

August 26, 2019



# Genius Brands Announces Debt Reduction

## CEO commits \$500K as part of Planned Restructuring

BEVERLY HILLS, Calif., Aug. 26, 2019 (GLOBE NEWSWIRE) -- Genius Brands International, Inc. ("Genius Brands" or the "Company") (Nasdaq: GNUS), a global brand management company that creates and licenses multimedia entertainment content for children, today announced it has repaid \$750,000 of its Senior Secured Convertible Notes (the "Notes"), the first of six planned payments. The Company also reported it has withdrawn the S-1 registration statement previously filed with the Securities & Exchange Commission on July 23, 2019 and has terminated its agreement with the Company's underwriter.

Andy Heyward, Chairman & CEO of Genius Brands, commented, "After we filed the S1 the stock declined dramatically so we decided to cancel the public offering to avoid excess dilution. As part of a planned restructuring, I agreed to purchase \$500,000 of notes in September after investing \$2 million 6 months ago at much higher prices as I remain extremely bullish in the company's prospects. We are in ongoing discussions with the Note holders and we look forward to providing further updates as strategic developments unfold."

Mr. Heyward continued, "We recently announced a five-fold increase in revenue for the second quarter of 2019 due to the success and high ratings of our two-hit series, *Rainbow Rangers* and *Llama Llama*. We have built a highly scalable model, and believe these corporate actions will help drive significant value for shareholders and profitability in the years ahead," concluded Mr. Heyward.

## About Genius Brands International

Headquartered in Beverly Hills, Genius Brands International, Inc. (Nasdaq: GNUS) is a leading global kids media company developing, producing, marketing and licensing branded children's entertainment properties and consumer products for media and retail distribution. The Company's "content with a purpose" brand portfolio, which is led by award-winning creators and producers, includes preschool properties *Rainbow Rangers* for Nick Jr. and *Llama Llama* for Netflix; award-winning toddler brand, *Baby Genius*; adventure comedy STEM series, *Thomas Edison's Secret Lab*; and financial literacy and entrepreneurship series, *Warren Buffett's Secret Millionaires Club*. The Company's content catalog also includes the animated series, *Stan Lee's Cosmic Crusaders*, created with Stan Lee's Pow! Entertainment. Seeing the need to provide kids and parents with a safe viewing environment that offers premium enriching and engaging programming, Genius Brands launched the Genius Brands Network – comprised of *Kid Genius Cartoon Channel* and *Baby Genius TV*, as well as an exclusive *Kid Genius Cartoons Plus* subscription channel on Amazon Prime. The Network channels are available in approximately 80 million U.S. households via a variety of distribution platforms, such as OTT, set-top box, internet, and

mobile. Through licensing agreements with category leading partners, characters from the Company's properties also appear on a wide range of consumer products for retail. For additional information, please visit [www.gnusbrands.com](http://www.gnusbrands.com).

### **Forward-Looking Statements:**

Certain statements in this notice 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 those set forth in the Company's filings with the SEC, not limited to Risk Factors relating to its patent business contained therein. 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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