company is planning seasonal titles (e.g. Halloween, Christmas etc.).

Paul Robinson, President of Kartoon Channel! Worldwide, who will oversee global distribution, stated, "Full-length animated features have consistently been one of the most successful genres of all entertainment, and are very attractive to broadcasters worldwide. They steadily over-index, attracting large audiences. Whether the timeless classics from Disney, or hits from Pixar, DreamWorks, and Illumination, we know they perform well. The films will be family friendly, non-violent, and embrace positive themes. We view the animated feature film business for global services as the game changer catalyst to propel the channel forward to significant earnings."

About Kartoon Studios

Kartoon Studios (NYSE AMERICAN: TOON) is a global end-to-end creator, producer, distributor, marketer, and licensor of entertainment brands. The Company's IP portfolio includes original animated content, including the *Stan Lee* brand, *Stan Lee's Superhero Kindergarten*, starring Arnold Schwarzenegger, on Kartoon Channel!; *Shaq's Garage*,

starring Shaquille O'Neal, on Pluto TV; *Rainbow Rangers* on Kartoon Channel! and Netflix; the Netflix Original, *Llama Llama*, starring Jennifer Garner, and more.

In 2022, Kartoon Studios acquired Canada's WOW! Unlimited Media and made a strategic investment becoming the largest shareholder in Germany's Your Family Entertainment AG (FRA:RTV), one of Europe's leading distributors and broadcasters of high-quality programs for children and families.

Toon Media Group, the company's wholly-owned digital distribution network, consists of Kartoon Channel!, Kartoon Channel! Worldwide, Frederator Network, and Ameba. Kartoon Channel! is a globally distributed entertainment platform with full penetration of the U.S. television market and international expansion underway with launches in key markets around the world. Kartoon Channel! and Ameba are available across multiple platforms, including iOS, Android Mobile, Web, Amazon Prime Video, Apple TV, Amazon Fire, Roku, Pluto TV, Comcast, Cox, Dish, Sling TV, Android TV, Tubi, Xumo, Samsung and LG Smart TVs. Frederator Network owns and operates the largest global animation network on YouTube, with channels featuring over 2000 exclusive creators and influencers, garnering on average over a billion views every month.

For additional information, please visit www.kartoonstudios.com

Forward Looking Statements: Certain statements in this press release constitute "forward-looking statements" within the meaning of the federal securities laws. Words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "predict," "forecast," "project," "plan," "intend" or similar expressions, or statements regarding intent, belief, or current expectations, are forward-looking statements. While the Company believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. These forward looking statements are based upon current estimates and assumptions and are subject to various risks and uncertainties, including without limitation, our ability to generate revenue or achieve profitability; our ability to obtain additional financing on acceptable terms, if at all; the potential issuance of a significant number of shares, which will dilute our equity holders; fluctuations in the results of our operations from period to period; general economic and financial conditions; our ability to anticipate changes in popular culture, media and movies, fashion and technology; competitive pressure from other distributors of content and within the retail market; our reliance on and relationships with third-party production and animation studios; our ability to market and advertise our products; our reliance on third-parties to promote our products; our ability to keep pace with technological advances; our ability to protect our intellectual property and those other risk factors set forth in the "Risk Factors" section of the Company's most recent Annual Report on Form 10-K and in the Company's subsequent filings with the Securities and Exchange Commission (the "SEC"). Thus, actual results could be materially different. The Company expressly disclaims any obligation to update or alter statements whether as a result of new information, future events or otherwise, except as required by law.

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A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/9c034b26-0954-49c4-b5a6-1731865df40e>



Source: Kartoon Studios

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