

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 11, 2022

**Chicken Soup for the Soul Entertainment Inc.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-38125**  
(Commission  
File Number)

**81-2560811**  
(IRS Employer  
Identification No.)

**132 E. Putnam Avenue, Floor 2W, Cos Cob, CT**  
(Address of Principal Executive Offices)

**06807**  
(Zip Code)

Registrant's telephone number, including area code: (855) 398-0443

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Ticker symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.0001 par value per share	CSSE	The Nasdaq Stock Market LLC
Common Stock Purchase Warrant	CSSEL	The Nasdaq Stock Market LLC
9.75% Series A Cumulative Redeemable Perpetual Preferred Stock, \$0.0001 par value per share	CSSEP	The Nasdaq Stock Market LLC
9.50% Notes due 2025	CSSEN	The Nasdaq Stock Market LLC

**Item 2.02. Results of Operations and Financial Condition.**

On August 11, 2022, Chicken Soup for the Soul Entertainment Inc. (the "Company") issued a press release announcing its financial results for the three- and six-month periods ended June 30, 2022. The press release is attached to this Current Report as Exhibit 99.1.

Attached as Exhibit 99.2 to this Current Report on Form 8-K is an investor presentation that the Company plans to use for public relations and other purposes.

The information furnished under this Item 2.02, including the exhibit related thereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any disclosure document of the Company, except as shall be expressly set forth by specific reference in such document.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">99.1</a>	<a href="#">Press Release, dated August 11, 2022.</a>
<a href="#">99.2</a>	<a href="#">Investor Presentation, dated August 12, 2022.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 12, 2022

CHICKEN SOUP FOR THE SOUL  
ENTERTAINMENT INC.

By: /s/ William J. Rouhana, Jr.  
Name: William J. Rouhana, Jr.  
Title: Chief Executive Officer



## Chicken Soup for the Soul Entertainment Reports Q2 2022 Results

*Strong year-over-year revenue growth of 70%*

*Expanded scale driven by continued successful implementation of well-timed strategy*

*Closed acquisition of Redbox Entertainment Inc., creating the most complete entertainment platform for value-conscious consumers*

*Management to host a live webcast on August 11, 2022, at 4:30pm ET*

**COS COB, Conn. – August 11, 2022** – Chicken Soup for the Soul Entertainment, Inc. (Nasdaq: CSSE), one of the largest operators of advertising-supported video-on-demand (AVOD) streaming services, today announced its financial results for the second quarter ended June 30, 2022.

“We delivered outstanding results in our last quarter ahead of the transformational acquisition of Redbox, with 70% revenue growth and 77% Adjusted EBITDA growth on a year-over-year basis,” said William J. Rouhana Jr., chairman and chief executive officer of Chicken Soup for the Soul Entertainment. “Our growth reflects terrific execution by our ad sales team, supported by strong viewership growth, increased time spent on our new tech platform, and our growing pipeline of original and exclusive programming across our services.”

“Now we move forward with Redbox, which gives us immediate scale, growing our film and television library to over 51,000 titles, establishing a broad complement of AVOD, TVOD and FAST channel services reaching millions of viewers across dozens of platforms, and adding Redbox’s 36,000 kiosks nationwide, supported by a customer loyalty program with over 40 million members. These collective assets create an entertainment company for value-conscious consumers that will generate over \$500 million in revenue and \$100-\$150 million in Adjusted EBITDA on an annualized basis exiting this year, with multiple opportunities to accelerate our growth in 2023 and beyond.”

### Second Quarter 2022 Financial Summary

- Net revenue of \$37.6 million, compared to \$29.2 million in the first quarter of 2022, and \$22.1 million in the year-ago period, an increase of 70% year-over-year
- Net loss of \$20.8 million compared with a net loss of \$14.1 million in the first quarter of 2022, and a net loss of \$11.1 million in the year-ago period; \$18.4 million net loss before dividends, compared with \$11.8 million net loss in the first quarter 2022, and \$8.8 million net loss in the year-ago period
- Adjusted EBITDA of \$5.6 million, compared with \$3.7 million in the first quarter of 2022, and \$3.2 million in the year-ago period; an increase of 77% year-over-year

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## Recent Business Highlights

- Closed acquisition of Redbox and began integrating key assets into Chicken Soup for the Soul Entertainment operations
- Announced leadership appointments, including Galen Smith, former CEO of Redbox, as executive vice chairman of Chicken Soup for the Soul Entertainment and Redbox, and Jonathan Katz, former CEO of Scripps Networks, as president of Chicken Soup for the Soul Entertainment
- Sold out ad inventory again in the second quarter, grew connected TV ad inventory, and expanded ad sales effort which now includes 12 ad rep partners in addition to the company's in-house sales operation
- Rapidly grew viewership through additional touchpoint rollouts, now on track to reach 110 by year-end (excluding Redbox)

Gross profit for the quarter ended June 30, 2022, was \$6.0 million, or 16% of net revenue, compared with \$6.6 million in the first quarter of 2022, or 23% of net revenue, and compared with \$6.7 million, or 30% of net revenue for the year-ago period.

Operating loss for the quarter ended June 30, 2022, was \$16.8 million, compared with an operating loss of \$10.8 million in the first quarter of 2022, and \$7.8 million in the year-ago period.

Net loss was \$20.8 million, or \$1.39 per share, compared with a net loss of \$14.1 million, or \$0.92 per share, in the first quarter of 2022, and a net loss of \$11.1 million, or \$0.79 per share in the prior-year period. Excluding preferred dividends, the net loss in the second quarter of 2022 would have been \$18.4 million, or \$1.23 per share, compared with a net loss of \$8.8 million, or \$0.63 per share last year.

Adjusted EBITDA for the quarter ended June 30, 2022, was \$5.6 million, compared with \$3.7 million in the first quarter of 2022, and \$3.2 million in the same period last year.

As of June 30, 2022, the company had \$23.5 million of cash and cash equivalents compared with \$44.3 million as of December 31, 2021, and outstanding debt of \$87.0 million as of June 30, 2022, compared with \$56.7 million as of December 31, 2021.

For a discussion of the financial measures presented herein which are not calculated or presented in accordance with U.S. generally accepted accounting principles ("GAAP"), see "Note Regarding Use of Non-GAAP Financial Measures" below and the schedules to this press release for additional information and reconciliations of non-GAAP financial measures.

The company presents non-GAAP measures such as Adjusted EBITDA to assist in an analysis of its business. These non-GAAP measures should not be considered an alternative to GAAP measures as an indicator of the company's operating performance.

- Date, Time: Thursday, August 11, 2022, 4:30 p.m. ET.
- A webcast of the event will also be available in the "Event Calendar" section under the "News & Events" tab of the Chicken Soup for the Soul Entertainment investor relations website at <http://ir.cssentertainment.com>.
- To access a dial-in number, the company encourages participants to register in advance by visiting the following [pre-registration link here](#).
- Please note the format has changed, and a dial-in option is no longer available without pre-registering at the provided link.

## Conference Call Replay Information

- A webcast replay will be made available at <http://ir.cssentertainment.com/> under the "News & Events" tab following the completion of the call.

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## About Chicken Soup for the Soul Entertainment

Chicken Soup for the Soul Entertainment, Inc. (Nasdaq: CSSE) operates video-on-demand (VOD) streaming services. The company owns Crackle Plus, which owns and operates a variety of ad-supported VOD streaming services including Crackle, Chicken Soup for the Soul, Popcornflix, Popcornflix Kids, Truli, Pivotshare, Españolflix and FrightPix. The company also acquires and distributes video content through its Screen Media and 1091 Pictures subsidiaries and produces original video content through the Chicken Soup for the Soul Television Group. Chicken Soup for the Soul Entertainment is a subsidiary of Chicken Soup for the Soul, LLC, which publishes the famous book series and produces super-premium pet food under the Chicken Soup for the Soul brand name.

## Note Regarding Use of Non-GAAP Financial Measures

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). We use a non-GAAP financial measure to evaluate our results of operations and as a supplemental indicator of our operating performance. The non-GAAP financial measure that we use is Adjusted EBITDA. Adjusted EBITDA (as defined below) is considered a non-GAAP financial measure as defined by Regulation G promulgated by the SEC under the Securities Act of 1933, as amended. Due to the significance of non-cash and non-recurring expenses recognized during the three and six months ended June 30, 2022 and 2021, and the likelihood of material non-cash, non-recurring, and acquisition related expenses to occur in future periods, we believe that this non-GAAP financial measure enhances the understanding of our historical and current financial results as well as provides investors with measures used by management for the planning and forecasting of future periods, as well as for measuring performance for compensation of executives and other members of management. Further, we believe that Adjusted EBITDA enables our board of directors and management to analyze and evaluate financial and strategic planning decisions that will directly affect operating decisions and investments. We believe this measure is an important indicator of our operational strength and performance of our business because it provides a link between operational performance and operating income. It is also a primary measure used by management in evaluating companies as potential acquisition targets. We believe the presentation of this measure is relevant and useful for investors because it allows investors to view performance in a manner similar to the method used by management. We believe it helps improve investors' ability to understand our operating performance and makes it easier to compare our results with other companies that have different capital structures or tax rates. In addition, we believe this measure is also among the primary measures used externally by our investors, analysts and peers in our industry for purposes of valuation and comparing our operating performance to other companies in our industry.

The presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual, infrequent or non-recurring items or by non-cash items. This non-GAAP financial measure should be considered in addition to, rather than as a substitute for, our actual operating results included in our condensed consolidated financial statements.

We define Adjusted EBITDA as consolidated operating income (loss) adjusted to exclude interest, taxes, depreciation, amortization (including tangible and intangible assets), film library amortization and related costs (film library amortization, film library revenue shares and participation costs, theatrical release costs) as well as amortization for certain program rights, acquisition-related costs, consulting fees related to acquisitions, dividend payments, non-cash share-based compensation expense, and adjustments for other unusual and infrequent in nature identified charges, including transition related expenses. Adjusted EBITDA is not an earnings measure recognized by U.S. GAAP and does not have a standardized meaning prescribed by GAAP; accordingly, Adjusted EBITDA may not be comparable to similar measures presented by other companies. We believe Adjusted EBITDA to be a meaningful indicator of our performance that management uses and believes provides useful information to investors regarding our financial condition and results of operations. The most comparable GAAP measure is operating income (loss).

A reconciliation of net loss to Adjusted EBITDA will be provided in the company's Quarterly Report on Form 10-Q for the three and six months ended June 30, 2022 to be filed on August 12, 2022, under the section thereof entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of Unaudited Historical Results to Adjusted EBITDA."

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## Forward-Looking Statements and Available Information

This press release includes forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are statements that are not historical facts. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of management and are not predictions of actual performance. Such assumptions involve a number of known and unknown risks and uncertainties, including but not limited to our core strategy, operating income and margin, seasonality, liquidity, including cash flows from operations, available funds, and access to financing sources, free cash flows, revenues, net income, profitability, stock price volatility, future regulatory changes, price changes, the ability of the Company's content offerings to achieve market acceptance, the Company's success in retaining or recruiting officers, key employees, or directors, the ability to protect intellectual property, the ability to complete strategic acquisitions, the ability to manage growth and integrate acquired operations, the ability to pay dividends, regulatory or operational risks, and general market conditions impacting demand for the Company's services. For a more complete description of these and other risks and uncertainties, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on March 31, 2022, and the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, filed with the SEC on May 11, 2022. On May 10, 2022, the Company entered into a merger agreement to acquire Redbox Entertainment, Inc. These forward-looking statements speak only as of the date hereof and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based. Information regarding Chicken Soup for the Soul Entertainment's acquisition of Redbox is qualified by reference to the Company's Current Reports on Form 8-K, filed on May 11, 2022 and amended on May 12, 2022 and June 6, 2022, and its Registration Statement on Form S-4 declared effective by the SEC on July 15, 2022, the risk factors described therein, and all exhibits filed with respect to such reports and registration statement. Chicken Soup for the Soul Entertainment will file a Current Report on Form 8-K disclosing consummation of the acquisition of Redbox and related transactions and other information on or about August 12, 2022.

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### Investor Relations

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**Chicken Soup for the Soul Entertainment, Inc.**  
Condensed Consolidated Balance Sheets

	June 30, 2022 (unaudited)	December 31, 2021
<b>ASSETS</b>		
Cash, cash equivalents and restricted cash	\$ 23,483,187	\$ 44,286,105
Accounts receivable, net of allowance for doubtful accounts of \$817,395, and \$786,830, respectively	67,522,346	60,213,807
Prepaid expenses and other current assets	2,591,236	1,904,273
Operating lease right-of-use assets	10,900,297	—
Content assets, net	114,880,908	63,645,396
Intangible assets, net	17,827,323	18,035,091
Indefinite lived intangible assets	12,163,943	12,163,943
Goodwill	45,463,240	39,986,530
Other assets, net	5,441,580	5,190,954
<b>Total assets</b>	<b>\$ 300,274,060</b>	<b>\$ 245,426,099</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable and accrued other expenses	\$ 49,373,363	\$ 34,984,226
Due to affiliated companies	3,145,536	489,959
Programming obligations	17,547,500	1,641,250
Film library acquisition obligations	38,738,033	24,673,866
Accrued participation costs	19,689,040	12,323,329
Film acquisition advances	19,121,686	6,196,909
Revolving loan	22,993,443	17,585,699
9.50% Notes due 2025, net of deferred issuance costs of \$2,005,118 and \$1,402,880, respectively	42,850,782	31,493,020
Contingent consideration	4,709,556	9,764,256
Put option obligation	11,400,000	11,400,000
Operating lease liabilities	12,724,357	—
Other liabilities	5,046,142	3,274,432
<b>Total liabilities</b>	<b>247,339,438</b>	<b>153,826,946</b>
<b>Equity</b>		
<b>Stockholders' Equity:</b>		
Series A cumulative redeemable perpetual preferred stock, \$ .0001 par value, liquidation preference of \$25.00 per share, 10,000,000 shares authorized; 3,943,148 and 3,698,318 shares issued and outstanding, respectively; redemption value of \$98,578,700 and \$92,457,950, respectively	394	370
Class A common stock, \$.0001 par value, 140,000,000 shares authorized; 9,608,332 and 8,964,330 shares issued, 7,253,794 and 8,019,828 shares outstanding, respectively	964	899
Class B common stock, \$.0001 par value, 20,000,000 shares authorized; 7,654,506 shares issued and outstanding, respectively	766	766
Additional paid-in capital	250,874,126	240,609,345
Deficit	(171,372,394)	(136,462,244)
Accumulated other comprehensive loss	(11,314)	571
Class A common stock held in treasury, at cost (2,354,538 and 944,502 shares, respectively)	(27,158,429)	(13,202,407)
<b>Total stockholders' equity</b>	<b>52,334,113</b>	<b>90,947,300</b>
Noncontrolling interests	600,509	651,853
<b>Total equity</b>	<b>52,934,622</b>	<b>91,599,153</b>
<b>Total liabilities and equity</b>	<b>\$ 300,274,060</b>	<b>\$ 245,426,099</b>

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**Chicken Soup for the Soul Entertainment, Inc.**  
**Condensed Consolidated Statements of Operations**  
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Net revenue</b>	\$ 37,636,947	\$ 22,134,934	\$ 66,843,144	\$ 45,331,776
<b>Cost of revenue</b>	31,596,524	15,433,719	54,171,932	31,676,653
<b>Gross profit</b>	6,040,423	6,701,215	12,671,212	13,655,123
<b>Operating expenses:</b>				
Selling, general and administrative	17,373,018	10,964,362	30,189,538	20,199,181
Amortization and depreciation	1,680,443	1,337,678	3,328,701	2,575,705
Management and license fees	3,763,695	2,213,493	6,684,315	4,533,177
<b>Total operating expenses</b>	22,817,156	14,515,533	40,202,554	27,308,063
<b>Operating loss</b>	(16,776,733)	(7,814,318)	(27,531,342)	(13,652,940)
Interest expense	2,022,770	1,141,044	3,333,229	2,228,988
Other non-operating income, net	(279,405)	(144,569)	(481,197)	(145,139)
<b>Loss before income taxes and preferred dividends</b>	(18,520,098)	(8,810,793)	(30,383,374)	(15,736,789)
Provision for income taxes	14,000	15,000	34,000	29,000
<b>Net loss before noncontrolling interests and preferred dividends</b>	(18,534,098)	(8,825,793)	(30,417,374)	(15,765,789)
Net loss attributable to noncontrolling interests	(142,350)	—	(180,735)	—
<b>Net loss attributable to Chicken Soup for the Soul Entertainment, Inc.</b>	(18,391,748)	(8,825,793)	(30,236,639)	(15,765,789)
Less: preferred dividends	2,391,442	2,253,385	4,673,511	4,506,770
<b>Net loss available to common stockholders</b>	\$ (20,783,190)	\$ (11,079,178)	\$ (34,910,150)	\$ (20,272,559)
<b>Net loss per common share:</b>				
Basic and diluted	\$ (1.39)	\$ (0.79)	\$ (2.30)	\$ (1.46)
<b>Weighted-average common shares outstanding:</b>				
Basic and diluted	14,950,458	14,059,211	15,152,222	13,848,655

**Chicken Soup for the Soul Entertainment, Inc.**  
**Adjusted EBITDA**  
(unaudited)

	Three Months Ended March 31,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss available to common stockholders	\$ (20,783,190)	\$ (11,079,178)	\$ (34,910,150)	\$ (20,272,559)
Preferred dividends	2,391,442	2,253,385	4,673,511	4,506,770
Provision for income taxes	14,000	15,000	34,000	29,000
Other taxes	178,403	103,854	258,775	188,347
Interest expense	2,022,770	1,141,044	3,333,229	2,228,988
Film library amortization and related costs	14,666,992	6,841,349	24,354,016	13,770,016
Share-based compensation expense	957,859	231,844	1,954,656	463,688
Expense for bad debt and video returns	692,295	907,837	1,274,129	1,602,049
Amortization and depreciation	2,674,893	1,721,011	4,678,966	3,342,371
Other non-operating income, net	(279,405)	(144,569)	(481,197)	(145,139)
Transitional expenses	255,615	192,054	363,400	192,054
All other nonrecurring costs	2,777,637	967,848	3,698,069	1,807,898
<b>Adjusted EBITDA</b>	<b>\$ 5,569,311</b>	<b>\$ 3,151,479</b>	<b>\$ 9,231,404</b>	<b>\$ 7,713,483</b>

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Chicken Soup for the Soul Entertainment, Inc.  
Adjusted Earnings Per Share  
(unaudited)

	Three Months Ended June 30,	
	2022	2021
Basic and diluted loss per share	\$ (1.39)	\$ (0.79)
Amortization related to acquired intangible assets	0.11	0.09
<b>Adjusted basic and diluted loss per share</b>	<b>\$ (1.28)</b>	<b>\$ (0.70)</b>

	Six Months Ended June 30,	
	2022	2021
Basic and diluted loss per share	\$ (2.30)	\$ (1.46)
Amortization related to acquired intangible assets	0.21	0.18
<b>Adjusted basic and diluted loss per share</b>	<b>\$ (2.09)</b>	<b>\$ (1.28)</b>

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Chicken Soup  
for the Soul.  
Entertainment

+ redbox.



**INVESTOR PRESENTATION**  
August 2022

# FORWARD-LOOKING STATEMENTS

This presentation (the "Presentation") relates to Chicken Soup for the Soul Entertainment, Inc. ("CSS Entertainment", "CSSE", or the "Company"). This presentation contains various information and projections regarding the Company's business, including its operations through its newly acquired Redbox business, and the Company's existing operating subsidiaries, including Crackle Plus, Screen Media Ventures, and Landmark Studio Group.

Unless otherwise indicated, historic financial information of the Company presented herein does not give pro forma effect to the financial information of Redbox for such periods. The financial information presented herein for the year ended December 31, 2021 is derived from our Annual Report on Form 10-K as filed with the SEC on March 31, 2022. Financial information for the six months ended June 30, 2022 is derived from our Quarterly Report on Form 10-Q filed with the SEC on August 12, 2022. The pro forma results of the Company, giving effect to its acquisition of Redbox for the year ended December 31, 2021 and the three months ended March 31, 2022, are presented in the Company's Current Report on Form 8-K, as filed on May 11, 2022, as amended on May 12, 2022 and June 6, 2022.

This Presentation includes "forward-looking statements" and projections. CSS Entertainment's actual results may differ from its expectations, estimates and projections and, consequently, you should not rely on these forward-looking statements or projections as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements and projections include, without limitation, estimates and projections of future performance, which are based on numerous assumptions about sales, margins, competitive factors, industry performance and other factors which cannot be predicted. Such assumptions involve a number of known and unknown risks, uncertainties, and other factors, many of which are outside of the Company's control, including, among other things: our core strategy; operating income and margin; seasonality; liquidity, including cash flows from operations, available funds and access to financing sources; free cash flows; revenues; net income; profitability; stock price volatility; future regulatory changes; pricing changes; the ability of the company's content offerings to achieve market acceptance, the company's success in retaining or recruiting officers, key employees, or directors; the ability to protect intellectual property, the ability

to complete strategic acquisitions, the ability to manage growth and integrate acquired operations, in particular the relatively large scale operations and assets of Redbox, which includes areas of operations that are new to the Company; the ability to pay dividends, regulatory or operational risks, and general market conditions impacting demand for the Company's services. The Company faces enhanced risks as a result of its acquisition of Redbox, including all the risks Redbox has faced in connection with its historic businesses and operations. For a more complete description of these and other risks and uncertainties, please read the Company's Annual Report on Form 10-K for the year ended December 31, 2021, Registration Statement on S-4, declared effective by the Securities and Exchange Commission on July 15, 2022, the Company's Current Report on Form 8-K filed May 11, 2022 and amended on May 12, 2022 and June 6, 2022, the Company's Current Report on Form 8-K filed August 12, 2022, and the Company's other filings that have been made and will be made with the SEC.

Should one or more of the material risks faced by the Company occur or should the underlying assumptions of the information presented herein change or prove incorrect, the actual results of operations are likely to vary from the projections and the variations may be material and adverse. The forward-looking statements and projections herein should not be regarded as a representation or prediction that the Company will achieve or is likely to achieve any particular results. We caution readers not to place undue reliance upon any forward-looking statements and projections, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

All registered or unregistered service marks, trademarks and trade names referred to in this Presentation are the property of their respective owners, and CSS Entertainment's use herein does not imply an affiliation with, or endorsement by, the owners of these service marks, trademarks or trade names.



AN ENTERTAINMENT  
DESTINATION FOR **VALUE**  
**CONSCIOUS CONSUMERS...**

...IN THE MOST PLACES **WHERE**  
**PEOPLE MAKE DECISIONS ON**  
**WHAT TO WATCH.**

*Chicken Soup*  
for the *Soul*  
Entertainment

+ redbox

Chic  
Ente

# INTEGRATED MEDIA COMPANY FOCUSED ON AVOD OPPORTUNITY



A large independent AVOD company and top 5 in monthly active viewers with >40M



Leading film and television AVOD library with **51,000** assets



Differentiated content and production capabilities

## FROM REDBOX:

41M

LOYALTY MEMBERS

360M

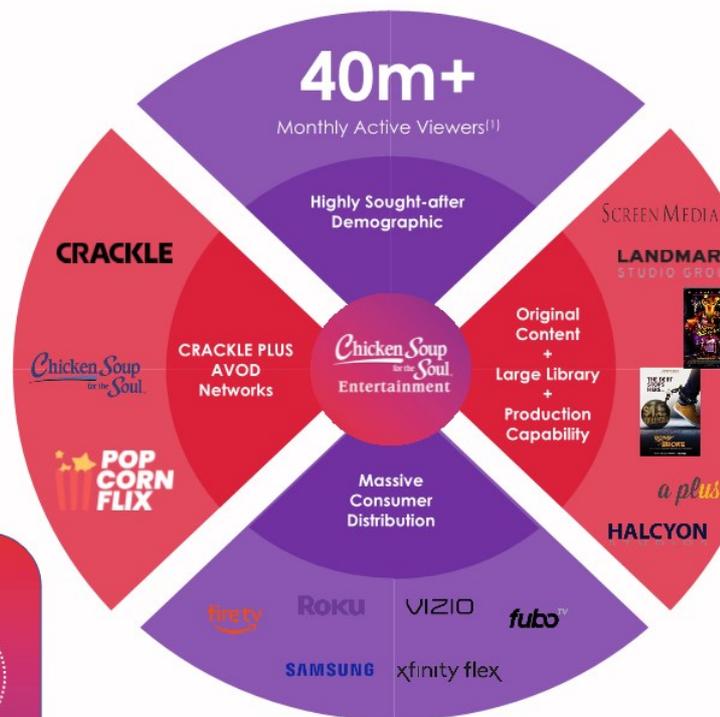
WEEKLY RETAIL IMPRESSIONS

36K

NATIONWIDE KIOSKS

45M

APP DOWNLOADS



(1) Does not include Redbox metrics.

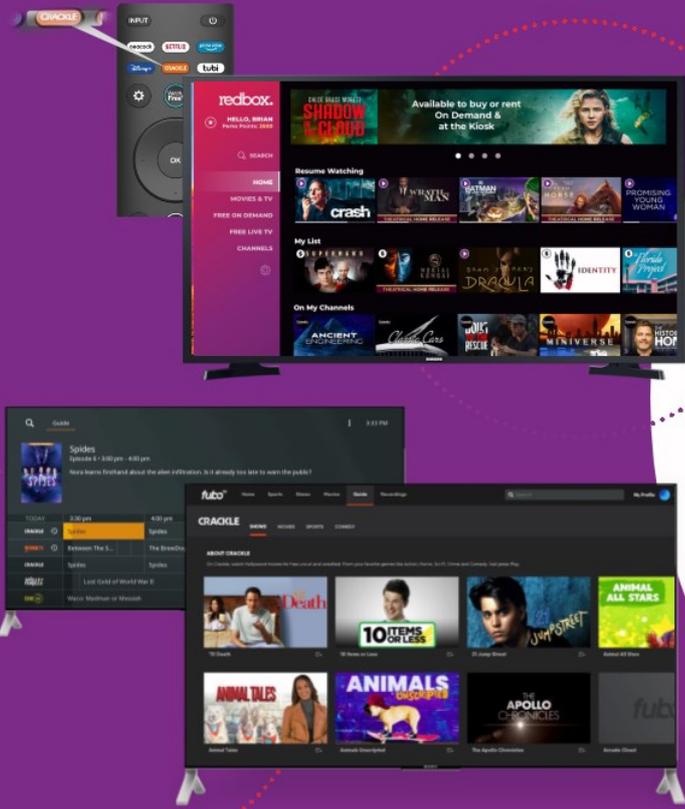


# MEETING CONSUMERS EVERYWHERE THEY MAKE VIEWING DECISIONS

➤ **140+ combined consumer touchpoints** across devices, platforms & CTVs

➤ Drive further growth in Redbox by distributing it across our network of touchpoints

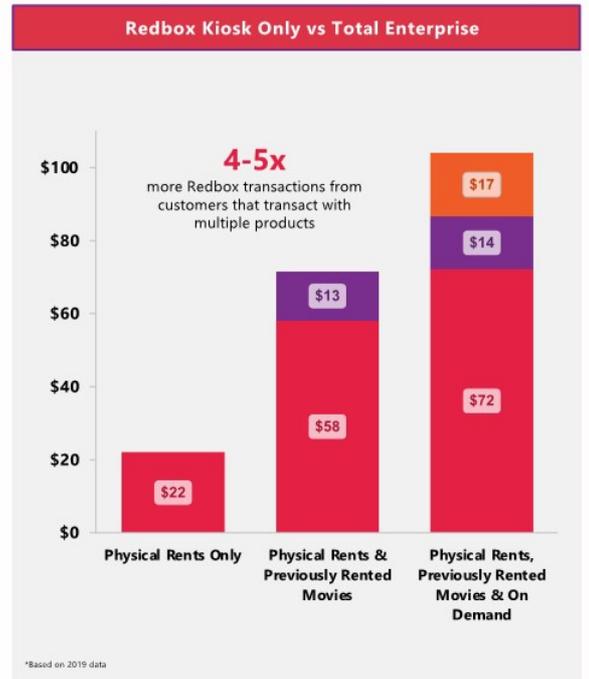
➤ Expanding internationally beyond Israel and India and with dozens of countries in discussion



# UNIQUELY POSITIONED TO CONVERT CUSTOMERS TO STREAMING

Multi-Product Customers up to **5x** Higher Average Revenue Per User

Multi-Product Customers see **>11** percentage point Reduction in Churn<sup>(1)</sup>



# DIVERSE AND TARGETED AD SALES STRATEGY

A data driven strategy with proven results

*Multiple ad sales channels drive supply and demand optionality*

## DIRECT SALES

Direct to brand across all of our AVOD networks with data-driven consumer targeting capabilities



74%

## LOCAL RESELLERS

OTT has been an enhancement for the local resellers, and we provide these operators with local geo-targeted ad supply



12%

## PROGRAMMATIC

Offer advertisers access to premium long form video in real time across our network



14%

Percent of Ad Sales for January – June 2022



# ORIGINAL & EXCLUSIVE AWARD-WINNING PROGRAMMING

Original & Exclusive content drives viewership and margin

## Original Series

4 series have received over 17 awards



# CYNOPSIS

## Sonar Library



446

Emmy Award nominations

105

Emmy Awards

15

Golden Globe Awards



17 K+

Total Film Titles

Films drive custom acquisition



TV series drive customer retention

34 K+

Episodes of Television

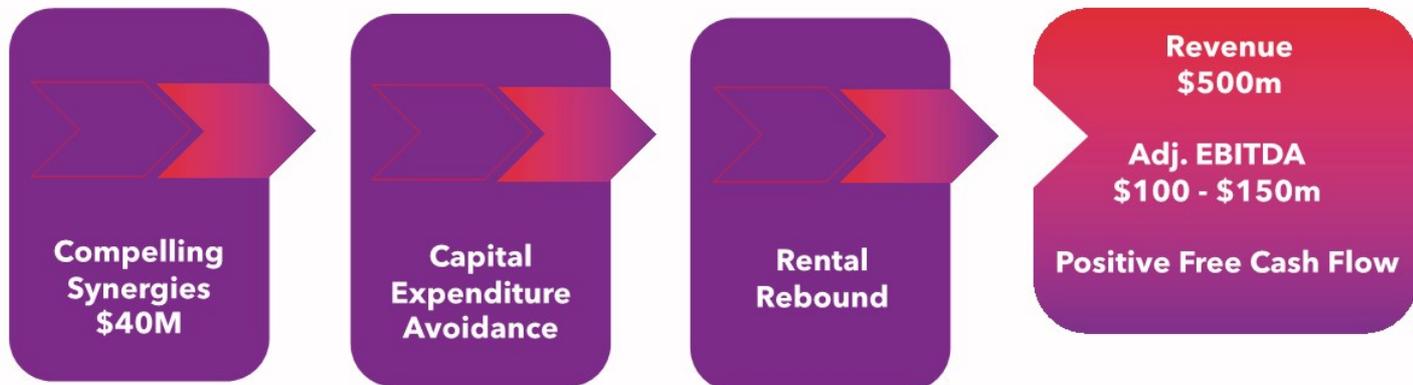


Chic  
Ente

# NEAR TERM & IMMEDIATE VICTORIES DRIVE FCF GROWTH

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2022E Pro Forma Run Rate At Year-End Including Synergies



## COMPELLING SYNERGIES

- The combination of Chicken Soup for the Soul Entertainment and Redbox creates a leading free streaming entertainment company with significant scale and compelling synergies

Cross-selling and marketing to 41M+ loyalty members

Ad-sales

Screen Media distribution of Redbox titles

Greater TVOD transactions

Increased AVOD engagement and watch times

Public company costs

Licensing and production cost savings

## CAPITAL EXPENDITURE AVOIDANCE

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- Combination unites complimentary content and distribution businesses to accelerate digital transformation and drive consumer touchpoints



# RENTAL REBOUND

➤ Studios are returning to theatrical distribution and output continues to improve sequentially driving normalization in rental levels

### Theatrical hits drive week-over-week lifts

April 2022

May 2022

June 2022



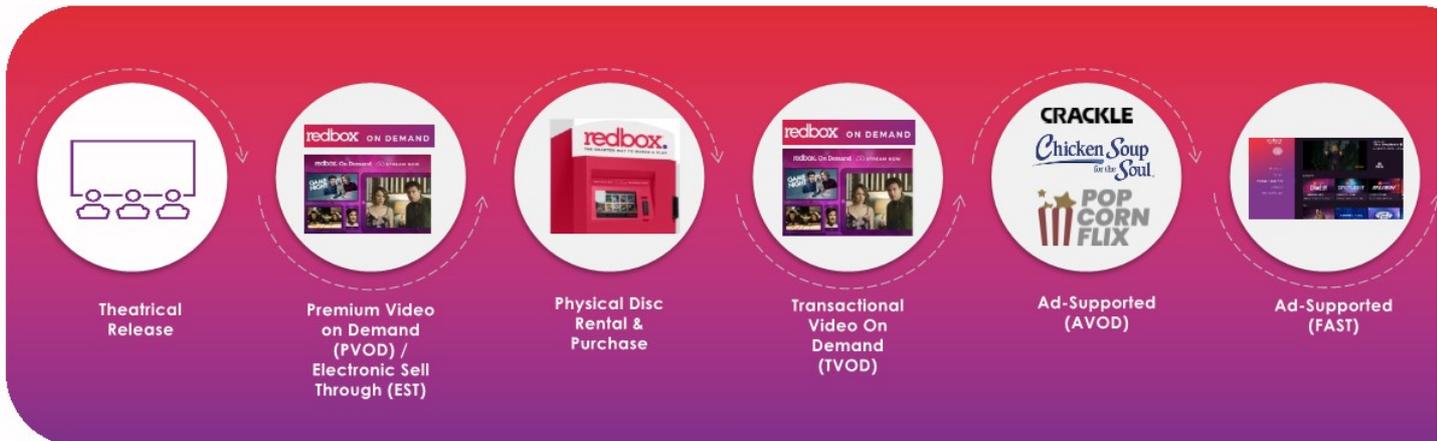
Legacy DVD business expected to grow next 12-24 months

First-run films expected to return to normalized levels and grow sequentially into 2023

Rents	+37%	+29%	+20%
Total Physical Customers	+41%	+30%	+18%

# STRATEGICALLY POSITIONED

➤ Accelerates the digital transformation of Redbox and allows Chicken Soup for the Soul Entertainment to expand its consumer offerings and distribution touchpoints



Positioned for revenue growth, margin expansion, and positive FCF

Data on how consumers choose and view content across channels and platforms

Kiosks serve as powerful marketing tools and provide valuable data on consumer choice and preference



# HISTORY OF ACCRETIVE TRANSACTIONS

➤ Building the premier AVOD destination through thoughtful transactions and low-cost content acquisition and production

Valuable content library acquisition, global distribution capability and Popcornflix networks

*a plus*

Launched content ownership, development, and production entity

**CRACKLE**

Asset acquisition expands library and original television series production pipeline



Acquired Redbox with 36,000 kiosks and growing TVOD & AVOD businesses

2017

2019

2019

2019

2021

2022

2022

SCREEN MEDIA

Acquired digital media company co-founded and chaired by Ashton Kutcher, now the producer of *Going From Broke*

**LANDMARK**  
STUDIO GROUP

Established JV in May 2019; acquired full control from Sony Pictures Television in December 2020

**HALCYON**  
STUDIOS

Acquired Sonar Film and Television Library; Launched Halcyon Studios

Acquired content library and proprietary software capabilities

**redbox.**

Chic  
Ente

# IMPROVED CAPITAL STRUCTURE

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## ➤ **Redbox debt restructured on favorable terms**

- Future positive FCF to pay down debt and manage leverage and increase financial optionality

**5-year Maturity**

**Ability to PIK Interest**

**Favorable Financial  
Covenants**

**\$80M Line of Credit  
for Working Capital**

# CHICKEN SOUP FOR THE SOUL ENTERTAINMENT FULL YEAR 2021 RESULTS

\$ in millions

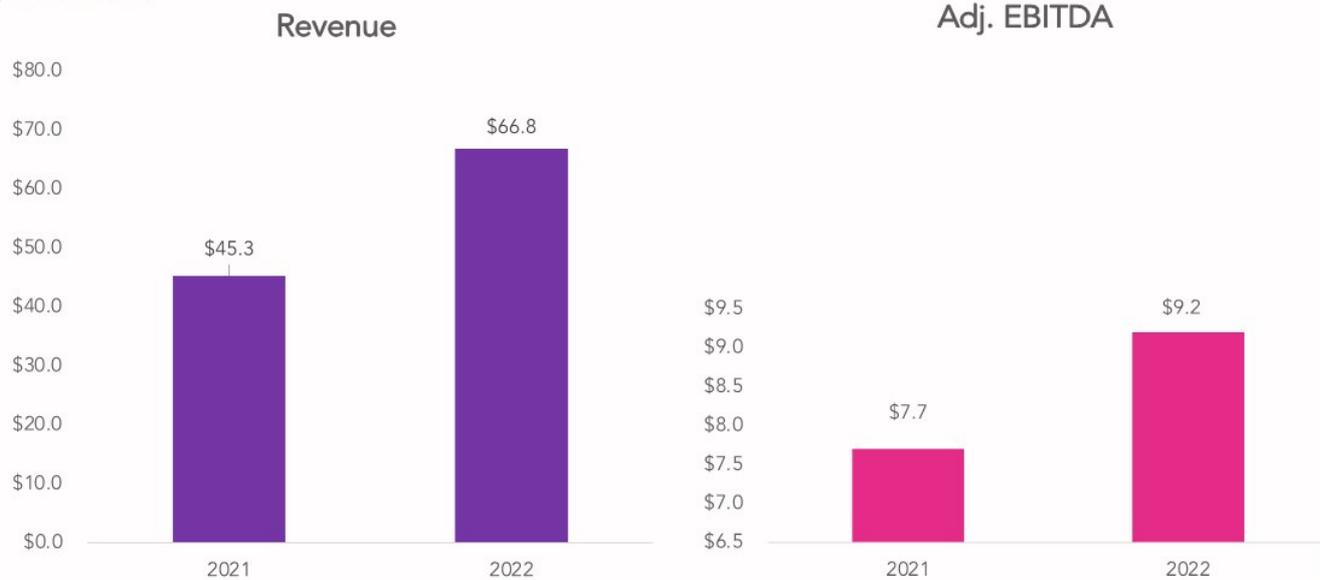


(1) See our Annual Report on Form 10-K for the year ended December 31, 2021 filed March 31, 2022



# CHICKEN SOUP FOR THE SOUL ENTERTAINMENT FIRST HALF 2022 RESULTS <sup>(1)</sup>

\$ in millions



(1) See our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 filed August 12, 2022

