CONSOLIDATED FINANCIAL STATEMENTS

Years ended December 31, 2020 and 2019

GLACIER MEDIA INC.

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2020 MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

FORWARD-LOOKING STATEMENTS

In this MD&A, Glacier Media Inc. and its subsidiaries are referred to collectively as "Glacier", "us", "our", "we" or the "Company" unless the context requires otherwise.

The report is dated March 26, 2021 and includes information up to this date.

Glacier Media Inc.'s Annual Report, including this MD&A contains forward-looking statements that relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates and can generally be identified by the use of statements that include phrases such as "believe", "expected", "anticipate", "intend", "plan", "likely", "will", "may", "could", "should", "would", "suspect", "outlook", "estimate", "forecast", "objective", "continue" (or the negative thereof) or similar words or phrases. These forward-looking statements include, among other things, statements relating to our expectations regarding revenues, expenses, cash flows, future profitability and the effect of our strategic initiatives and restructuring, including our expectations to grow certain operations, to invest in key strategic areas, to realize cost efficiencies, to generate sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements, that future cash flow from operations and the availability under existing banking arrangements are believed to be adequate to support financial liabilities, that the Company can renegotiate its credit facilities as needed, our expectations regarding continued federal government wage subsidies at reduced levels; the expectation that the effects of the COVID-19 pandemic will be temporary in nature and the Company's expectation that revenues will recover as the pandemic abates; the Company's belief that it has adequate liquidity to operate at lower revenue levels during the pandemic; and that the Company expects to be successful in its objection with CRA. These forward-looking statements are based on certain assumptions, including continued economic growth and recovery and the realization of cost savings in a timely manner and in the expected amounts, which are subject to risks, uncertainties and other factors which may cause results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, and undue reliance should not be placed on such statements.

Important factors that could cause actual results to differ materially from these expectations include the impact of Coronavirus, failure to implement or achieve the intended results from our strategic initiatives, the failure to reduce debt and the other risk factors listed in our Annual Information Form under the heading "Risk Factors" and in our Annual MD&A under the heading "Business Environment and Risks", many of which are out of our control. These other risk factors include, but are not limited to, the ability of the Company to sell advertising and subscriptions related to its publications, foreign exchange rate fluctuations, the seasonal and cyclical nature of the agricultural and energy sectors, discontinuation of government programs, general market conditions in both Canada and the United States, changes in the prices of purchased supplies including newsprint, the effects of competition in the Company's markets, dependence on key personnel, integration of newly acquired businesses, technological changes, tax risk, financing risk, debt service risk and cybersecurity risk.

The forward-looking statements made in the Company's Annual Report, including this MD&A, relate only to events or information as of the date on which the statements are made. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

The Annual Report, this MD&A and the documents to which we refer herein should be read completely and with the understanding that our actual future results may be materially different from what we expect.

BASIS OF DISCUSSION AND ANALYSIS

The following management discussion and analysis of the financial condition and results of operations of the Company and other information is dated as at March 26, 2021 and should be read in conjunction with the

Company's consolidated financial statements and notes thereto as at and for the year ended December 31, 2020. The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

NON-IFRS MEASURES

Earnings before interest, taxes, depreciation and amortization ("EBITDA"), EBITDA margin and EBITDA per share, are not generally accepted measures of financial performance under IFRS. In addition, certain results in this MD&A have been presented on a basis that includes the Company's share of revenue and expenses from its joint venture and associate operations, which reflects the basis on which management makes its operating decisions and performance evaluation. These measures including joint ventures and associates are also not generally accepted measures of financial performance under IFRS. Management utilizes these financial performance measures to assess profitability and return on equity in its decision making. In addition, the Company, its lenders and its investors use EBITDA to measure performance and value for various purposes. Investors are cautioned; however, that EBITDA should not be construed as an alternative to net (loss) income attributable to common shareholders determined in accordance with IFRS as an indicator of the Company's performance.

The Company's method of calculating these financial performance measures may differ from other companies and, accordingly, they may not be comparable to measures used by other companies. A quantitative reconciliation of these non-IFRS measures is included in the section entitled EBITDA Reconciliation with Per Share Amounts.

All financial references are in millions of Canadian dollars unless otherwise noted.

OVERVIEW OF THE BUSINESS

Glacier operates as an information and marketing solutions company pursuing growth in sectors where the provision of information and related services provides high customer value. The Company's "go to market" strategy is being pursued through two operational areas:

1. Data, analytics and intelligence; and
2. Content and marketing solutions

The data, analytics and intelligence products provide essential information, analysis and context that customers need for decision making, marketing needs, business opportunity identification and other purposes.

The Company has focused on a select group of industries that offer large addressable markets, growth opportunities and the ability to leverage its brands.

The content and marketing solutions products and offerings are being evolved and developed to address the changing needs of media - including both audience demand for content and client demand for marketing solutions.

Through its brands and operations, Glacier serves its clients and information users in three segments: Environmental and Property Information, Commodity Information and Community Media.

ENVIRONMENTAL AND PROPERTY INFORMATION

ERIS (Environmental Risk Information Services) provides environmental risk data and related products for commercial real estate properties across North America. This information is used by environmental consultants, CRE brokers, financial institutions and insurance companies to identify and assess environmental risks around commercial real estate transactions. ERIS is the #1 provider of CRE environmental data in the Canadian market and is #2 in the United States.

STP ComplianceEHS produces digital audit guides and compliance tools for use in environmental health and safety audits. Multi-national companies license STP's content for use throughout the United States and across more than forty countries worldwide.

REW is the leading residential real estate listings and property information marketplace in British Columbia and is expanding in Ontario and other parts of Canada. REW is now #1 in traffic and audience in B.C., after surpassing realtor.ca. The REW marketplace provides consumers with key real estate information and insights (e.g. school catchment areas, assessed values, past sales prices) in order to make better informed decisions about their home. Agents, new home developers and third-party providers (e.g. mortgage brokers, home insurance companies) use a variety of REW advertising, lead generation and subscription products to market their offerings to home buyers and sellers.

COMMODITY INFORMATION

Glacier FarmMedia ("GFM") is Canada's leading provider of agricultural information. GFM serves the Canadian grower and agricultural industry with digital media, listings, publications, exhibitions and weather and commodities marketing subscriptions. Well-known brands operated by GFM include the Western Producer, Alberta Farmer Express, Manitoba Co-Operator, Country Guide, Farmtario, Canada's Outdoor Farm Show, Ag In Motion, AgDealer, Global Auction Guide, MarketsFarm, METOS Canada and Weather Innovations.

Following the sale of the JWN energy information assets in March 2021, the Glacier Resource Innovation Group ("RIG") now exclusively serves the mining industry, associated suppliers and the financial industry with a wide variety of intelligence offerings. With significant operations in Vancouver and Toronto, RIG produces databases, conferences, digital media and e-learning programs for the mining sector. Key brands include the Northern Miner, the Canadian Mining Journal, CostMine, edumine, Mining.com and the Global Mining Symposium.

COMMUNITY MEDIA

DIGITAL MEDIA

Glacier Media Digital ("GMD") operations include local news, general community information and classifieds websites; digital marketing services; and specialty products and services. GMD brands include: Castanet Media, Vancouver Is Awesome, a partial interest in Village Media, Eastward Media (targeting the Asian market) and many others.

The Company's strategy is to build a standalone digital local media business with leading market positions in British Columbia and other Western Canadian markets. Glacier Media now has sufficient traffic, revenue and profit with Vancouver Is Awesome and its local websites and digital marketing services in the Lower Mainland to operate on a standalone basis.

Castanet is a digital only media business that has operated since 2000 and is the leading source of news and information in the Okanagan region of B.C. (Kelowna, Kamloops, Penticton and Vernon), with more than 54 million monthly page views.

Village Media is a digital only news and information business that operates eight of its own local websites in Ontario, and operates websites for other media companies. It generates 60 million monthly page views across its network, and also licenses its own proprietary community website platform software.

Combined, Glacier's digital operations and network (the Local News Network), including network partners, now reaches over 27 million monthly unique visitors with over 180 million monthly page views.

Local News Network is now one of the largest digital news network in Canada as measured by page views. Glacier's websites generated 94 million monthly page views in B.C. alone, making it the leading provider of local news and information in the Province.

The Company is expanding its offerings of digital products and marketing services to 1) attract more local audience and provide the content its readers desire and 2) fulfill its clients' marketing needs, which are becoming more comprehensive and complex. The Company is continuing to publish newspapers as they still provide value to readers and advertisers, content and sales resources that can be shared with its digital products, and cash flow. The sharing of these resources and the cash flow generated are assisting with the transformation to local digital media operations.

COMMUNITY MEDIA NEWSPAPER GROUP

The Community Media newspaper group operations reach over 2 million readers in print in over 60 local markets in B.C., Alberta, Saskatchewan, and Manitoba. The group also owns partial interests in the U.S. Its brands include the Victoria Times-Colonist, North Shore News, Tri-Cities News, Burnaby Now, Richmond News, Prince George Citizen, St. Albert Gazette, Estevan Mercury, Yorkton This Week and many others.

Additional information on Glacier's operations is included in the Company's Annual Information Form as filed on SEDAR (www.sedar.com).

OPERATING PERFORMANCE HIGHLIGHTS

The following results are presented to include the Company's proportionate share of its joint venture and associate operations; this is the basis on which management bases its operating decisions and performance[(1)]. These reported results have been reconciled to the IFRS results below.

	Revenue		EBITDA	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Environmental, Property and Financial Information	26,571	26,340	1,371	2,983
Commodity Information	45,304	55,927	10,476	6,745
Community Media	111,604	147,115	23,481	14,681
Centralized and Corporate Costs	-	-	(5,568)	(8,088)
Total Including Joint Ventures and Associates [(1)(2)]	183,479	229,382	29,760	16,321
Joint Ventures and Associates	(32,175)	(44,592)	(6,819)	(8,354)
Total IFRS	151,304	184,790	22,941	7,967

(thousands of dollars, except share and per share amounts)	2020	2019
EBITDA including joint ventures and associates (1)(2)	$ 29,760	$ 16,321
EBITDA including joint ventures and associates per share (1)(2)	$ 0.24	$ 0.14
EBITDA	$ 22,941	$ 7,967
EBITDA per share	$ 0.18	$ 0.07
Capital expenditures (3)	$ 4,530	$ 9,765
Weighted average shares outstanding, net	125,213,346	116,783,420

(1) Certain results are presented to include the Company's proportionate share of its joint venture and associate operations, as this is the basis on which management bases its operating decisions and performance. The Company's joint ventures and associates include Great West Media Limited Partnership, the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc., Village Media Inc. and Borden Bridge Development Corporation.

(2) The Company sold its interest in Fundata for $55.0 million in April 2019. Results were included up to March 31, 2019.

(3) Includes $3.1 million purchase of land for Canada's Outdoor Farm Show in Woodstock, Ontario in Q1 2019.

SIGNIFICANT DEVELOPMENTS IN 2020, OPERATING HIGHLIGHTS AND OUTLOOK

Impact of COVID and Actions Taken

The Company's consolidated revenues (excluding joint ventures and associates) were down 18.1% for the year ending December 31, 2020 compared to the prior year primarily as a result of the impact of the COVID pandemic, the resulting restrictions and cut-back in consumer and business activity.

Consolidated EBITDA (excluding joint ventures and associates) for the Company was $4.2 million for the year before wage subsidies. Wage subsidies from the Canadian Emergency Wage Subsidy ("CEWS") were $18.7 million for the year. EBITDA including the CEWS funding and other subsidies was $22.9 million for the year.

The federal government announced that the CEWS program will continue, at the current reduced levels, until at least June 2021. EBITDA also includes other grants and subsidies received which although expected to partly continue, may not continue at the same level in 2021.

In response to the pandemic, the Company implemented a comprehensive program in order to operate with the significant reduction in revenues and maintain adequate cash flow and liquidity, as well as the required changes in the workplace. Specifically, the Company:

1. Has taken extensive measures to ensure employees are kept safe while continuing to maintain community and customer connections. Measures have included working from home, self-distancing, creating a safe environment for those who want to work in the office, staggering in-office work days, rigorous cleaning, etc.;
2. Moved quickly to reduce operating costs. Measures included temporary wage roll-backs, reduced work weeks, temporary layoffs and a wide variety of other cost reduction measures;
3. Applied for and is receiving CEWS, work share funding, rent subsidies and ATP grant;
4. Raised capital and amended its bank facility.

Sale of Non-Controlling Interest

In July 2020, the Company sold a 45% non-controlling interest in its ERIS and STP businesses (ERI Environmental Risk LP) to Madison Venture Corporation ("Madison"), a related party. The Company, through its affiliate GVIC Communications Corp. ("GVIC") received $11 million in cash and retained 100% of the cash flow of the businesses relating to the 45% interest for two years. A $1.6 million deferred consideration receivable was recorded at the time with respect to the additional cash flows being received over two years. The transaction allows Madison to acquire an additional 4% interest in the businesses at the acquisition date pricing and an additional 2% at future market value, and includes a mutual right of first refusal. There is a buy/sell provision that is exercisable after three years that allows either party to offer to acquire the other party's interest at market value. Also refer to related party transactions discussed later in this MD&A.

Acquisition of GeoSearch

In November 2020, the Company, through its subsidiaries ERIS Information Inc. and ERIS Information LP (together "ERIS"), acquired the assets of GeoSearch LLC ("GeoSearch") for estimated total consideration of $15.2 million. Cash of $3.6 million was paid up front with the remainder of the purchase price consisting of a fixed deferred purchase price of $7.7 million payable over the next three years, as well as a contingent consideration amount based on future GeoSearch net income that was recorded at a fair value of $3.9 million. GeoSearch is a U.S. based environmental risk information business with complimentary products to ERIS. The acquisition increases the revenue, cash flow and competitiveness of ERIS. The Company's minority partner who owns 45% of ERIS is expected to provide $5.1 million in funding toward the deferred purchase obligations. The Company's share of the total purchase price was $8.3 million and paid $2.0 million at closing and expects to pay the remaining $6.3 million over four years.

Subsequent Events

- On March 12, 2021, the Company sold its energy information business to geoLOGIC systems ltd for $4.5 million in cash at closing plus an earn-out of up to $3.5 million, for a total of up to $8.0 million. The earn-out is revenue based and payable over three years.

- The Company has entered into a definitive arrangement agreement under which Glacier will acquire all of the Class B common voting shares and Class C non-voting shares of GVIC Communications Corp. not currently held by Glacier and its subsidiary, or by a wholly-owned limited partnership of GVIC, through a share exchange. The GVIC shareholders have approved the arrangement and it is expected to close on March 31, 2021, subject to certain closing conditions.

Outlook and Operating Highlights

The Company has been working to strengthen its financial position and operating profitability during the pandemic. Revenues were impacted significantly, although they improved during the latter part of the year. It remains unclear how the pandemic will continue to unfold and affect conditions for the market in general and the Company's businesses in particular.

The extensive measures taken to reduce operating expenses were implemented to ensure the Company's businesses can operate profitably at the reduced revenue levels without CEWS and other government aid measures. It was unclear initially as to how long and how much subsidy would be received. The subsidies have helped, but are, as of December, at much lower levels than the initial months of the program. The wage roll-backs were viewed as temporary measures that were not sustainable for a prolonged period. Alternative cost savings initiatives have been pursued and management and staff have been working hard to generate higher levels of revenue, the combination of which has allowed the wage roll-backs to be reversed as much as possible.

The Company is now in a significantly stronger financial position with which to 1) operate at the lower levels of revenue and profitability currently being experienced, 2) have the financial capacity to handle restructuring costs required and other cash obligations and 3) withstand further economic uncertainty, additional waves of the pandemic and any related impact on revenues and cash flow.

OPERATING HIGHLIGHTS

While the pandemic is still affecting the Company's businesses to varying degrees, the Company's digital media, data, and information businesses have held up relatively well. The underlying fundamentals and value of these products have proven resilient despite the challenging market conditions.

Revenues have begun to recover in a number of areas and are gradually improving on an overall basis. The overall decline in consolidated revenue for the year was 18.1%. This reflects the mixed results of certain operations which are still being affected by revenue decreases from the impacts of COVID-19 and certain operations which surpassed prior year results in the later months of 2020.

HIGHLIGHTS:

- Environmental and Property Information revenues were up 11% as compared to the prior year. Revenues for this group were more resilient to the negative effects of COVID-19.
    - ERIS acquired the assets of GeoSearch in November 2020. ERIS continues to grow organically, both in the U.S. and Canada.
    - STP and ERIS were up 8% in revenue overall for the year, which includes one month of revenue relating to the GeoSearch acquisition.
    - REW (the Company's residential real estate portal) generated record traffic growth and revenues were up 29% for the year.
- Local Digital Media revenues, including a partial interest in Village Media, grew 7% as compared to the prior year.
    - Efforts to adjust sales focus and product offerings and pivot to areas of demand have been effective in maintaining digital revenues and generating marketing results for advertisers during the pandemic.
    - Digital audience growth was strong as the Company's Local News Network monthly page views grew 30% as compared to last year. This growth continued a consistent pre-COVID trend and accelerated due to the focus on local news and COVID related issues.
- Glacier FarmMedia revenues decreased 20% as compared the prior year as a result of the conversion of the farm shows to a virtual format from an outdoor format due to the pandemic. Revenues were off 10% during the year excluding the farm shows. Demand for food and agricultural output has remained strong during the pandemic.
- The energy and mining group revenues were off 15% for the year, improving in the later months of 2020 as compared to the decline noted in early 2020. Significant cost reductions have offset the decline in revenues. The JWN Energy Group was sold subsequent to year end, in March 2021.
- Print community media advertising revenues were off significantly compared to prior year. The decline improved in the later months of the year as compared to the declines experienced during the early months of COVID-19. Operating costs have been reduced significantly in response to the revenue declines. The federal government Aid to Publishers ("ATP") program was expanded to include non-paid publications. The majority of the Company's publications are controlled distribution, so the expansion of the ATP program helped offset the revenue declines in these markets.
- Overall, the Company's operating profitability is improving. Consolidated EBITDA was $4.2 million for the year excluding CEWS.

It is encouraging that the efforts and investment made in the core areas of focus for the Company prior to the pandemic have allowed demand for these products and services to be resilient during the pandemic. The respective brands, market positions and value to customers have remained strong.

Print advertising revenues have declined the most, but are improving, albeit at a lower amount than pre-pandemic levels. They are expected to recover further from current levels in the near term then continue their secular decline. The Company is planning for the financial costs relating to newspaper restructurings that may be required in the future. It owns real estate in some of its newspaper markets that can be sold to partially offset these costs. The new ATP program will help extend the life of the newspapers, if it continues.

The Company and its partners are seeing that local digital media businesses can operate on a standalone basis without newspapers, and can be operated with newspaper staff as well as new staff. The Company's objective is to transform local media operations from mostly print newspaper revenue to digital operations over time. Overall, the Company expects that as time progresses, and the pandemic abates, revenues will recover. Due to the uncertainty surrounding the continued magnitude and impact of the COVID pandemic on the economy, it remains unclear what the impact will be on the Company's operations and financial position in the short-term.

The Company is working to reach the inflection point where the revenue, profit and cash flow from its data, analytics and intelligence products and digital media products exceeds the decline of its print advertising related profit and cash flow. The Company had made good progress in this regard in the first two months of the first quarter of 2020 before the impact of the pandemic set in. The Company can operate at lower levels of revenue from its digital media, data and information operations in the future and generate strong profit and cash flow without print newspapers.

2020 OPERATIONAL PERFORMANCE

Consolidated revenue for the year ending December 31, 2020 was $151.3 million, down $33.5 million or 18.1% from the same period in the prior year. Consolidated EBITDA was $22.9 million for the year, up $15.0 million from the prior year. Including the Company's share of joint ventures and associates, revenue was $183.5 million, down $45.9 million or 20.0% and EBITDA was $29.8 million, up $13.4 million.

The Company recorded wage subsidies from the Canadian Emergency Wage Subsidy of $18.7 million for the year. Consolidated EBITDA was $4.2 million excluding CEWS. The Company's EBITDA of $4.2 million also includes other grants and subsidies received during the year.

The federal government announced that the CEWS program will continue until June 2021, but at levels significantly reduced from 2020. Other subsidies are also expected to continue in 2021.

As stated, the Company implemented a wide variety of cost reductions in response to the decline in revenues. These included temporary wage roll-backs, reduced work weeks, layoffs and a wide variety of other cost reduction measures.

The Company is monitoring conditions on an ongoing basis and will respond accordingly. Revenues have been recovering gradually, and the Company is working to maintain sufficient levels of operating income within these levels, and making concerted efforts to bring revenues back further and increase profits and cash flow.

While staffing costs were reduced, the Company tried as much as possible to avoid the adverse impact of laying off capable staff that are required to maintain product quality, sales capacity, customer service, sufficient handling of workload and general operating effectiveness. The objective is to be in as strong a competitive and market position as possible as the pandemic abates. The implementation of wage roll-backs was intended to allow more staff to remain employed. The Company, for the most part, reversed the wage roll-backs as operating levels and cash flows stabilized.

Although capital expenditures have been reduced, continued operating expense investments are being made in some of the key strategic development initiatives, including the REW digital real estate marketplace, new weather and agricultural markets subscription-based products, and digital community media products.

Financial Position. As at December 31, 2020, senior debt was nil down from $8.0 million as at September 30, 2020. Total current and long-term debt was $2.6 million at December 31, 2020.

The Company has net $7.7 million of deferred purchase price obligations to be paid over the next four years. This amount is net of $5.0 million in contributions from minority partners. The Company has a $7.5 million vendor-take back receivable over the next three years resulting from the sale of the Company's interest in Fundata.

REVENUE

Glacier's consolidated revenue for the year ended December 31, 2020 was $151.3 million compared to $184.8 million in the prior year.

ENVIRONMENTAL AND PROPERTY INFORMATION

The Environmental and Property Information group generated revenue of $26.6 million for the year ended December 31, 2020, as compared to $23.9 million in the prior year, or an increase of 11.4%.

REW (the Company's residential real estate portal) generated record traffic and revenues increased 29% over the prior year. ERIS and STP's revenues increased 8% over the prior year, including one month of revenue relating to the GeoSearch acquisition.

COMMODITY INFORMATION

The Commodity Information group generated revenue of $45.3 million for the year ended December 31, 2020, as compared to $55.9 million in the prior year, or a decline of 19.0%.

Glacier FarmMedia revenues were impacted by both COFS and AIM holding virtual shows in 2020 instead of in-person shows in 2019 as a result of the pandemic. 2020 revenues from the virtual shows were $5.1 million less than the in-person shows generated in 2019. Management is confident that revenues will recovery once the pandemic has receded.

COMMUNITY MEDIA

	Revenue		EBITDA	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Community Media Including Joint Ventures and Associates	111,604	147,115	23,481	14,681
Joint Ventures and Associates	(32,175)	(42,110)	(6,819)	(7,020)
Community Media IFRS	79,429	105,005	16,662	7,661

The Community Media Group generated $79.4 million of revenue, down 24.4% for the year ended December 31, 2020, as compared to $105.0 million in the prior year.

Including the Company's share of joint ventures and associates, the Community Media Group's revenue was $111.6 million, as compared to $147.1 million in the prior year, or a decline of 24.1%.

While print advertising revenues caused the majority of the decline, they have recovered gradually during the pandemic. Print revenues were down significantly as compared to the prior year.

DIGITAL MEDIA

Local Digital Media revenues held up well, despite the pandemic.

Efforts to adjust sales focus and product offerings and pivot to areas of demand are proving effective in maintaining revenues despite the challenges of the pandemic.

Digital audience growth was strong, continuing a consistent pre-COVID trend and accelerating during the quarter due to the focus on local news and COVID related issues.

GROSS PROFIT

Glacier's consolidated gross profit, being revenues less direct expenses, for the year ended December 31, 2020 was $57.8 million as compared to $48.2 in the prior year. Gross profit was affected by the drop in revenues related COVID-19, but was offset by the CEWS funds and other subsidies (which were recorded as an offset to wage expense and other direct printing expenses).

Gross profit as a percentage of revenues ("gross profit margin") for the year ended December 31, 2020 was 38.2% as compared to 26.1% in the prior year.

GENERAL & ADMINISTRATIVE EXPENSES

Glacier's consolidated general and administrative expenses were $34.9 million for the year ended December 31, 2020, down from $40.3 million for the same period in the prior year. The reduction in administrative costs was a result of cost savings and the CEWS funds, which were recorded as a reduction of wage expenses. Senior management and staff wage roll-back, permanent and temporary lay-offs and reduced working hours reduced overall wage expense.

EBITDA

EBITDA was $22.9 million for the year ended December 31, 2020 as compared to $8.0 million in the prior year. The results are due to the various reasons stated under "Revenue, Gross Profit and General & Administrative Expenses". Most noticeable is the amounts recorded in 2020 from Canada's Emergency Wage Subsidy program. The result of this is a positive EBITDA in 2020 despite the financial hardship at points throughout 2020.

NET INTEREST EXPENSE, DEBT

Glacier's consolidated net interest expense for the year ended December 31, 2020 was $1.6 million as compared to $2.5 million for the same period in the prior year. The lower interest expense recorded during the period was mainly due to the reduction of debt.

INTEREST EXPENSE, LEASE LIABILITIES

Interest expense relating to lease liabilities for the year ended December 31, 2020 was $0.6 million as compared to $0.7 million in the prior year.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization decreased $1.6 million as the results of certain amortizing intangible assets becoming fully amortized in the prior year.

NET GAIN ON SALE

In the prior year ending December 31, 2019, the Company recognized a $47.7 million gain on sale, primarily relating to the sale of the Company's interest in Fundata.

IMPAIRMENT EXPENSE

The Company recorded an impairment expense of $23.5 million as compared to $5.7 million in the prior year. In 2020, certain CGU's continue to be impacted by the negative impacts of COVID-19 pandemic, along with the continued decline of the industry.

OTHER INCOME

During the year ended December 31, 2020, the Company recorded other income of $3.0 million, relating to its share of the sale of certain real estate assets by a company in which Glacier is a minority shareholder.

RESTRUCTURING AND OTHER EXPENSES (NET)

Restructuring and other expenses (net) for the year ended December 31, 2020 were $5.8 million compared to $5.3 million in the prior year. These expenses include restructuring costs (from the closure or divestiture of operations, or part of operations; including severance, redundant office costs and other direct closure costs during transition periods), transaction costs (including equity transactions with non-controlling interests), foreign exchange, other income and other expenses.

SHARE OF EARNINGS FROM JOINT VENTURES AND ASSOCIATES

Share of earnings from joint ventures and associates, which include the Company's share of Great West Media Limited Partnership ("GWMLP"), the Victoria Times-Colonist ("VTC"), Rhode Island Suburban Newspapers, Inc. ("RISN"), Village Media Inc. ("Village") and other joint ventures and associates, decreased $0.4 million as compared to the prior year. Included in 2020 is the CEWS received in the joint ventures and associates and impairments taken within the joint ventures and associates. The Company's share of Fundata's results have been included in the share of earnings from joint ventures and associates up to March 31, 2019. In April 2019, the Company sold its interest in Fundata.

Aggregate operating results for the Company's joint ventures and associates, at the Company's proportionate share of the results, are as follows:

	As at December 31,	
(thousands of dollars)	2020	2019
	$	$
Assets	61,914	64,041
Liabilities	18,827	16,765
Net assets	43,087	47,276
	For the year ended December 31,	
(thousands of dollars)	2020	2019
	$	$
Revenues	32,175	44,592
EBITDA	6,819	8,354
Net income for the year	3,309	3,663

NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Net income attributable to non-controlling interest decreased by $2.9 million as the result of the impairments taken in a subsidiary with a non-controlling interest, which was partially offset by the sale of 45% of ERI Environmental Risk LP in July 2020 and the impact CEWS had on net income of subsidiaries with non-controlling interests.

NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS

For the year ended December 31, 2020 there was a net loss attributable to common shareholders of $15.0 million compared to net income attributable to common shareholders of $34.2 million in the prior year. The change resulted from i) lower net gain on sale of $47.7 million, ii) increased impairment expense of $17.8 million, iii) increased restructuring and other expenses (net) of $0.5 million, iv) decreased share of earnings from joint ventures and associates of $0.4 million, and v) higher income tax expense of $6.3 million. This was partially offset by i) increased operating results of $15.0 million, ii) lower interest expense on debt of $0.9 million, iii) lower interest expense on lease liabilities of $0.1 million, iv) lower depreciation and amortization of $1.6 million, v) increased other income of $3.0 million and vi) lower income attributable to non-controlling interests of $2.9 million.

OTHER COMPREHENSIVE LOSS (NET OF TAX)

For the year ended December 31, 2020, Glacier recognized other comprehensive income (net of tax) of $2.3 million. The income related to the mix of actuarial gain on defined benefit pension plans resulting from the change in actuarial assumptions, mainly the discount rate and the change in the currency translation adjustment.

CASH FLOW FROM OPERATIONS

Glacier's consolidated cash flow from operations was $21.4 million (before changes in non-cash operating accounts) for the year ended December 31, 2020 as compared to $3.9 million in the prior year. The change in cash flow from operations was primarily the result of the factors stated under "Revenue, Gross Profit, General & Administrative Expenses and EBITDA".

Capital expenditures were $4.5 million in the year as compared to $9.8 million in the prior year. The majority of the current year expenditures relate to the development and implementation of software and websites, development of content and data and technology, and data and technology acquisition. Prior year capital expenditures related to the agricultural show site development, leasehold improvements and development and acquisition of software and data and technology.

See "Summary of Financial Position, Financial Requirements and Liquidity" for further details.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2020, the Company and its affiliates recorded administration, consulting, interest and other expenses of $1.1 million (2019: $0.6 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis.

In July 2020, the Company's affiliate GVIC Communications Corp. sold a 45% non-controlling interest in its ERIS and STP businesses (ERI Environmental Risk LP) to Madison Venture Corporation, a related party.

GVIC considered a variety of financial restructuring options with the objective of raising sufficient capital in the time required while preserving financial value for shareholders. Selling part of an asset at the valuation attained in the time required was deemed significantly more favourable for shareholders than raising equity at current market prices, or attempting to sell an entire asset to a third-party during the pandemic. The transaction allowed GVIC to retain ownership in the businesses, retain 100% of the cash flow for operating and debt service needs, maintain operating scale, and have the opportunity to repurchase the interest sold in the future.

Madison is a related party to both Glacier and GVIC. As such, a special committee of GVIC was formed, independent financial and legal advisors were retained, and a fairness opinion was provided advising that the transaction is fair from a financial point of view. Due to the serious financial difficulty caused by the pandemic, the Company relied on the "financial hardship" exemptions in sections 5.5(g) and 5.7(e) of Multilateral Instrument 61-101 with respect to valuation and minority approval requirements. A special committee of Glacier was also formed to review the transaction, and was supportive of the transaction.

Due to the financial impact of the pandemic and the level of the Company's leverage prior to the transaction, the Company requested and received temporary covenant relief from its lenders and worked with its banking syndicate to implement a financial restructuring plan that would provide access to sufficient ongoing liquidity with which to operate through the pandemic. As a result of the transaction, the banking agreement was amended to provide ongoing additional borrowing capacity.

During the year ended December 31, 2020, the Company paid its joint venture Great West Media LP for printing services as part of its normal operations. These services were provided at an agreed upon value. Total printing charged to the Company for the year was $0.3 million.

During the year ended December 31, 2020, the Company paid its joint venture Borden Bridge Development Corporation rental income as part of its normal operations. These services were provided at the agreed upon value. Total rent charged to the Company for the year was $0.2 million.

At December 31, 2020, the Company had amounts due from an associate of $6.9 million relating to non-operating advances. These amounts are non-interest bearing and have no fixed terms of repayment. These amounts are included in trade and other receivables.

The Company provides digital advertising related services to the associate at rates consistent with those charged to third parties for similar services.

CONTINGENCY

During 2014-2018 an affiliate of the Company ("the affiliate") has received, from the Canada Revenue Agency ("CRA") and provincial tax authorities, tax notices of reassessments and assessments relating to the taxation years 2008-2017. The notices deny the application of non-capital losses, capital losses, scientific research and experimental development ("SR&ED") pool deductions and SR&ED tax credits claimed. As a result additional taxes payable including interest and penalties are assessed at approximately $59.4 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has substantially paid the required deposits, which has been recorded in Other assets.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate in all years are appropriate and in accordance with the law. The affiliate is vigorously defending such positions. The Company and its affiliate expect to ultimately be successful in its objection.

SELECTED ANNUAL FINANCIAL INFORMATION

The following outlines selected financial statistics and performance measures for Glacier, on an IFRS basis (other than the non-IFRS measures noted) for the years ended December 31, 2020, 2019 and 2018:

(thousands of dollars) except share and per share amounts	2020	2019	2018
Revenue	$ 151,304	$ 184,790	$ 188,372
Gross profit [(2)]	$ 57,841	$ 48,236	$ 50,823
Gross margin	38.2%	26.1%	27.0%
EBITDA [(1)]	$ 22,941	$ 7,967	$ 10,423
EBITDA margin [(1)]	15.2%	4.3%	5.5%
EBITDA per share [(1)]	$ 0.18	$ 0.07	$ 0.09
Net interest expense, debt	$ 1,595	$ 2,519	$ 2,463
Net (loss) income attributable to common shareholders	$ (14,966)	$ 34,249	$ 654
Net (loss) income attributable to common shareholders per share	$ (0.12)	$ 0.29	$ 0.01
Cash flow from operations	$ 21,365	$ 3,870	$ 6,006
Cash flow from operations per share	$ 0.17	$ 0.03	$ 0.05
Capital expenditures [(3)]	$ 4,530	$ 9,765	$ 7,595
Total assets	$ 263,086	$ 271,144	$ 237,827
Total non-current financial liabilities	$ 19,037	$ 29,472	$ 41,500
Equity attributable to common shareholders	$ 170,761	$ 176,953	$ 132,033
Weighted average shares outstanding, net	125,213,346	116,783,420	109,828,731

Notes:

(1) Refer to "Non-IFRS Measures" and "EBITDA Reconciliation" section for calculation of non-IFRS measures used in this table.

(2) Gross profit for these purposes excludes depreciation and amortization.

(3) Includes $3.1 million purchase of land for Canada's Outdoor Farm Show in Woodstock, Ontario in Q1 2019.

The main factors affecting the comparability of results the over last two years include:

- Operating performance of the Company's various business units and general market conditions during the reported periods;
- The varying impact of COVID-19 on the Company's operations' revenues and expenses. As a result of COVID-19, the Company implemented temporary senior management and staff wage roll-backs, permanent and temporary lay-offs and reduced working hours reduced overall wage expense;
- In addition to revenue declines related to COVID-19, revenues continue to be impacted by declining print advertising revenue and the cyclical nature of certain of Glacier's businesses, including the low price of oil and fluctuating conditions in the agriculture industry. This is partially being offset by the increase in community media digital revenue;
- The $18.7 million of CEWS as an offset to wage expense in the year ended December 31, 2020. Additionally certain joint venture and associate entities also received CEWS;
- An impairment charge of $23.5 million during for the year ended December 31, 2020 and $5.7 million for the year ended December 31, 2019. No impairment charge was recorded in 2018.
- In July 2020, the sale of a 45% non-controlling interest in ERI Environmental Risk LP for $11.0 million of cash and $1.6 million receivable over the next two years. This was accounted for as an equity transaction and was recorded as contributed surplus of $11.1 million, net of the tax impact of $1.1 million, and non-controlling interest of $0.4 million;

- In November 2020, acquired the assets of GeoSearch LLC, a U.S. based company, for estimated total consideration of $15.2 million. Cash of $3.6 million was paid up front with the remainder of the purchase price consisting of a fixed deferred purchase price of $7.7 million payable over the next three years, as well as a contingent consideration amount based on future GeoSearch net income that was recoded at a fair value of $3.9 million. The Company's minority partner who owns 45% of ERIS is expected to provide $5.1 million in funding toward the deferred purchase obligations. The Company's share of the total purchase price was $8.3 million and paid $2.0 million at closing and expects to pay the remaining $6.3 million over four years. The acquisition resulted in intangible assets of $8.3 million, goodwill of $6.3 million, property plant and equipment of $0.2 million and working capital of $0.4 million;

- In July 2019, the Company completed a private placement of 15,384,615 common shares at a price of $0.65 per share for gross proceeds of $10.0 million; and

- The acquisition of Castanet in April 2019, and the inclusion of the revenue, expenses and balance sheet in the current year;

- The sale of the Company's interest in Fundata in April 2019;

- Fluctuations in restructuring expenses including severance payments, transaction and transition expenses, and other amounts related to the closure and sale of certain community media assets.

FOURTH QUARTER 2019 RESULTS AND OVERVIEW OF OPERATING PERFORMANCE

REVENUE

Glacier's consolidated revenue for the three months ended December 31, 2020 was $41.7 million compared to $46.6 million for the same period in the prior year.

Revenues in the fourth quarter have begun to recover, from earlier in 2020, in a number of areas and are gradually improving on an overall basis. The 10.5% decline in consolidated revenues for the fourth quarter was an improvement from the revenue declines in the earlier quarters in 2020.

The Environmental and Property Information operations experienced another strong quarter with both ERIS and REW realizing double digit revenue growth. ERIS's revenue increase was achieved through organic growth and through the acquisition of GeoSearch. REW had record traffic and revenues are steadily increasing.

The Commodity Information operation experienced a decrease in revenues. The Company continued to invest in its agricultural information operations in key growth areas such as outdoor exhibitions, digital products and online listings.

The Company's Community Media's operations continue to face ongoing print advertising challenges and economic challenges. While print advertising revenues caused the majority of the declines related to the pandemic, they are gradually recovering. Local Digital Media revenues continued to hold up well in the quarter, despite the pandemic. Efforts to adjust sales focus and product offerings and pivot to areas of demand are proving effective in maintaining revenues despite the challenges of the pandemic. Digital audience growth was strong, continuing a consistent pre-COVID trend and accelerating during the quarter due to the focus on local news and COVID related issues.

GROSS PROFIT

Glacier's consolidated gross profit for the three months ended December 31, 2020 was $15.7 million compared to $12.4 million for the same period last year. Gross profit was affected by the drop in revenues related COVID-19, but was offset by the CEWS funds (which were recorded as an offset to wage expense).

GENERAL & ADMINISTRATIVE EXPENSES

Glacier's consolidated general and administrative expenses were $9.5 million for the three months ended December 31, 2020 compared to $10.7 million for the same period in the prior year. The Company continues to invest in its infrastructure to support its growth opportunities and digital products.

EBITDA

Consolidated EBITDA was $6.2 million for the three months ended December 31, 2020 as compared to $1.6 million for the same period in the prior year. The increase in EBITDA was due to the reasons stated under Revenue, Gross Profit and General & Administrative Expenses. Most noticeable is the amounts recorded in the fourth quarter of 2020 from Canada's Emergency Wage Subsidy program.

NET INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS

Net income attributable to common shareholders for the three months ended December 31, 2020 increased by $5.1 million as compared to the net loss attributable to common shareholders in the same period in the prior year. The change resulted from i) increased operating results of $4.6 million, ii) lower net interest on debt of $0.1 million, iii) lower depreciation and amortization of $0.1 million, iv) lower impairment expense of $2.2 million, v) increased other income of $3.0 million, vi) increased share of earnings from joint ventures and associates of $1.7 million and vii) lower income attributable to non-controlling interest of $2.3 million. This was partially offset by i) increased restructuring and other expenses (net) of $0.2 million, and ii) a higher income tax expense of $8.8 million.

CASH FLOW FROM OPERATIONS

Glacier's consolidated cash flow from operations was $8.5 million (before changes in non-cash working capital) for the three months ended December 31, 2020 compared to less than $0.1 million for the same period in the prior year. The change in cash flow from operations was primarily the result of the factors described under Revenue, Gross Profit and General & Administrative Expenses.

See Summary of Financial Position, Financial Requirements and Liquidity for further details.

SUMMARY OF QUARTERLY RESULTS

The following outlines the significant financial performance measures for Glacier for the last eight quarters:

(thousands of dollars) except share and per share amounts	Trailing 12 Months	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Revenue	$ 151,304	$ 41,710	$ 35,314	$ 30,999	$ 43,281
EBITDA [(1)]	$ 22,941	$ 6,240	$ 8,577	$ 6,191	$ 1,933
EBITDA margin [(1)]	15.2%	15.0%	24.3%	20.0%	4.5%
EBITDA per share [(1)]	$ 0.18	$ 0.05	$ 0.07	$ 0.05	$ 0.02
Net interest expense, debt	$ 1,595	$ 260	$ 391	$ 502	$ 442
Net (loss) income attributable to common shareholders	$ (14,966)	$ 3,926	$ 1,133	$ (7,816)	$ (12,209)
Net (loss) income attributable to common shareholders per share	$ (0.12)	$ 0.03	$ 0.01	$ (0.06)	$ (0.10)
Cash flow from operations	$ 21,365	$ 8,450	$ 6,601	$ 5,832	$ 482
Cash flow from operations per share	$ 0.17	$ 0.07	$ 0.05	$ 0.05	$ 0.00
Capital expenditures	$ 4,530	$ 994	$ 999	$ 1,214	$ 1,323
Equity attributable to common shareholders	$ 170,761	$ 170,761	$ 164,699	$ 152,340	$ 162,881
Weighted average shares outstanding, net	125,213,346	125,213,346	125,213,346	125,213,346	125,213,346

	Trailing 12 Months	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Revenue	$ 184,790	$ 46,599	$ 48,256	$ 45,673	$ 44,262
EBITDA [(1)]	$ 7,967	$ 1,633	$ 2,089	$ 2,284	$ 1,961
EBITDA margin [(1)]	4.3%	3.5%	4.3%	5.0%	4.4%
EBITDA per share [(1)]	$ 0.07	$ 0.01	$ 0.02	$ 0.02	$ 0.02
Net interest expense, debt	$ 2,519	$ 334	$ 460	$ 834	$ 891
Net income (loss) attributable to common shareholders	$ 34,249	$ (1,166)	$ (3,166)	$ 40,057	$ (1,476)
Net income (loss) attributable to common shareholders per share	$ 0.29	$ (0.01)	$ (0.03)	$ 0.36	$ (0.01)
Cash flow from operations	$ 3,870	$ (2)	$ 802	$ 1,370	$ 1,700
Cash flow from operations per share	$ 0.03	$ 0.00	$ 0.01	$ 0.01	$ 0.02
Capital expenditures	$ 9,765	$ 1,225	$ 1,992	$ 1,701	$ 4,847
Equity attributable to common shareholders	$ 176,953	$ 176,953	$ 175,641	$ 168,891	$ 130,061
Weighted average shares outstanding, net	116,783,420	125,213,346	122,036,089	109,828,731	109,828,731

Notes:
[(1)] Refer to "Non-IFRS Measures" and "EBITDA Reconciliation" section for calculation of non-IFRS measures used in this table.

The main factors affecting comparability of results over the last eight quarters are:

- Operating performance of the Company's various business units, including cost-reduction initiatives and general market conditions during the reported periods;
- The impact of COVID-19 on certain of the Company's operations' revenues and expenses for the periods ended December 31, 2020, September 30, 2020, June 30, 2020 and March 31, 2020. As a result of COVID-19, the Company implemented senior management and staff wage roll-backs, permanent and temporary lay-offs and reduced working hours reduced overall wage expense in 2020;
- The $18.7 million of CEWS as an offset to wage expense for the year ended December 31, 2020. $2.1 million in the three months ended December 31, 2020, $7.1 million in the three months ended September 30, 2020, $8.8 million in the three months ended June 30, 2020 and $0.6 million in the three months ended March 31, 2020. Other subsidies were also received, at increased levels during 2020, as compared to 2019;
- In July 2020, the sale of a 45% non-controlling interest in ERI Environmental Risk LP for $11.0 million of cash and $1.6 million receivable over the next two years. This was accounted for as an equity transaction and was recorded as contributed surplus of $11.1 million, net of the tax impact of $1.1 million, and non-controlling interest of $0.4 million;
- In November 2020, acquired the assets of GeoSearch LLC, a U.S. based company, for estimated total consideration of $15.2 million. Cash of $3.6 million was paid up front with the remainder of the purchase price consisting of a fixed deferred purchase price of $7.7 million payable over the next three years, as well as a contingent consideration amount based on future GeoSearch net income that was recoded at a fair value of $3.9 million. The Company's minority partner who owns 45% of ERIS is expected to provide $5.1

million in funding toward the deferred purchase obligations. The Company's share of the total purchase price was $8.3 million and paid $2.0 million at closing and expects to pay the remaining $6.3 million over four years. The acquisition resulted in intangible assets of $8.3 million, goodwill of $6.3 million, property plant and equipment of $0.2 million and working capital of $0.4 million;

- An impairment charge of $23.5 million for the year ended December 31, 2020. $3.5 million during the three months ended December 31, 2020, $9.1 million during the three months ended June 30, 2020, $10.9 million during the three months ended March 31, 2020 and $5.7 million for the year and during the three months ended December 31, 2019;
- In July 2019, the Company completed a private placement of 15,384,615 common shares at a price of $0.65 per share for gross proceeds of $10.0 million;
- The sale of Fundata in April 2019, resulting in a gain on sale of $47.6 million; and
- The acquisition of Castanet Media in April 2019, for a purchase price of $22.0 million.

EBITDA RECONCILIATION

The following table reconciles the Company's net (loss) income attributable to common shareholders as reported under IFRS to EBITDA.

(thousands of dollars) except share and per share amounts	2020	2019	2018
Net (loss) income attributable to common shareholders	$ (14,966)	$ 34,249	$ 654
Add (deduct):			
Non-controlling interests	$ 225	$ 3,071	$ 1,099
Net interest expense, debt	$ 1,595	$ 2,519	$ 2,463
Interest expense, lease liability	$ 595	$ 675	$ -
Depreciation and amortization	$ 12,152	$ 13,760	$ 11,463
Net gain on disposition	$ -	$ (47,713)	$ (3,359)
Impairment expense	$ 23,505	$ 5,700	$ -
Other income	$ (3,014)	$ -	$ -
Restructuring and other expenses (net)	$ 5,796	$ 5,288	$ 4,745
Share of earnings from joint ventures and associates	$ (3,309)	$ (3,663)	$ (5,538)
Income tax expense (recovery)	$ 362	$ (5,919)	$ (1,104)
EBITDA [(1)]	$ 22,941	$ 7,967	$ 10,423
Weighted average shares outstanding, net	125,213,346	116,783,420	109,828,731
Net (loss) income attributable to common shareholders per share	$ (0.12)	$ 0.29	$ 0.01
EBITDA per share [(1)]	$ 0.18	$ 0.07	$ 0.09

Notes:
[(1)] Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.

SUMMARY OF FINANCIAL POSITION, FINANCIAL REQUIREMENTS AND LIQUIDITY

Glacier generates sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements.

As at December 31, 2020, Glacier had consolidated cash and cash equivalents of $14.3 million, current and long-term debt of $2.7 million before adjustment for deferred financing fees attributable directly to the issuance of debt, and working capital of $17.2 million excluding deferred revenue. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities.
Capital expenditures were $4.5 million in the year as compared to $9.8 million in the prior year. The majority of the current year expenditures relate to the development and implementation of software and websites, content development and data and technology acquisition. Prior year capital expenditures related to the agricultural show site development, leasehold improvements and software development.

CHANGES IN FINANCIAL POSITION

(thousands of dollars)	2020	2019	2018
	$	$	$
Cash generated from (used in)			
Operating activities	26,319	4,214	6,982
Investing activities	(6,391)	18,666	(1,964)
Financing activities	(10,766)	(20,884)	(5,788)
Increase in cash	9,162	1,996	(770)

The changes in the components of cash flows during 2020 and 2019 are detailed in the consolidated statements of cash flows of the financial statements. The more significant changes are discussed below.

OPERATING ACTIVITIES

Glacier generated cash flow from operations before changes in non-cash operating accounts of $21.4 million for the year ended December 31, 2020 as compared to $3.9 million for the same period in the prior year as a result of the factors stated under Revenue, Gross Profit, General & Administrative Expenses and EBITDA. Cash flow generated from operations after changes in non-cash working capital was $26.3 million for the year ended December 31, 2020 as compared to $4.2 million in the prior year.

INVESTING ACTIVITIES

Cash used in investing activities totalled $6.4 million for the year ended December 31, 2020 as compared to cash generated from investing activities of $18.7 million in the prior year. Investing activities included $3.7 million of acquisitions, $4.5 million of capital expenditures, distributions received of $1.9 million, proceeds from the disposal of assets of $0.2 million and other investing activities $0.3 million.

FINANCING ACTIVITIES

Cash used in financing activities was $10.8 million for the year ended December 31, 2020 as compared to $20.9 million for in the prior year. The Company had net repayments of $16.1 million, proceeds from the sale of non-controlling interest in a subsidiary of $11.0 million, contributions from non-controlling interests of $1.8 million, distributions to non-controlling interests of $2.2 million, interest paid on debt of $1.4 million, interest paid on lease liabilities of $0.6 million and principal repayment of lease liabilities of $3.2 million. The comparative period included the issuance of common shares of $10.0 million.

OUTSTANDING SHARE DATA

As at December 31, 2020 and March 26, 2020 there were 125,213,346 common shares and 1,115,000 share purchase warrants outstanding.

The warrants outstanding allow the holder to purchase one common share per warrant at $4.48 per share. The warrants expire on June 28, 2029, unless extended.

CONTRACTUAL AGREEMENTS

As at December 31, 2020, the Company has agreements with a syndicate of major Canadian banks whereby the lenders provide a revolving loan facility with no required principal repayments during its term.

In summary, the Company's contractual obligations due over the next five calendar years are as follows:

(thousands of dollars)	Total	2021	2022	2023	2024	2025	Thereafter
	$	$	$	$	$	$	$
Long-term debt	2,593	219	297	298	1,779	-	-
Undiscounted lease liabilities	11,221	3,497	2,489	1,907	1,357	686	1,285
	13,814	3,716	2,786	2,205	3,136	686	1,285

Under various financing arrangements with its banks, the Company, its subsidiaries and its affiliates are required to meet certain covenants. The Company, its subsidiaries and its affiliates were fully in compliance with these covenants at December 31, 2020 and 2019.

FINANCIAL INSTRUMENTS

The Company's activities result in exposure to a variety of financial risks, including risks relating to foreign exchange, credit, interest rate, and liquidity risk.

A small portion of the Company's products are sold at prices denominated in U.S. dollars while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars.

The Company also has foreign operations in the United States and the United Kingdom, whose earnings are exposed to foreign exchange risk.

The Company sells its products and services to a variety of customers under various payment terms and therefore is exposed to credit risks from its trade receivables from customers. The Company has adopted policies and procedures designed to limit these risks. The carrying amounts for trade receivables are net of applicable expected credit loss allowances, which are determined using the expected credit losses ("ECL") model. Expected credit losses are measured as the present value of cash shortfalls from all possible default events, discounted at the effective interest rate of the financial asset. The Company is protected against any concentration of credit risk through its products, broad clientele and geographic diversity.

The Company's interest rate risk mainly arises from the interest rate impact on cash and floating rate debt. The Company actively manages its interest rate risk through ongoing monitoring of market interest rates and the overall economic situation.

The Company is exposed to liquidity risk with respect to trade payables, debt, and contractual obligations. The Company manages liquidity by maintaining adequate cash balances and by having appropriate lines of credit available. In addition, the Company continuously monitors and reviews both actual and forecasted cash flows. Management believes that future cash flow from operations and the availability under existing banking arrangements will be adequate to support its financial liabilities. The Company's revolving facility has been classified as current based on its maturity date. The Company's working capital, excluding deferred revenue, is positive. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities. The Company expects to renegotiate its banking agreement well before maturity.

The carrying value of certain financial instruments maturing in the short-term approximates their fair value. These financial instruments include cash and cash equivalents, trade and other receivable, trade and other payables, debt and other current and non-current liabilities are classified as measured at amortized cost, and other investments are classified as measured at fair value through other comprehensive income. The fair values calculated approximate the amounts for which the financial instruments could be settled between consenting parties, based on current market data for similar instruments. Consequently, as estimates must be used to determine fair value, they must not be interpreted as being realizable in the event of an immediate settlement of the instruments.

BUSINESS ENVIRONMENT AND RISKS

IMPACT OF (COVID-19)

Since the end of March 2020 several measures have been implemented in Canada and the U.S. in response to the increased impact from novel coronavirus (COVID-19). While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's business operations are expected to continue for some time. The duration and impact on overall customer demand cannot be reasonably estimated at this time, but it is anticipated this may have a further adverse impact on the Company's business, results of operations, financial position and cash flows in future periods. See "Significant Developments in 2020, Operating Highlights and Outlook – Impact of COVID and Actions Taken".

FOREIGN EXCHANGE

A small portion of the Company's products are sold at prices denominated in U.S. dollars while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars.

The Company also has foreign operations in the United States and the United Kingdom, whose earnings are exposed to foreign exchange risk.

GOVERNMENT PROGRAMS

The Department of Canadian Heritage's Canada Periodical Fund's Aid to Publishers program and Special Measures for Journalism program provides subsidies to eligible Canadian publications, including Western Producer Publications, Farm Business Communications and the Glacier community media group. While the Aid to Publishers program has been in place for decades, there is no guarantee that this subsidy will continue to be offered.

The federal government introduced a journalism tax credit whereby qualifying news organizations may apply for a refundable tax credit applied to the salaries of certain journalists.

The federal government introduced the Canadian Emergency Wage Subsidy program to help businesses keep workers employed through the challenges posed by the COVID-19 pandemic. An extension to the CEWS program was announced extending the program to June 2021.

GENERAL MARKET CONDITIONS

Glacier's Community Media Group generates revenue through the sale of advertising and newspaper subscriptions. As such, it is reliant upon general economic conditions and the spending plans of advertisers. A significant downturn in the national or regional economies may adversely affect revenues, as could significant changes in advertisers' promotional strategies.
Glacier's publications are affected by changes in the prices of purchased supplies, including newsprint.

Although Glacier is well diversified, competition is a continuing risk from existing businesses or new ones in a variety of media formats including print, online, radio and broadcast.

- The Community Media Group publishes newspapers in a variety of communities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the United States, and is diversified as a result;

- Glacier FarmMedia, Glacier Resource Innovation Group and Business in Vancouver publishes a wide variety of publications distributed across Canada;

- ERIS provides comprehensive information from a variety of databases regarding potential environmental liability; and

- Glacier disseminates its information in print, online and digital format.

The large North American business information and community media markets continue to offer many growth opportunities for the Company.

Certain of our products operate in the commodity and resource space and are subject to the fluctuations in their price, volume and other factors in their various markets.

The Company operates mainly in Canada and has operations in areas where cases of COVID-19 exist. The Company's customers also operate in these same areas. The Company may experience impacts from quarantines, market downturns and changes in consumer behavior related to pandemic fears and impacts on workforce if the virus becomes widespread in any of the markets in which the Company operates. The Company cannot predict the full impact of COVID-19 or any other future global pandemic on business, but could suffer financial losses as a result of such a crisis.

Additional information on the Company's business environment and risks is included in the Company's Annual Information Form filed on SEDAR.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related consolidated financial statements was properly recorded, processed, summarized and reported to the Audit Committee and the Board. The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have evaluated the effectiveness of these disclosure controls and procedures for the year ending December 31, 2020, and have concluded that they are effective.

The CEO and CFO, while acknowledging responsibility for the design of internal controls over financial reporting ("ICFR"), and confirming that there were no changes in these controls that occurred during the most recent year ended December 31, 2020 which materially affected, or are reasonably likely to materially affect, the Company's ICFR and based upon their evaluation of these controls for the year ended December 31, 2020, the CEO and CFO have concluded that these controls are effective. The CEO and CFO have certified such findings and reported to the Audit Committee, which in turn, has included such certification and report in the Audit Committee's recommendation to the Board of Directors. The Board of Directors in passing its resolutions acknowledges that it is basing and relying on such certification and report.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the annual consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements. Management regularly reviews these estimates, including impairment of goodwill and assets with indefinite and finite lives, retirement benefit assets/obligations, income taxes, fair value assessment of business combinations, and useful lives for depreciation and amortization of property, plant and equipment and finite life intangible assets. While it is reasonably possible that circumstances may arise which cause actual results to differ from these estimates, management does not believe it is likely that any such differences will materially affect Glacier's financial position.

THE IMPACT OF COVID-19

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is possible that circumstances may arise which cause actual results to differ from the estimates applied in these consolidated financial statements, and such differences affecting Glacier's future financial position and results cannot be determined at this time.

INCOME TAXES

In accordance with IFRS recommendations, Glacier recognizes deferred income tax assets when it is more likely than not that the future income tax assets will be realized. This assumption is based on management's best estimate of future circumstances and events. If these estimates and assumptions are changed in the future, the value of the future income tax assets could be reduced or increased, resulting in an income tax expense or recovery. Glacier re-evaluates its future income tax assets on a regular basis.

RETIREMENT BENEFIT ASSETS/OBLIGATIONS

Glacier's defined benefit plan provides both pension and other retirement benefits to certain salaried and hourly employees not covered by industry union plans.

Effective December 31, 2015, the Company made the decision to eliminate future benefit accruals under the defined benefit provision of the plan. Credited Service and final average earnings were permanently set. This change affects all members who were actively accruing benefits in the Plan as at December 31, 2015. Effective January 1, 2016, all eligible employees have joined a new defined contribution plan sponsored by Glacier. The Company also has health care plans covering certain hourly and retired salaried employees. Effective December 31, 2015, the post retirement benefit plan was closed for new retirees. Employees retiring after December 31, 2015, are not eligible for post-retirement benefits. The Company's defined benefit pension plan related to its subsidiary remains unchanged.

Glacier uses independent actuarial firms to perform actuarial valuations of the fair value of pension and other retirement benefit plan obligations. The application of these recommendations requires judgments regarding certain assumptions that affect the accrued benefit provisions and related expenses, including the discount rate used to calculate the present value of the obligations and the assumed health care cost trend rates. Management and the Board of Director's Pension Committee evaluate these assumptions annually based on experience and the recommendations of its actuarial firms. Changes in these assumptions result in actuarial gains or losses, which are recorded in comprehensive income or loss for the year.

SHARE-BASED PAYMENTS

The Company provides incentives via share-based payment entitlements. The fair value of entitlements is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the equity instrument, the vesting and performance criteria, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the equity instrument. If certain assumptions used in the fair value calculation were to change, there would be an impact on the statement of operations in future financial periods.

IMPAIRMENT OF INTANGIBLE ASSETS AND GOODWILL

Goodwill, which is the excess of the purchase price paid for an acquisition over the fair value of the net assets acquired, is not amortized but is assessed annually for impairment or more frequently if events or circumstances indicate that it may be impaired.

Indefinite life intangible assets consisting mainly of mastheads which have an indefinite useful life and are not amortized, but tested annually for impairment or more frequently if impairment indicators arise.

Intangible assets with a finite life, which consist of subscription lists, customer relationships, other intangible assets and data and technology, and software, are reviewed for impairment when the occurrence of events or changes in circumstances indicates that the carrying value of the assets may not be recoverable.

For goodwill, finite life intangible assets and investments in joint ventures and associates, the recoverable amount was determined using five year cash flow budgets approved by management that made maximum use of observable market inputs and outputs. For periods beyond the budget period, cash flows were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry, in the respective CGU or groups of CGUs and taking into account expected future operating results, cost savings achieved through cost savings initiatives, economic conditions and outlook for the industry within which the reporting unit operates. For certain CGU's, where cash flows have become difficult to forecast, we have also considered other valuation techniques such as an enterprise value approach utilizing revenue multiples, and considering other comparable market information.

For indefinite life intangible assets, the recoverable amount was determined using budgeted revenues to determine the relief from royalties that the mastheads and trademarks provide. For periods beyond the budget period, revenues were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry.

The methods are based on many assumptions and estimates that may have a significant impact on the recoverable value of a CGU, and as a result on the amount of impairment recorded, if any. The impact of any significant changes in assumptions and the review of estimates are recognized through profit or loss in the period in which the change occurs.

In 2020, certain CGU's continue to be impacted by the negative impacts of COVID-19 pandemic, along with the continued decline of the industry, and based on the annual testing a further $3.5 million impairments were recorded in the fourth quarter for a total of $23.5 million for the year ending December 31, 2020. In 2019, certain CGU's continue to be impacted by the decline of the industry as well as other economic market conditions. As such, the Company recorded an impairment expense of $5.7 million to goodwill in 2019.

In its assessment of the recoverable amounts of the groups of CGUs, the Company performed a sensitivity analysis of key assumptions used in the testing: discount rates, EBITDA growth and revenue growth. The results of the sensitivity analysis show that the majority of the CGU's would not be sensitive to a reasonable change in key assumptions used to determine the recoverable amount and would not cause the carrying amount of those CGU's or group of CGUs to exceed their recoverable amounts. Certain CGU's included in the BC Community Media Group would be sensitive.

FAIR VALUE OF BUSINESS COMBINATIONS

On the acquisition of a business, the Company is required to identify and measure the various assets and liabilities acquired. This is based on the estimated fair value of each item acquired with the remainder of the purchase price being recognized as goodwill. Judgements are used when determining the split between intangible assets and goodwill. Estimates and judgments related to revenue and gross margin forecasts, customer attrition rate, and discount rate are used to determine the overall fair value of the purchase price when there is deferred and variable consideration.

To estimate the fair value of the customer relationships, management used the excess earnings method by using a discounted cash flow model. Management developed key assumptions related to revenue and gross margin forecasts, customer attrition rate, and discount rate. To estimate the fair value of the data, management used the replacement cost method.

ESTIMATED USEFUL LIVES

Management estimates the useful lives of property, plant and equipment and finite life intangible assets based on the period during which the assets are available for use. The amounts and timing of depreciation and amortization for these assets are affected by useful lives. The estimates are reviewed annually and are updated for changes in the assets' expected useful lives.

Independent auditor's report

To the Shareholders of Glacier Media Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Glacier Media Inc. and its subsidiaries (together, the Company) as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of operations for the years ended December 31, 2020 and 2019;
- the consolidated statements of comprehensive (loss) income for the years then ended;
- the consolidated balance sheets as at December 31, 2020 and 2019;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill, and impairment assessment of investments in joint ventures and associates *Refer to note 3 -– Significant accounting policies, note 4 – Critical accounting estimates and judgements and uncertainty, note 7 – Investments in joint ventures and associates, note 13 -– Goodwill and note 14 – Impairment to the consolidated financial statements.* The Company had goodwill of $38.5 million and investments in joint ventures and associates of $51.2 million as at December 31, 2020. Management conducts an impairment test for goodwill annually, or more frequently if events or circumstances indicate that the carrying value of goodwill may not be recoverable. Management conducts an impairment test for investments in joint ventures and associates if events or circumstances indicate that the carrying value of these investments may be impaired. Goodwill is tested for impairment by management at the cash generating unit (CGU) or group of CGUs level. Investments in joint ventures and associates are monitored and tested for impairment by management at an investment level. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is based on the greater of the value in use and the fair value less costs to dispose of the CGUs, groups of CGUs, or investments. The recoverable amounts were determined using discounted cash flow models or market-based valuation models.	Our approach to addressing the matter involved the following procedures, amongst others: • Evaluated how management determined the recoverable amounts, which included the following: • For the discounted cash flow models: - Tested the appropriateness of the models used and the mathematical accuracy of the discounted cash flow models. - Evaluated whether management's assumptions related to cash flow forecasts including annual and expected growth rates and budgeted revenues were reasonable, considering: (i) the current and past performance of the relevant CGUs and investments, including the economic impact of the COVID-19 pandemic, (ii) the comparability with external market and industry data, and (iii) whether these assumptions were aligned with evidence obtained in other areas of the audit. - Tested the underlying data used in the discounted cash flow model. - Professionals with specialized skill and knowledge in the field of valuation assisted in evaluating the appropriateness of management's models and testing the reasonableness of the pre-tax discount rates applied by management.

Key audit matter	How our audit addressed the key audit matter
For discounted cash flow models, management used five-year cash flow forecasts that made use of observable market inputs and outputs, including consideration of the impact of the COVID-19 pandemic. For the period beyond the five-year forecast period, cash flows were extrapolated using expected future growth rates. Key assumptions used by management included cash flow forecasts, budgeted revenues, annual and expected future growth rates and pre-tax discount rates. For certain goodwill CGUs where cash flows have become difficult to forecast, market-based models were used for impairment testing. Management considered an enterprise value approach utilizing revenue multiples and other comparable market transaction information. Management recognized impairment losses of \$5.6 million on goodwill and \$5.8 million on investments in joint ventures and associates for the year ended December 31, 2020. We considered this a key audit matter due to the judgment made by management in determining the recoverable amount of the CGUs or investments, including the use of key assumptions. This has resulted in a high degree of subjectivity and audit effort in performing audit procedures to test the key assumptions. Professionals with specialized skill and knowledge in the field of valuation assisted us in performing our procedures.	• For the market-based models: - Tested the reasonability of the revenue multiples and other valuation methods with the assistance of professionals with specialized skill and knowledge in the field of valuations, based on data collected from comparable transactions and companies. • Tested the disclosures made in the consolidated financial statements.
Impairment assessment of indefinite life intangible assets *Refer to note 3 -– Significant accounting policies, note 4 -– Critical accounting estimates and judgements and uncertainty, note 11 -– Intangible assets and note 14 – Impairment to the consolidated financial statements.*	Our approach to addressing the matter involved the following procedures, amongst others: • Tested how management determined the recoverable amounts of the indefinite life intangible assets, which included the following: - Tested the reasonability of management’s assumptions related to budgeted revenues and annual growth rates by considering the

Key audit matter	How our audit addressed the key audit matter
The Company had indefinite life intangible assets with a carrying value of $19.4 million as at December 31, 2020.The indefinite life intangible assets consist of mastheads and trademarks across various CGUs. Management conducts an impairment test annually, or more frequently if events or circumstances indicate that the carrying value of indefinite life intangible assets may not be recoverable. Indefinite life intangible assets are tested for impairment by management at the CGU or group of CGUs level. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is based on the greater of the value in use and the fair value less costs to dispose of the CGUs or groups of CGUs. To determine the recoverable amounts of indefinite life intangible assets, management used the relief from royalties method, which involves budgeted revenues for the mastheads and trademarks, including consideration of the impact of the COVID-19 pandemic. For periods beyond the budget period, revenues were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry. Key assumptions used by management in estimating the recoverable amounts included budgeted revenues, annual growth rates, royalty rates, and pre-tax discount rates. Impairment loss recognized for indefinite life intangible assets was $11.3 million for the year ended December 31, 2020. We considered this a key audit matter due to the judgment made by management in developing assumptions to determine the recoverable amounts. This in turn resulted in significant audit effort and subjectivity in performing audit procedures to test the recoverable amounts determined by management. Professionals with specialized skill and knowledge in the field of	current and past performance of the CGU or group of CGUs, the impact of COVID-19 on the assumptions used in the method, and whether these assumptions were consistent with evidence obtained in other areas of the audit. - Professionals with specialized skill and knowledge in the field of valuation assisted in evaluating the appropriateness of management’s relief from royalty method, as well as certain key assumptions such as royalty rates and the pre-tax discount rates. - Tested the underlying data used in the relief from royalty method. - Tested the disclosures made in the consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
valuation assisted us in performing our procedures.	
Fair value of intangible assets acquired in the GeoSearch business combination *Refer to note 3 – Significant accounting policies, note 4 – Critical accounting estimates and judgements and uncertainty and note 5 – Acquisitions and dispositions to the consolidated financial statements.* On November 30, 2020, the Company acquired the business of GeoSearch LLC (GeoSearch) for estimated total consideration of $15.2 million. The fair value of the identifiable intangible assets acquired in the business combination included $3.9 million in customer relationships and $4.3 million in software and data. Management applied judgment in estimating the fair value of these intangible assets. To estimate the fair value of the customer relationships, management used the excess earnings method by using a discounted cash flow model. Management developed key assumptions related to revenue and gross margin forecasts, customer attrition rate, and discount rate. To estimate the fair value of the data, management used the replacement cost method. Management developed key assumptions related to the time and cost taken to collect and geo-reference images, which includes average wage rates of employees. We considered this a key audit matter due to the judgment applied by management in estimating the fair values of the customer relationships and data intangible assets, including the development of key assumptions. This, in turn, led to a high degree of auditor judgement, subjectivity and effort in performing procedures and evaluating audit evidence relating to the key assumptions used by	Our approach to addressing the matter included the following procedures, among others: • Tested how management estimated the fair values of the customer relationships and data intangible assets, which included the following: - Read the purchase agreement. - Evaluated the appropriateness of management's excess earnings method using a discounted cash flow model and replacement cost method and tested the mathematical accuracy thereof. - Tested the underlying data used by management in the discounted cash flow model and replacement cost method. - Evaluated the reasonableness of key assumptions used by management in the discounted cash flow model related to revenue and gross margin forecasts by considering the past performance of GeoSearch, growth assumptions from the forecast reviewed by the Board of Directors and similar prior acquisitions made by the Company, as well as economic and industry data. - Evaluated the reasonableness of key assumptions used by management in the replacement cost method by comparing management's assumption of the time and cost taken to collect geo-reference images to the cost to purchase images from external sources. - Professionals with specialized skill and knowledge in the field of valuation assisted in evaluating the appropriateness of management's excess earnings method using a discounted cash flow model and replacement cost method, as well as certain key assumptions such as the customer attrition rate and discount rate.

Key audit matter	How our audit addressed the key audit matter
management. The audit effort involved the use of professionals with specialized skill and knowledge in the field of valuation.	

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Frans Minnaar.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
March 26, 2021

GLACIER MEDIA INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	2020	2019
	$	$
Revenue (Note 24)	151,304	184,790
Operational expenses before depreciation and amortization and other items		
Direct expenses (Note 25)	93,463	136,554
General and administrative (Note 25)	34,900	40,269
	22,941	7,967
Interest expense, debt (Note 27)	1,595	2,519
Interest expense, lease liabilities (Note 9)	595	675
Depreciation and amortization (Note 12)	12,152	13,760
Net gain on sale (Note 5)	-	(47,713)
Impairment expense (Note 14)	23,505	5,700
Other income (Note 28)	(3,014)	-
Restructuring and other expenses (net) (Note 29)	5,796	5,288
Share of earnings from joint ventures and associates (Note 7)	(3,309)	(3,663)
Net (loss) income before income taxes	(14,379)	31,401
Income tax expense (recovery) (Note 23)	362	(5,919)
Net (loss) income for the year	(14,741)	37,320
Net (loss) income attributable to:		
Common shareholders	(14,966)	34,249
Non-controlling interests (Note 8)	225	3,071
Net (loss) income attributable to common shareholders per share		
Basic and diluted	(0.12)	0.29
Weighted average number of common shares		
Basic and diluted	125,213,346	116,783,420

See accompanying notes to these consolidated financial statements

GLACIER MEDIA INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

	2020	2019
	$	$
Net (loss) income for the year	(14,741)	37,320
Other comprehensive (loss) income (net of tax) (Note 22)		
Actuarial (loss) income on defined benefit pension plans [1]	(944)	818
Currency translation adjustment [2]	(406)	613
Share of other comprehensive loss from joint ventures and associates[1] (Note 7)	(984)	(608)
Other comprehensive (loss) income (net of tax)	(2,334)	823
Total comprehensive (loss) income	(17,075)	38,143
Total comprehensive (loss) income attributable to:		
Common shareholders	(17,263)	34,920
Non-controlling interests	188	3,223

[1] Recorded directly in deficit.
[2] Recycled through the consolidated statement of operations in current and future periods.

See accompanying notes to these consolidated financial statements

GLACIER MEDIA INC.
CONSOLIDATED BALANCE SHEETS
AS AT DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

	2020	2019
	$	$
Assets		
Current assets		
Cash and cash equivalents	14,275	5,113
Trade and other receivables (Note 6)	37,959	36,054
Inventory	2,156	2,096
Prepaid expenses	3,617	2,482
	58,007	45,745
Non-current assets		
Investments in joint ventures and associates (Note 7)	51,189	56,605
Other assets (Notes 5 and 19)	29,849	31,998
Right-of-use assets (Note 9)	9,189	11,912
Property, plant and equipment (Note 10)	26,905	30,018
Intangible assets (Note 11)	43,834	48,845
Goodwill (Note 13)	38,454	37,968
Post-employment benefit asset (Note 18)	1,762	3,061
Deferred income taxes (Note 23)	3,897	4,992
Total assets	263,086	271,144
Liabilities		
Current liabilities		
Trade and other payables (Note 15)	33,563	25,738
Deferred revenue	10,038	10,640
Current portion of lease liabilities (Note 9)	2,967	3,088
Current portion of debt (Note 17)	338	410
Other current liabilities (Note 16)	3,945	2,609
	50,851	42,485
Non-current liabilities		
Non-current portion of deferred revenue	925	918
Lease liabilities (Note 9)	6,782	9,174
Other non-current liabilities (Note 16)	10,000	2,184
Long-term debt (Note 17)	2,255	18,114
Total liabilities	70,813	72,875
Equity		
Share capital (Note 20)	221,802	221,802
Contributed surplus (Note 5)	20,022	8,951
Accumulated other comprehensive (loss) income (Note 22)	(339)	55
Deficit	(70,724)	(53,855)
Total equity attributable to common shareholders	170,761	176,953
Non-controlling interests (Note 8)	21,512	21,316
Total equity	192,273	198,269
Total liabilities and equity	263,086	271,144

Subsequent events (Note 34)

See accompanying notes to these consolidated financial statements

Approved by the Directors

"Jonathon J.L. Kennedy"
Jonathon J.L. Kennedy, Director

"Bruce W. Aunger"
Bruce W. Aunger, Director

GLACIER MEDIA INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

	Attributable to common shareholders							
	Share capital		Contributed surplus	Accumulated other comprehensive loss	Retained earnings (deficit)	Total	Non-controlling interest	Total equity
	Shares	Amount						
		$	$	$	$	$	$	$
Balance, December 31, 2018	109,828,731	211,802	8,951	(539)	(88,181)	132,033	19,268	151,301
Net income for the year	-	-	-	-	34,249	34,249	3,071	37,320
Other comprehensive income (net of tax)	-	-	-	594	77	671	152	823
Total comprehensive income for the year	-	-	-	594	34,326	34,920	3,223	38,143
Issuance of common shares	15,384,615	10,000	-	-	-	10,000	-	10,000
Distributions to non-controlling interests	-	-	-	-	-	-	(1,175)	(1,175)
Balance, December 31, 2019	125,213,346	221,802	8,951	55	(53,855)	176,953	21,316	198,269
Net (loss) income for the year	-	-	-	-	(14,966)	(14,966)	225	(14,741)
Other comprehensive loss (net of tax)	-	-	-	(394)	(1,903)	(2,297)	(37)	(2,334)
Total comprehensive (loss) income for the year	-	-	-	(394)	(16,869)	(17,263)	188	(17,075)
Sale of non-controlling interest in a subsidiary, net of tax (Note 5)	-	-	11,071	-	-	11,071	443	11,514
Contribution from non-controlling interests	-	-	-	-	-	-	1,800	1,800
Distributions to non-controlling interests	-	-	-	-	-	-	(2,235)	(2,235)
Balance, December 31, 2020	125,213,346	221,802	20,022	(339)	(70,724)	170,761	21,512	192,273

See accompanying notes to these consolidated financial statements

GLACIER MEDIA INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS)

	2020	2019
	$	$
Operating activities		
Net (loss) income for the year	(14,741)	37,320
Items not affecting cash:		
Depreciation and amortization (Note 12)	12,152	13,760
Net gain on disposition (Notes 5)	(5)	(47,702)
Impairment expense (Note 14)	23,505	5,700
Employee future benefit expense in excess of (less than) of employer contributions	6	(233)
Deferred income tax expense (recovery)	334	(6,072)
Interest expense, long term debt	1,617	2,617
Interest expense, lease liabilities (Note 9)	595	675
Share of earnings from joint ventures and associates (Note 7)	(3,309)	(3,663)
Other non-cash items	1,211	1,468
Cash flow from operations before changes in non-cash operating accounts	21,365	3,870
Changes in non-cash operating accounts		
Trade and other receivables	(1,639)	1,540
Inventory	(60)	364
Prepaid expenses	(1,026)	(155)
Trade and other payables	8,263	58
Deferred revenue	(584)	(1,463)
Cash generated from operating activities	26,319	4,214
Investing activities		
Acquisitions, inclusive of assumed and related financing liabilities (Note 5)	(3,731)	(18,950)
Investments in joint ventures and associates	-	2
Other investing activities	(269)	(2,960)
Proceeds from disposal of assets (Note 5)	198	45,157
Distributions received from joint ventures and associates (Note 7)	1,941	6,063
Deposits paid	-	(881)
Purchase of property, plant and equipment	(880)	(5,766)
Purchase of intangible assets	(3,650)	(3,999)
Cash (used in) generated from investing activities	(6,391)	18,666
Financing activities		
Distribution to non-controlling interests	(2,235)	(1,175)
Contribution from non-controlling interests	1,800	-
Proceeds from sale of non-controlling interest in a subsidiary (Note 5)	11,000	-
Issuance of commons shares	-	10,000
Interest paid, debt	(1,436)	(2,687)
Interest paid, lease liabilities (Note 9)	(603)	(616)
Additional borrowing of debt	-	2,500
Net repayment of debt (Note 17)	(16,114)	(25,754)
Principal payment of lease liabilities (Note 9)	(3,178)	(3,152)
Cash used in financing activities	(10,766)	(20,884)
Net cash generated	9,162	1,996
Cash and cash equivalents, beginning of year	5,113	3,117
Cash and cash equivalents, end of year	14,275	5,113

1. GENERAL BUSINESS DESCRIPTION

Glacier Media Inc. ("Glacier" or the "Company") is an information and marketing solutions company pursuing growth in sectors where the provision of essential information and related services provides high customer utility and value. The related "go to market" strategy is being implemented through two operational areas: content and marketing solutions and data, analytics and intelligence.

The Company is incorporated under the Canada Business Corporations Act, with common shares listed on the Toronto Stock Exchange ("TSX"). The address of its head office is 2188 Yukon Street, Vancouver, British Columbia.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of consolidated financial statements. Certain prior year comparative figures have been reclassified to conform to the current year's presentation. These reclassifications did not have an impact on the statement of operations or on the balance sheets.

These consolidated financial statements have been approved by the Board of Directors for issue on March 26, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention.

(b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by the Company and the results of all controlled entities. Controlled entities are those entities over which the Company has i) the power to govern the financial and operating policies, ii) the right to receive benefits from that entity and iii) the ability to use its operating decisions to alter the benefits received. These criteria are generally met by having a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. In addition, for consolidation purposes, factors may exist where one may consolidate without having more than 50% of the voting power through ownership or agreements, or in the circumstances of enhanced minority rights, as a consequence of de facto control. De facto control is control without the legal right to exercise unilateral control, and involves decision making ability that is not shared with others and the ability to give direction with respect to the operating and financial policies of the entity concerned. Where control of a subsidiary ceases during a financial year, its results are included up to the point in the year when control ceases.

All intercompany balances, transactions and unrealized profits resulting from intercompany transactions have been eliminated. Where control of an entity is acquired during a financial year, its

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

results are included in the consolidated statement of operations from the date on which control commences.

Non-controlling interests

Non-controlling interests represent equity interests in subsidiaries owned by outside parties. The share of net assets of subsidiaries attributable to non-controlling interests is presented as a component of equity. Their share of net income or loss and comprehensive income or loss is recognized in equity. Changes in the parent company's ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Associates

Associates are entities over which the Company has significant influence but not control. Generally, the Company has a voting shareholding of between 20% and 50% of the voting rights in its associates.
Investments in associates are accounted for using the equity method as follows:

- Investments are initially recognized at cost.
- Associates include goodwill and intangible assets identified on acquisition, net of any accumulated impairment loss.
- The Company's share of its associates' post-acquisition profits or losses is recognized in the consolidated statement of operations.
- Dividends and distributions receivable from associates reduce the carrying amount of the investment.
- The Company's liability with respect to its associates is limited to its net investment and it has no obligation to fund any subsequent losses should they arise.

Joint arrangements

Joint arrangements are entities over which the Company has joint control with one or more unaffiliated entities. The Company classifies its joint arrangements as joint ventures and accounts for them using the equity method of accounting. The Company records its investment in its joint ventures as follows:

- Investments are initially recognized at cost.
- Joint ventures include goodwill and intangible assets identified on acquisition, net of any accumulated impairment loss.
- The Company's share of its joint ventures' post-acquisition profits or losses is recognized in the consolidated statement of operations.
- Dividends and distributions receivable from joint ventures reduce the carrying amount of the investment.
- The Company's liability with respect to its joint ventures is limited to its net investment and has no obligation to fund any subsequent losses should they arise.
- Subsequent investments are recognized at cost and increase the carrying amount. When control is attained, the investment is recognized at fair value and subsequently consolidated.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Foreign currency

Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is Glacier's functional currency.

The financial statements of entities that have a functional currency different from that of Glacier ("foreign operations") are translated into Canadian dollars as follows: assets and liabilities at the closing rate at the date of the balance sheet, and income and expenses at the average rate. All resulting changes are recognized in the statement of other comprehensive income (loss) as currency translation adjustments.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency balances are translated at the year-end exchange rate. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognized in the consolidated statement of operations.

(d) Revenue recognition

Advertising revenue

Advertising revenue includes both digital and non-digital advertisements. The Company contracts with customers to publish advertisements in print or online which generally include one performance obligation. The Company has concluded that revenue from advertising should be recognized at the point in time when the advertisement is published. Revenue from these contracts is recognized based on the price specified in the contracts and the payment is due immediately when the advertisement is published.

Subscription, data and services revenue

Subscription, data and services revenue includes: subscription, digital products and services, and event revenues.

Subscription revenue: Subscription revenue includes both digital and non-digital subscriptions. The Company contracts with customers to provide ongoing monthly services or products. The contracts are generally not more than a year. The Company has concluded that the performance obligation for subscription revenue is recognized over the time of the subscription based on the price specified in the contracts. Payment is due at the beginning of the subscription period based on the fixed contract price. Subscription revenue for which consideration has been received in advance and is attributable to future access is deferred until such products or services are delivered.

Digital products and services: Digital products and services do not include digital subscription revenue. The Company contracts with customers to provide digital products and services, which include one performance obligation. The performance obligation is satisfied when the product is delivered or when the service is performed. Revenue from these contracts is thus recognized at a point in time based on the price specified in the contracts. Payments for these contracts are due immediately when performance obligations are satisfied.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Event revenue: The Company holds various events throughout the year. There is one performance obligation which is satisfied when the event is held. Payment is due when customers enter into the contract to attend the event. Revenue from these contracts is recognized based on the price specified in the contract when the event is held. Event revenue for which consideration has been received in advance is deferred until the event has taken place.

(e) Income taxes

Tax expense is comprised of current and deferred tax. Tax is recognized in the consolidated statement of operations except to the extent it relates to items recognized directly in equity, in which case the related tax is recognized in equity.

Current tax expense is based on the results for the year as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures except where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax is accounted for using a temporary difference approach and is the tax expected to be payable or recoverable on temporary differences between the carrying amount of assets and liabilities in the consolidated balance sheets and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates that are expected to apply to the year of realization or settlement based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The Company's investment tax credits are subject to uncertainty as to the timing of the usage in the future. The Company has unrecognized investment tax credits which will be recognized as part of the provision for income taxes as utilization of the credits is incurred and considered probable.

The Company is also entitled to a refundable journalism tax credit which is recognized as the related costs are incurred.

Deferred tax liabilities are not recognized on temporary differences that arise from goodwill. Deferred tax assets and liabilities are not recognized in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination, and at the time of transaction, affects neither accounting or tax profit.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits, and investments with an original maturity at the date of purchase of three months or less.

(g) Inventory

Inventory consists of newsprint, publishing supplies and work in progress amounts relating to certain publications. These amounts are stated at the lower of cost and net realizable value.

Costs are assigned to inventory quantities on hand at the balance sheet date using either the average cost or a first-in, first-out basis, based on the nature of the inventory. Cost is comprised of material, labour and an appropriate proportion of fixed and variable overhead. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

(h) Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation. Costs directly attributable to the acquisition or construction of property, plant and equipment, including internal labour and interest, are also capitalized as part of the cost.
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of operations during the financial year in which they are incurred.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Land improvements	40 years
Buildings	20 – 40 years
Production equipment	3 – 25 years
Office equipment and fixtures	3 – 15 years
Leased equipment	3 – 15 years
Leasehold improvements	5 – 20 years

The Company allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant components and depreciates separately each such component.
Leasehold improvements are depreciated on a straight-line basis over the lesser of their useful life and the term of the lease.

The assets' residual values, method of depreciation and useful lives are reviewed and adjusted, if appropriate, at least annually. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the consolidated statement of operations.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Identifiable intangible assets

Upon acquisition, identifiable intangible assets are recorded at fair value. The carrying values of all intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Additionally, the carrying values of identifiable intangible assets with indefinite lives are tested annually for impairment. Impairment is determined by comparing the recoverable amount of such assets with their carrying amounts. The Company evaluates impairment losses for potential reversals when events or changes in circumstances warrant such consideration.

Trademarks and mastheads

Trademarks and newspaper mastheads are initially recorded at fair value. The trademarks and mastheads have been assessed to have indefinite useful lives. Accordingly, they are not amortized and are tested for impairment annually or when there is a change in circumstances that indicates that the carrying value may not be recoverable, and are carried at cost less accumulated impairment losses. For purposes of impairment testing the fair value of trademarks and mastheads is determined using the relief from royalty method.

The Company’s trademarks and mastheads operate in established markets with limited restrictions and are expected to continue to complement the Company’s media initiatives. On this basis, the Company has determined that trademarks and mastheads have indefinite lives as there is no foreseeable limit to the period over which the assets are expected to generate cash flows for the Company.

Other identifiable intangible assets

Other identifiable intangible assets consist of subscription lists, customer relationships and other intangible assets and are recorded at cost. Subscription lists and customer relationships are amortized on a straight-line basis over their expected useful life of 3 to 15 years. Other identifiable intangible assets with finite lives are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Computer software, data and technology, and websites

Acquired computer software licences are capitalized as an intangible asset, as are internal and external costs directly incurred in the purchase or development of computer software, data and technology, and websites, including subsequent upgrades and enhancements when it is probable that they will generate future economic benefits attributable to the consolidated entity. These costs are amortized using the straight-line method over their expected useful lives of 2 to 5 years.

(j) Goodwill

Goodwill represents the excess of the consideration of an acquisition over the fair value of the Company’s share of the net identifiable assets of the acquired subsidiary, joint venture or associate at the date of acquisition. Goodwill on acquisitions of joint ventures and associates is included in investments in joint ventures and associates. Goodwill is not amortized. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of non-financial assets

Non-financial assets are tested for impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment. An impairment charge is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is based on the greater of the value in use and the fair value less cost to dispose of the CGUs, groups of CGUs or investments.

Goodwill and indefinite life intangible assets are reviewed for impairment annually or at any time if an indicator of impairment exists. For the purposes of impairment testing, goodwill or indefinite life intangible assets acquired through a business combination are allocated to each cash generating unit ("CGU") or group of CGUs that are expected to benefit from the related business combination. A group of CGUs represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Investments in joint ventures and associates are monitored and tested for impairment by management at the investment level.

Non-financial assets, other than goodwill, that suffer impairment are evaluated for possible reversal of the impairment when events or circumstances warrant such consideration.

(l) Leases

The Company recognizes leases as a right-of-use ("ROU") asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The ROU asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. The ROU is subject to impairment testing if indicators of impairment exist.

At inception, the Company assessed whether a contract is or contains a lease. This assessment involves the exercise of judgment about whether it depends on specified assets, whether the Company obtains substantially all the economic benefits from the ROU asset and whether the Company has the right to direct the use of the asset.

ROU assets and lease liabilities are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments: fixed payments, less any lease incentives receivable and variable payments. When the lease contains an extension that the Company considers reasonably certain to be exercised, the cost of the option is included in the lease payment.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

ROU assets are measured at cost comprising of the following: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and restoration costs.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payments associated with short-term leases and leases of low-value assets are recognized on a straight line basis as an expense in profit or loss. Short term leases are leases with a minimum term of 12 months or less. Low-value assets are comprised of IT-equipment and other small items of office equipment.

Extension and termination options are included in a number of property and equipment leases across the Company. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of the extension and termination options are exercisable only by the company and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. The assessment is reviewed if a significant event or significant change in circumstances occurs which affects this assessment and that is within the control of the lease.

The Company leases office space and office equipment. Contracts are typically made for fixed periods of 1 to 11 years; however, may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security of borrowing purposes.

(m) Provisions

Provisions for restructuring costs and legal claims, where applicable, are recognized in trade and other payables when the Company has a legal, equitable or constructive obligation to make a future outflow of economic benefits to others as a result of past transactions or past events, it is probable that a future outflow of economic benefits will be required, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date using a discounted cash flow methodology. Provisions are not recognized for future operating losses.

(n) Employee pension and other post-employment benefits

The Company has defined benefit plans that provide both pension and other retirement benefits to certain salaried and hourly employees not covered by industry union plans.

A liability or asset in respect of the defined benefit pension plans and certain other post-employment benefit plans is recognized in the consolidated balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the pension fund’s assets. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated by independent actuaries using the projected unit credit method.

Actuarial gains and losses are recognized in full in the year in which they occur, in other comprehensive income (loss) and retained earnings (deficit) without recycling through the consolidated statement of operations in subsequent years. The interest income on plan assets, the return on plan assets greater (less) than the discount rate and the interest on the pension liability are included in the same line items in the consolidated statement of operations as the related compensation expense.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Share based payment

The fair value of share purchase warrants are recognized as a compensation expense with a corresponding increase in contributed surplus within the Company's equity. The fair value is measured at the grant date and recognized over the period during which the warrants vest.

The fair value at the grant date is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the warrants, the vesting and performance criteria, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the warrant.

(p) Government programs

Income based government programs provided to offset an expense are recorded as a decrease in the expense in the year in which the expense is incurred. Any amounts due from the government for qualifying expenses are recorded in trade and other receivables. Any amounts received in advance are deferred in current liabilities until the related expense is incurred.

(q) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

(r) Dividends

Dividends on common shares are recognized as a liability in the Company's consolidated financial statements when the dividends are declared by the Board of Directors of the Company.

(s) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to equity holders of the Company, excluding any costs to service equity other than common shares, by the weighted average number of common shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average shares outstanding for dilutive instruments. The number of shares included with respect to equity instruments is computed using the treasury stock method.

(t) Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized as interest expense in the consolidated statement of operations in the year in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Financial Instruments

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently through fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortized cost using the effective interest method.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will be recorded directly in the statement of operations or OCI. For financial assets other than equities measured at fair value through other comprehensive income ("FVOCI") changes in the carrying amount will be recorded in OCI except for recognition of impairment losses, interest revenue and foreign exchange gain and losses on the instrument's amortized cost which are recognized in income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at FVOCI. The Company has not designated any investments as FVOCI.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. The transaction costs of a financial asset carried at FVPL are expensed in profit or loss.

Financial instruments at amortized costs: Financial instruments at amortized costs include cash and cash equivalents, trade and other receivable, other assets, trade and other payables, debt and other current and non-current liabilities. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized costs. When material, interest income from these financial assets are included in finance income using the effective interest rate method. Impairment losses are presented as a separate line item in the statement of operations.

Equity instruments: The Company subsequently measures all equity instruments at fair value. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of the financial assets at FVPL are recognized in other gains or (losses) in the statement of operations as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVPL are not reported separately from other changes in fair value.

Impairment of Financial Assets and Liabilities

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For trade and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected credit losses ("ECL") to be recognized from initial recognition of the receivables.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND UNCERTAINTY

The preparation of the consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Estimated impairment of goodwill and assets with indefinite and finite lives

In accordance with the accounting policy stated in Note 3(k), the Company annually tests whether goodwill and intangible assets with indefinite lives have incurred any impairment based on the recoverable value of a CGU. The recoverable value is determined using discounted future cash flow models or market-based valuation models.

The discounted future cash flow model incorporates assumptions regarding future events, specifically future cash flows, budgeted revenues to determine the relief from royalties, growth rates and discount rates. Future cash flow projections are determined using certain industry, economic and market trends which represent management's best estimate as to future results. The recoverable value is also affected by the discount rate, the weighted average cost of capital, future growth rates and tax rates, which may or may not occur, resulting in the need for future revisions of estimates.

The market-valuation model estimates the fair value of the CGU by using a multiple of normalized revenues and normalized results before amortization, depreciation, interest, tax and other items. The multiple is determined by evaluating multiples for similar transactions in the marketplace.

The methods are based on many assumptions and estimates that may have a significant impact on the recoverable value of a CGU and, as a result, on the amount of impairment recorded, if any. The impact of any significant changes in assumptions and the review of estimates are recognized through profit or loss in the period in which the change occurs. There are also judgements involved in determination of CGUs and groups of CGUs. If future events were to differ from management's best estimate, key assumptions and associated cash flows could be adversely affected and the Company could potentially experience future impairment charges in respect of the goodwill and indefinite life intangible assets. Refer to Note 14.

When indicators of impairment exist, the Company reviews finite life intangible assets, investments in joint ventures and associates, and property, plant and equipment for impairment. The method for estimating impairment is consistent with goodwill and intangible assets with indefinite lives, as noted above.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND UNCERTAINTY (CONTINUED)

(b) Retirement benefit assets/obligations

The asset/liability in respect of the defined benefit pension plans are calculated as the defined benefit obligation less plan assets and other adjustments. The methodology utilized by the Company to determine the benefit obligation is consistent with the prior year. Judgement and estimates used by the Company in determining the benefit obligation include interest rate, return on assets and health care trend rates.

(c) Income taxes

The Company is subject to income taxes in Canada and in certain of its foreign operations. Management has estimated the income tax provision and deferred income tax balances in accordance with its interpretation of the various income tax laws and regulations including expected tax rate and timing of the deferred tax balance. It is possible, due to the complexity inherent in estimating income taxes that the tax provision and deferred income tax balances could change.

(d) Utilization of tax losses

The recognition of income tax assets (Notes 19(a)(i) and 23), including those in associates, related to the utilization of non-capital losses and other tax attributes requires significant judgement and is subject to uncertainty as to the timing and ability to utilize the losses and other tax attributes in the future.

(e) Fair value assessment of business combinations

On the acquisition of a business, the Company is required to identify and measure the various assets and liabilities acquired. This is based on the estimated fair value of each item acquired with the remainder of the purchase price being recognized as goodwill. Judgements are used when determining the split between intangible assets and goodwill. Estimates and judgments related to revenue and gross margin forecasts, customer attrition rate, and discount rate are used to determine the overall fair value of the purchase price when there is deferred and variable consideration.

To estimate the fair value of the customer relationships, management used the excess earnings method by using a discounted cash flow model. Management developed key assumptions related to revenue and gross margin forecasts, customer attrition rate, and discount rate.

To estimate the fair value of the data, management used the replacement cost method.

Management developed key assumptions related to the time and cost taken to collect and geo-reference images, which includes average wage rates of employees

(f) Estimated useful lives

Management estimates the useful lives of property, plant and equipment and finite life intangible assets based on the period during which the assets are available for use. The amounts and timing of depreciation and amortization for these assets are affected by the useful lives. The estimates are reviewed annually and are updated for changes in the expected useful life.

(g) Consolidation of entities

Management uses judgements and assumptions in determining which entities the Company consolidates in its financial statements where the Company does not have greater than 50% of the voting shares.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND UNCERTAINTY (CONTINUED)

(h) The impact of COVID-19

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is possible that circumstances may arise which cause actual results to differ from the estimates applied in these consolidated financial statements, and such differences affecting Glacier's future financial position and results cannot be determined at this time.

5. ACQUISITIONS AND DISPOSITIONS

(a) On November 30, 2020, the Company, through its subsidiaries ERIS Information Inc. and ERIS Information LP (together "ERIS"), acquired the assets of GeoSearch LLC ("GeoSearch"), a U.S. based company, for estimated total consideration of $15.2 million. The transaction is accounted for by applying the acquisition method in accordance with IFRS 3 Business Combinations. Cash of $3.6 million was paid up front with the remainder of the purchase price consisting of a fixed deferred purchase price of $7.7 million payable over the next three years, as well as a contingent consideration amount based on future GeoSearch net income that was recorded at a fair value of $3.9 million. These deferred purchase price elements have been included in other current liabilities and other non-current liabilities. The key assumptions used in determining the estimated fair value of the contingent consideration are future earnings forecasts and an applicable discount rate. The fair value of the contingent consideration that is recorded on the acquisition date is re-measure at fair value at the end of each period until the end of the contingency period, with fair value adjustments recorded through profit and loss.

The Company performed the preliminary purchase accounting for the acquisition of the assets from GeoSearch. The acquired assets are reported within the Environmental and Property Information segment. As part of the accounting for a business combination, the fair value of the acquired assets and liabilities have been preliminarily allocated as follows at the acquisition date:

(thousands of dollars)	
	$
Assets acquired	
Trade and other receivables	608
Property, plant and equipment	159
Software and data	4,333
Customer relationships	3,947
Mastheads	66
Goodwill	6,324
	15,437
Liabilities assumed	
Trade payables and accrued liabiliaties	207
	207
Consideration	15,230

The primary factors contributing to goodwill are increased market share, synergies with existing operations and future growth prospects.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

5. ACQUISITIONS AND DISPOSITIONS (CONTINUED)

The revenues and earnings from GeoSearch have been included in the Company's consolidated financial statements of operations from the date of acquisition.

(b) On July 16, 2020, GVIC Communications Corp. ("GVIC"), an affiliated company of Glacier sold a 45% non-controlling interest in its subsidiary ERI Environmental Risk LP (which is comprised of the ERIS and STP operations) to Madison Venture Corporation ("Madison"). Madison acquired units of ERI Environmental Risk LP and has the right, for a period of 3 years following closing, to acquire an additional 4% of the outstanding units at the pro rata acquisition date enterprise value and an additional 2% of the outstanding units at the greater of the pro rata fair market value and the pro rata enterprise value. The transaction contains a buy/sell provision that is exercisable after 3 years and a mutual right of first refusal. Madison is a related party of Glacier, refer to Note 30.

At the date of the transaction, the Company received proceeds of $11.0 million in cash plus recorded deferred consideration of $1.6 million receivable recorded within Other current receivables and Other assets. The sale of the 45% non-controlling interest in a subsidiary was accounted for as an equity transaction recorded as contributed surplus of $11.1 million, net of tax, and non-controlling interest of $0.4 million.

(c) On April 4, 2019, the Company completed the sale of its 50% interest in Fundata Canada Inc. ("Fundata") for $55.0 million; resulting in a gain on disposition of $47.6 million. $45.0 million of the sale price was received at closing and $10.0 million is receivable over four years, of which $7.5 million is still receivable as at December 31, 2020. The current portion of the sale price receivable has been recorded within Trade and other receivable with the balance in Other assets.

(d) On April 4, 2019, the Company completed the acquisition of Castanet Media Ltd. ("Castanet"). The purchase price is $22.0 million for the Castanet assets. In total, $19.0 million cash was paid at closing with the remainder payable over two years, of which $0.8 million is still payable as at December 31, 2020.

6. TRADE AND OTHER RECEIVABLES

(thousands of dollars)	2020	2019
	$	$
Trade receivables	25,080	26,521
Allowance for doubtful accounts	(1,131)	(992)
Trade receivables (net)	23,949	25,529
Other current receivables	14,010	10,525
	37,959	36,054

Other current receivables primarily includes amounts receivable relating to government funding, the current portion of the deferred sale receivable and amounts due from an associate of the company relating to non-operating advances.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Set out below are the joint ventures and associates of the Company for the years ended December 31, 2020 and 2019. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Company. All of these entities are accounted for using the equity method.

The Company's share of the joint ventures and associates consists of the following:

Name of entity	Principal place of	% ownership	Nature of	Principal activities
Borden Bridge Development Corporation	Saskatchewan	50%	Joint venture	Land investment
Great West Media LP	Alberta	50%	Joint venture	Community media
Rhode Island Suburban Newspapers, Inc. (1)	Rhode Island, USA	48%	Joint venture	Community media
Village Media Inc.	British Columbia	23%	Associate	Community media
1294739 Alberta Ltd. (2)	British Columbia	59%	Associate	Community media

(1) This entity has a March 31 year-end.

(2) The Company does not have control over this investment as it does not have a majority of members on the Board of Directors, nor does it have voting control over the entity.

In April 2019, the Company sold its interest in Fundata Canada Inc. The Company's share of Fundata's results have been included in the share of earnings from joint ventures and associates up to March 31, 2019.

The Company has aggregated the presentation of summarized financial information into joint ventures and associates.

The Company's joint ventures have been aggregated into one group as they operate in similar business environments and markets, the joint venture agreements contain substantially similar terms and represent similar business risks for the Company and are organized in a similar manner within the Company's corporate and regulatory structure.

The Company's associates have been aggregated into one group as they operate in similar business environments and markets, the agreements between the Company and its associates contain substantially similar terms and represent similar business risks for the Company and are organized in a similar manner within the Company's corporate and regulatory structure.

The summarized financial information has been amended to reflect adjustments made by the Company when using the equity method, including modifications for differences in accounting policy.

	Joint ventures		Associates	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Current assets				
Cash and cash equivalents	9,382	3,005	5,030	2,298
Other current assets	5,733	6,249	2,901	5,222
Non-current assets	43,863	47,177	48,128	71,142
Current liabilities				
Current financial liabilities (excluding trade and other payables)	(3,949)	(3,794)	(336)	(123)
Other current liabilities	(5,564)	(6,027)	(6,281)	(8,228)
Non-current liabilities	(4,809)	(3,856)	(13,708)	(9,900)
Net assets	44,656	42,754	35,734	60,411

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

	Joint ventures		Associates	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Reconciliation of net assets:				
Opening net assets	42,754	56,915	60,411	63,096
Income (loss) for the year	6,037	8,486	1,128	(2,322)
Other comprehensive loss	(202)	(853)	(1,671)	(1,034)
Dividends paid	(3,933)	(11,683)	-	-
Derecognition of investments in joint ventures and associates	-	(10,111)	(24,133)	671
Closing net assets	44,656	42,754	35,735	60,411
Revenue	38,628	53,598	26,144	42,355
Depreciation and amortization	3,116	3,364	485	620
Interest income	(33)	(56)	(26)	(268)
Interest expense	239	263	113	123
Income tax expense (recovery)	355	1,754	119	(573)
Income (loss) for the year	6,037	8,486	1,128	(2,322)
Other comprehensive loss	(202)	(853)	(1,671)	(1,034)
Total comprehensive income (loss)	5,835	7,633	(543)	(3,356)
Dividends received by the Company from joint ventures and associates	(1,941)	(6,063)	-	-

During the year, after reviewing its day to day involvement in the operations and its level of influence over a previous associate, the Company determined that it no longer had significant influence and therefore ceased equity accounting for this specific entity. The entity had recurring losses for some time, and at the time of losing significant influence, the carrying value and new deemed fair value of the Company’s investment in this entity was considered to be nil. The associate’s underlying net assets on its balance sheet which amounted to $24.2 million in 2019 was therefore removed in 2020 from the summarized table presented above, after making the determination that significant influence was no longer maintained. Later in 2020, the Company received $3.0 million in dividends from this entity from the sale of certain of its real estate assets, which were recorded within other income (refer to Note 28). The carrying value of the investment (subsequently regarded as an IFRS 9 financial asset) remains nil at December 31, 2020.

In addition to the interest in joint ventures and associates disclosed above, the Company also has interests in a number of individually immaterial associates that are accounted for using the equity method.

(thousands of dollars)	2020	2019
	$	$
Aggregate net assets of individually immaterial associates	665	635
Aggregate amounts of the Company's share of:		
Income for the year	30	21
Total comprehensive income	30	21

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

The Company's share of the joint ventures and associates consists of the following:

(thousands of dollars)	2020	2019
	$	$
Balance, beginning of year	56,605	65,836
Disposition of investments in joint ventures and associates	-	(6,223)
Share of earnings for the year	3,309	3,663
Impairment of investment in joint ventures and associates (Note 14)	(5,800)	-
Share of other comprehensive loss (net of tax)	(984)	(608)
Distributions, dividends received and other equity movements	(1,941)	(6,063)
Balance, end of year	51,189	56,605

The following is the summarized financial information for the Company's joint ventures and associates, reported in the Company's share of ownership. The results have been amended to reflect adjustments made by the Company when using the equity method, including modifications for differences in accounting policy.

	Joint ventures		Associates		Total	
(thousands of dollars)	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Revenue	18,914	26,305	13,261	18,287	32,175	44,592
Operating expenses before depreciation and amortization	14,044	19,461	11,312	16,777	25,356	36,238
	4,870	6,844	1,949	1,510	6,819	8,354
Net interest expense, debt	102	93	67	28	169	121
Interest expense, lease liabilities	8	11	9	7	17	18
Depreciation and amortization	1,536	1,760	259	456	1,795	2,216
Impairment, restructuring and other expenses (net)	134	648	1,145	889	1,279	1,537
Net income before income taxes	3,090	4,332	469	130	3,559	4,462
Income tax expense (recovery)	168	853	82	(54)	250	799
Net income for the year	2,922	3,479	387	184	3,309	3,663

	Joint ventures		Associates		Total	
(thousands of dollars)	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Assets	29,053	27,799	32,861	36,242	61,914	64,041
Liabilities	7,056	6,752	11,771	10,013	18,827	16,765
Net Assets	21,997	21,047	21,090	26,229	43,087	47,276

During the year ended December 31, 2020 the Company recorded $5.8 million of impairments of investment in joint ventures and associates. These impairments were not recorded within the assets of the joint ventures and associates. Refer to Note 14.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

8. SUBSIDIARIES, AFFILIATED ENTITIES AND NON-CONTROLLING INTEREST

The Company operates a number of private and public entities whose primary business is information communications. The Company owns or is affiliated with the following entities with material non-controlling interests:

Name of entity	Principal place of business	Principal activities
Alta Newspaper Group LP	Alberta	Community media
Glacier FarmMedia LP	Manitoba	Agricultural information
GVIC Communications Corp.	British Columbia	Information communications
ERI Environmental Risk LP	British Columbia	Environmental Information

The following is summarized financial information for subsidiaries and affiliates that have non-controlling interests that are material to the Company. The amounts disclosed are before intercompany eliminations.

(thousands of dollars)	2020	2019
	$	$
Summarized balance sheets		
Current assets	74,910	56,538
Non-current assets	289,683	280,810
Current liabilities	(69,079)	(52,485)
Non-current liabilities	(86,344)	(101,750)
Net assets	209,170	183,113
Summarized statements of comprehensive income		
Revenue	221,655	244,574
(Loss) income for the year	(7,483)	37,021
Other comprehensive (loss) income	(2,485)	1,297
Total comprehensive (loss) income	(9,968)	38,318
(Loss) income allocated to non-controlling interest	(1,880)	2,329
Dividends paid to non-controlling interest	1,978	506
Summarized cash flows		
Cash flows from operating activities	43,412	19,381
Cash flows from investing activities	(12,473)	12,337
Cash flows from financing activities	(22,540)	(26,645)
Net increase in cash and cash equivalents	8,399	5,073

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

9. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES

The Company has various right-of-use assets including its lease arrangements of property and equipment.

(thousands of dollars)	Property leases	Equipment leases	Total
	$	$	$
Cost			
Adoption of IFRS 16 - January 1, 2019	11,417	97	11,514
Additions	3,165	-	3,165
Acquisition on business combinations	1,244	-	1,244
Renewals	507	-	507
Early Terminations	(1,118)	-	(1,118)
Foreign Exchange	(13)	-	(13)
Balance at December 31, 2019	15,202	97	15,299
Additions	231	-	231
Retirements	(1,024)	-	(1,024)
Renewals	791	-	791
Early Terminations	(387)	-	(387)
Balance at December 31, 2020	14,813	97	14,910
Accumulated depreciation			
Balance January 1, 2019	-	-	-
Depreciation	3,442	22	3,464
Terminations	(77)	-	(77)
Balance at December 31, 2019	3,365	22	3,387
Depreciation	3,384	22	3,406
Retirements	(1,023)	-	(1,023)
Terminations	(49)	-	(49)
Balance at December 31, 2020	5,677	44	5,721
Carrying amounts			
At December 31, 2019	11,837	75	11,912
At December 31, 2020	9,136	53	9,189

The Company's lease liabilities are as follows:

(thousands of dollars)	2020	2019
	$	$
Current portion of lease liabilities	2,967	3,088
Long term lease liabilities	6,782	9,174
	9,749	12,262

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

9. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES (CONTINUED)

Changes to the Company's lease liabilities were as follows:

(thousands of dollars)	2020	2019
	$	$
Balance, beginning of year	12,262	-
Adjustment from implementation of IFRS 16 Leases	-	11,514
New leases and lease renewals	1,022	3,672
Acquisition	-	1,244
Interest expense, lease liability	595	675
Interest paid, lease liability	(603)	(616)
Payment of principal portion of lease liabilities	(3,178)	(3,152)
Termination	(347)	(1,061)
Foreign exchange	(2)	(14)
Balance, end of year	9,749	12,262

During the year ended December 31, 2020, the Company had short-term and low value lease expenses of $0.4 million (2019: $0.8 million).

10. PROPERTY, PLANT AND EQUIPMENT

(thousands of dollars)	Land and land improvements	Buildings	Production equipment	Office equipment and leaseholds	Total
	$	$	$	$	$
Cost					
Balance at January 1, 2019	3,846	12,269	30,394	23,018	69,527
Additions	2,875	988	780	1,439	6,082
Acquisition on business combinations	-	-	-	1,181	1,181
Disposals	(15)	(128)	(501)	(2,679)	(3,323)
Balance at December 31, 2019	6,706	13,129	30,673	22,959	73,467
Additions	-	3	195	682	880
Acquisition on business combinations	-	-	6	149	155
Disposals	(88)	(276)	(2,382)	(46)	(2,792)
Balance at December 31, 2020	6,618	12,856	28,492	23,744	71,710
Accumulated depreciation					
Balance at January 1, 2019	156	3,196	20,762	17,501	41,615
Depreciation	27	467	1,550	2,093	4,137
Disposals	-	(51)	(498)	(1,754)	(2,303)
Balance at December 31, 2019	183	3,612	21,814	17,840	43,449
Depreciation	29	500	1,246	1,667	3,442
Disposals	-	(203)	(1,858)	(25)	(2,086)
Balance at December 31, 2020	212	3,909	21,202	19,482	44,805
Carrying amounts					
At December 31, 2019	6,523	9,517	8,859	5,119	30,018
At December 31, 2020	6,406	8,947	7,290	4,262	26,905

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

11. INTANGIBLE ASSETS

The Company has various intangible assets including customer relationships, subscription lists, mastheads, software, data and technology, websites, copyrights and trademarks. Of these, certain mastheads and trademarks are considered to have an indefinite life and; therefore, are not amortized. Intangible assets are as follows:

	Indefinite life	Finite life				
(thousands of dollars)	Mastheads and Trademarks	Copyrights	Customer relationships	Subscription lists	Software, data and technology, and websites	Total
	$	$	$	$	$	$
Cost						
Balance at January 1, 2019	52,680	10,242	60,309	3,841	35,155	162,227
Additions	-	-	-	-	4,111	4,111
Acquisitions on business combinations	6,980	-	5,169	-	-	12,149
Disposals	-	-	-	-	(12)	(12)
Foreign exchange revaluation	(18)	-	-	-	(45)	(63)
Balance at December 31, 2019	59,642	10,242	65,478	3,841	39,209	178,412
Additions	-	-	-	-	3,762	3,762
Acquisitions on business combinations	65	-	4,377	-	4,333	8,775
Foreign exchange revaluation	(7)	-	(126)	-	(39)	(172)
Balance at December 31, 2020	59,700	10,242	69,729	3,841	47,265	190,777
Accumulated amortization and impairment losses						
Balance at January 1, 2019	29,005	10,220	54,822	3,802	25,570	123,419
Amortization	-	9	2,638	39	3,473	6,159
Disposals	-	-	-	-	(11)	(11)
Balance at December 31, 2019	29,005	10,229	57,460	3,841	29,032	129,567
Amortization	-	9	1,635	-	3,660	5,304
Impairment (Note 14)	11,285	-	787	-	-	12,072
Balance at December 31, 2020	40,290	10,238	59,882	3,841	32,692	146,943
Carrying amounts						
At December 31, 2019	30,637	13	8,018	-	10,177	48,845
At December 31, 2020	19,410	4	9,847	-	14,573	43,834

During the year ended December 31, 2020 impairment charges of $11.3 million and $0.8 million were recorded against indefinite life intangible assets and customer relationships, respectively. Refer to Note 14.

The allocation of indefinite life intangible assets by group of CGUs at December 31, 2020 is as follows: BC Community Media $8.2 million, Prairie Community Media $2.5 million, Commodity Information $7.5 million and Environmental and Property Information $1.3 million.

12. DEPRECIATION AND AMORTIZATION

(thousands of dollars)	2020	2019
	$	$
Depreciation of property, plant and equipment (Note 10)	3,442	4,137
Depreciation of right-of-use assets (Note 9)	3,406	3,464
Amortization of intangible assets (Note 11)	5,304	6,159
Depreciation and amortization	12,152	13,760

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

13. GOODWILL

(thousands of dollars)	2020	2019
	$	$
Balance, beginning of year	37,968	35,824
Acquisition on business combinations (Note 5)	6,119	7,844
Impairment (Note 14)	(5,633)	(5,700)
Balance, end of year	38,454	37,968

The allocation of goodwill by group of CGUs is as follows: BC Community Media $7.8 million, Prairie Community Media $3.3 million, Commodity Information $20.7 million and Environmental and Property Information $6.6 million.

14. IMPAIRMENT

During 2020, the Company reviewed its financial results and identified indicators of impairment related to COVID-19 in the first half of 2020. As a result the Company recorded impairments of $20.0 million in its quarterly results.

In addition, the Company conducted its annual impairment testing of goodwill and indefinite life intangible assets. The Company used the aggregate recoverable amount of the assets included in each cash generating unit or group of CGUs and compared it to their respective carrying amounts. The recoverable amount is based on the greater of the value in use and the fair value less costs to dispose of the CGUs or groups of CGUs.

The Company also reviewed for further indicators of impairment on its finite life intangible assets and investments in joint ventures and associates.

For goodwill, finite life intangible assets and investments in joint ventures and associates, the recoverable amount was determined using five year cash flow budgets approved by management that made maximum use of observable market inputs and outputs. For periods beyond the budget period, cash flows were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry, in the respective CGU or groups of CGUs and taking into account expected future operating results, cost savings achieved through cost savings initiatives, economic conditions and outlook for the industry within which the reporting unit operates. For certain CGU's, where cash flows have become difficult to forecast, we have also considered other valuation techniques such as an enterprise value approach utilizing revenue multiples, and considering other comparable market information.

For indefinite life intangible assets, the recoverable amount was determined using budgeted revenues to determine the relief from royalties that the mastheads and trademarks provide. For periods beyond the budget period, revenues were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry.

Key assumptions for all CGUs or groups of CGUs included in the 2020 testing are: cash flow forecasts and budgeted revenues, annual growth rates of 0.0% - 5.0% (2019: 0.0% - 5.0%), royalty rates of 3.5% - 10.0% (2018: 3.5% - 10.0%) and pre-tax discount rates of 12.3% - 15.6% (2019: 11.8% - 15.6%).

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

14. IMPAIRMENT (CONTINUED)

In 2020, certain CGU's continue to be impacted by the negative impacts of COVID-19 pandemic, along with the continued decline of the industry, and based on the annual testing a further $3.5 million of impairments were recorded in the fourth quarter for a total of $23.5 million for the year ending December 31, 2020.

In 2019, certain CGU's were impacted by the decline of the industry as well as other economic market conditions. As such, the Company recorded an impairment expense of $5.7 million to goodwill in 2019.

In its assessment of the recoverable amounts of the groups of CGUs, the Company performed a sensitivity analysis of key assumptions used in the testing: discount rates, EBITDA growth and revenue growth. The results of the sensitivity analysis show that the majority of the CGU's would not be sensitive to a reasonable change in key assumptions used to determine the recoverable amount and would not cause the carrying amount of those CGU's or group of CGUs to exceed their recoverable amounts. Certain CGU's included in the BC Community Media Group would be sensitive.

(thousands of dollars)	2020	2019
	$	$
Goodwill (Note 13)	5,633	5,700
Indefinite life intangible assets (Note 11)	11,285	-
Customer relationships (Note 11)	787	-
Investment in joint ventures and associates (Note 7)	5,800	-
	23,505	5,700

15. TRADE AND OTHER PAYABLES

(thousands of dollars)	2020	2019
	$	$
Trade payables	2,742	2,464
Accrued liabilities	30,821	23,274
	33,563	25,738

16. OTHER CURRENT AND NON-CURRENT LIABILITIES

Other current and non-current liabilities primarily relate to $12.7 million of deferred payments from acquisition transactions. Included in this amount are fixed, variable and contingent payments. These amounts are due in future years; the amounts due in the next year are included in other current liabilities. Refer to Note 5.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

17. DEBT

The Company has the following debt outstanding:

(thousands of dollars)	2020	2019
	$	$
Current:		
Mortgages and other loans (b)	400	410
Deferred financing costs	(62)	-
	338	410
Non-current:		
Revolving bank loan (a)	-	16,000
Mortgages and other loans (b)	2,255	2,356
Deferred financing costs	-	(242)
	2,255	18,114
	2,593	18,524

Changes to the Company's debt obligation were as follows:

(thousands of dollars)	2020	2019
	$	$
Balance, beginning of year	18,524	41,847
Additional borrowings	-	2,500
Financing charges (net)	183	(69)
Repayment of debt	(16,114)	(25,754)
Balance, end of year	2,593	18,524

Under various financing arrangements with its banks, the Company is required to meet certain covenants. The Company was in compliance with all covenants at December 31, 2020 and 2019.

(a) Revolving bank loan

Glacier has a revolving bank loan facility with a syndicate of major Canadian banks which requires no principal repayments during its term and matures on May 31, 2021. Under the terms of the facility, the Company is required to meet a minimum EBITDA test. The Company expects to negotiate a new banking agreement prior to maturity.

(b) Mortgages and other loans

During the year ended December 31, 2019, the Company took out a mortgage for $2.5 million on the property acquired to expand the agricultural show site in Ontario.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

17. DEBT (CONTINUED)

The total repayment of principal on interest-bearing debt obligations is as follows:

(thousands of dollars)	2021	2022	2023	2024	2025	Thereafter	Total
	$	$	$	$		$	$
Long-Term Debt	219	297	298	1,779	-	-	2,593

18. POST EMPLOYMENT BENEFIT OBLIGATIONS

The Company has defined benefit pension plans which cover certain employees. These plans provide pensions based on length of service and final average annual earnings. Effective December 31, 2015, the Company eliminated future benefit accruals under the defined benefit provision of the plan for certain employees. Effective January 1, 2016, all eligible employees joined a new defined contribution plan sponsored by Glacier. The Company also has health care plans covering certain retired employees.

Effective December 31, 2015, the post retirement benefit plan was closed for new retirees. Employees retiring after December 31, 2015, are not eligible for post-retirement benefits. Information about the Company's salaried pension plans and other non-pension benefits, in aggregate, is as detailed in the following.

The defined benefit plans are operated in Canada and are funded arrangements where benefit payments are made from plan assets which are held in trust. The pension committee, which reports to the Board of Directors, is responsible for the governance of the plans including investment and contribution decisions. The registered defined benefit pension plans have regulation set minimum requirements for contributions.

Actuarial valuations are performed every three years, or sooner based on management's discretion, for the defined benefit pension plans. The plans underwent actuarial valuations for funding purposes, which were completed in 2019.

The status of the net defined benefit obligation is as follows:

	Pension benefit plans		Other benefit plans	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Present value of benefit obligation	(44,693)	(41,867)	(769)	(763)
Fair value of plan assets	47,224	45,691	-	-
Net benefit asset (obligation)	2,531	3,824	(769)	(763)

The movement in the defined benefit obligation is as follows:

	Pension benefit plans		Other benefit plans	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Balance, beginning of year	41,867	38,134	763	747
Interest cost on the defined benefit obligation	1,330	1,542	22	28
Actuarial loss	3,716	4,435	35	62
Benefits paid from plan assets	(2,220)	(2,244)	(51)	(74)
Balance, end of year	44,693	41,867	769	763

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

18. POST EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

The movement in the fair value of the plan assets for the year is as follows:

	Pension benefit plans		Other benefit plans	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Beginning of year	45,691	40,765	-	-
Interest income on plan assets	1,184	1,419	-	-
Non investment expenses	(250)	(250)	-	-
Return on plan assets greater than discount	2,458	5,441	-	-
Employer contributions	361	560	51	74
Benefits paid	(2,220)	(2,244)	(51)	(74)
Balance, end of year	47,224	45,691	-	-

The total expense recognized in the consolidated statement of operations is as follows:

	Pension benefit plans		Other benefit plans	
(thousands of dollars)	2020	2019	2020	2019
	$	$	$	$
Net interest on defined benefit liability	132	126	22	28
Other	(262)	(707)	-	62
	(130)	(581)	22	90

The estimation of post-retirement benefit obligations involves a high degree of judgement for matters such as discount rate, employee service periods, rate of compensation increases, expected retirement ages of employees, expected health-care costs and other variable factors. These estimations are reviewed annually with independent actuaries and are based on industry standards over a number of years. The significant actuarial assumptions used to determine the balance sheet date defined benefit assets, liabilities and expenses are as follows:

	Pension benefit plans		Other benefit plans	
	2020	2019	2020	2019
Benefit obligations:				
Discount rate	2.40%	3.00%	2.40%	3.00%
Net benefit expense:				
Discount rate	3.00%	4.00%	3.00%	4.00%

(1) Actual compensation increases differ from those used in the actuarial assumptions.
(2) Assumptions for compensation increases are not required subsequent to the closure of the plan.

The assumed trend in health care costs is 5% per year.

The impact of a change in these assumptions on the post-retirement obligation is as follows:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	(4,728)	5,522

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

18. POST EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

Assumed health care costs trend rates have a significant effect on the amounts reported for the other benefit plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	(64)	72
Heath care trend rates	1.00%	25	(24)

Each sensitivity has been calculated on the basis that all other variables remain consistent. The same methodology is applied when generating the asset/liability in the financial statements as is used in calculating the defined benefit obligation.

In addition to the assumptions listed in the table above, as at December 31, 2020, the weighted average duration of the defined benefit plan and the other benefit plans is 13.0 years (2019: 12.7 years) and 9.6 years (2019: 8.2 years), respectively.

Expected contributions to the benefit plans for the year ended December 31, 2021 are $0.1 million. As at December 31, 2020, the accumulated actuarial losses recognized in other comprehensive income were $1.3 million (2019: $2.4 million).

The Company has determined that the minimum funding requirement for past service is determined at the measurement date based on the remaining scheduled payments with respect to any funding deficit disclosed in the most recently filed actuarial valuation report. For greater clarity, these payments are not to be adjusted to reflect gains or losses that occurred during the period between the valuation date and the measurement date or future changes in the contribution requirements due to actuarial valuation reports to be filed after the measurement date.

A minimum funding requirement for past service exists only if the Company has an obligation to fund a pension deficit in cash. A minimum funding requirement for past service may be reduced or eliminated by the amount that may be secured by letters of credit.

The plan assets are comprised of:

	Acceptable range	Normal policy	2020	2019
Canadian equities	20% - 90%	75%	44%	44%
International equities	0% - 40%	15%	29%	35%
Fixed income and cash and cash equivalents	10% - 80%	10%	27%	21%
		100%	100%	100%

Risk management practices

The defined benefit pension plans' investments are exposed to various risks. These risks include market risk (which includes interest rate risk), credit risk and liquidity risk. The pension committee manages these risks in accordance with a Statement of Investment Policies and Procedures. The following are some specific risk management practices employed by the Company:

- Monitoring the assets and net cash flow of the fund;
- Monitoring adherence to the asset allocation guidelines, the current asset mix and permitted categories of investments; and
- Monitoring performance and management of the fund and managers against relative objectives.

19. CONTINGENCIES AND COMMITMENTS

(a) The Company has the following guarantees and contingencies at December 31, 2020:

(i) During 2014-2018 an affiliate of the Company ("the affiliate") received, from the Canada Revenue Agency ("CRA") and provincial tax authorities, tax notices of reassessments and assessments relating to the taxation years 2008-2017. The notices deny the application of non-capital losses, capital losses, scientific research and experimental development ("SR&ED") pool deductions and SR&ED tax credits claimed. As a result additional taxes payable including interest and penalties are assessed at approximately $59.4 million.

The affiliate has filed notices of objection with the CRA and provincial taxing authorities. In connection with filing the notices of objection, the affiliate is required to make a 50% deposit of the amounts claimed by the CRA and provincial authorities as assessed. The affiliate has paid substantially all of the required deposit of $23.5 million. No further amounts are due at this time for the 2008-2017 taxation years as the appeal process continues. These payments have been recorded as Other assets, within non-current assets, as the Company and its affiliate expect to ultimately be successful in its objection.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate in all years are appropriate and in accordance with the law. The affiliate intends to vigorously defend such positions.

If the affiliate is successful in defending its positions, the deposits made plus applicable interest will be refunded to the affiliate. There is no assurance that the affiliate's objections and appeals will be successful. If the CRA and provincial tax authorities are successful, the affiliate will be required to pay the remaining balance of taxes owing plus applicable interest, and will be required to write-off any remaining tax assets relating to reassessed amounts.

(ii) In connection with certain dispositions of assets and/or businesses, the Company and/or its affiliates have indemnified the purchasers in the event that a third party asserts a claim against the purchaser that relates to a liability retained by the Company. These types of indemnification guarantees typically extend for a number of years. The Company is unable to estimate the maximum potential liability for these indemnifications as the underlying agreements do not always specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, the Company and its other affiliates have not made any significant indemnification payments under such agreements and no amount has been accrued in the consolidated balance sheet with respect to these indemnification guarantees.

(iii) An affiliate entity has been named as a co-defendant in a series of disputes, investigations and legal proceedings relating to transactions between Sun Times Media Group Inc. (formerly Hollinger International Inc.) ("Sun Times") and certain former officers and directors of Sun Times and its affiliates. The ultimate outcome of these proceedings to the affiliated entity is not determinable.

(iv) The Company and certain of its affiliates have also been named as defendants in certain legal actions in the normal course of business, none of which management believes, singularly or cumulatively, will have a material impact on the results of operations and financial position of the Company.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

19. CONTINGENCIES AND COMMITMENTS (CONTINUED)

(v) A subsidiary of the Company has been named as a defendant in a dispute over copyright infringement by Sanborn Library LLC. The Company is vigorously defending its position. The ultimate outcome of this case cannot be determined.

No provisions have been recorded for these items as at December 31, 2020 or 2019.

(b) The Company and its subsidiaries have entered into operating leases for premises and office equipment which expire on various dates up to 2029.

The minimum annual lease payments are required as follows:

	2021	2022	2023	2024	2025	Thereafter	Total
	$	$	$	$	$	$	$
Undiscounted lease liability	3,497	2,489	1,907	1,357	686	1,285	11,221

The Company's share of its joint ventures and associates' minimum lease payments is $1.1 million (2019: $0.3 million), due through 2025.

20. SHARE CAPITAL

At December 31, 2020 and 2019, the Company has authorized an unlimited number of common shares without par value and an unlimited number of preferred shares.

At December 31, 2020, the Company has 125,213,346 (2019: 125,213,346) common shares outstanding. At December 31, 2020 and 2019, the Company did not have any preferred shares issued.

At December 31, 2020, the Company has 1,115,000 warrants outstanding allowing the holder to purchase one common share per warrant at $4.48 per share. The warrants will expire on June 28, 2029, unless extended.

In July 2019, the Company completed a private placement of 15,384,615 common shares at a price of $0.65 per share for gross proceeds of $10.0 million.

	Number of common shares	Amount
		$
Balance, January 1, 2019	109,828,731	211,802
Shares issued	15,384,615	10,000
Balance, December 31, 2019 and December 31, 2020	125,213,346	221,802

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

21. EARNINGS PER SHARE

	Earnings	Shares	Per share
2019	$		$
Basic earnings per share			
Earnings	34,249	116,783,420	0.29
Effect of dilutive securities	-	-	-
Diluted loss per share:			
Net Earnings	34,249	116,783,420	0.29

	Loss	Shares	Per share
2020	$		$
Basic loss per share			
Loss	(14,966)	125,213,346	(0.12)
Effect of dilutive securities	-	-	-
Diluted earnings per share:			
Net Loss	(14,966)	125,213,346	(0.12)

22. OTHER COMPREHENSIVE (LOSS) INCOME

The components of other comprehensive (loss) income, net of tax, are as follows:

	Accumulated other comprehensive income (loss)	Retained deficit		
(thousands of dollars)	Cumulative translation adjustment	Actuarial (loss) gain on defined benefit plans	Non-controlling interest	Total other comprehensive (loss) income
	$	$	$	$
Balance, December 31, 2018	(539)	(1,270)	(62)	(1,871)
Actuarial incomeon defined benefit plans	-	666	152	818
Cumulative translation adjustment	594	-	19	613
Share of other comprehensive loss from joint ventures and associates	-	(589)	(19)	(608)
Other comprehensive loss for the year	594	77	152	823
Balance, December 31, 2019	55	(1,193)	90	(1,048)
Actuarial loss on defined benefit plans	-	(949)	5	(944)
Cumulative translation adjustment	(394)	-	(12)	(406)
Share of other comprehensive loss from joint ventures and associates	-	(954)	(30)	(984)
Other comprehensive loss for the year	(394)	(1,903)	(37)	(2,334)
Balance, December 31, 2020	(339)	(3,096)	53	(3,382)

Other comprehensive income items that do not recycle through the consolidated statement of operations in future periods are recorded directly in retained earnings (deficit).

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

22. OTHER COMPREHENSIVE (LOSS) INCOME (CONTINUED)

Other comprehensive income items are reported net of the following tax effects:

(thousands of dollars)	2020	2019
	$	$
Income tax effect of:		
Actuarial loss (income) on defined benefit plans	349	(126)
Share of other comprehensive loss		
from joint ventures and associates	364	225

23. INCOME TAXES

Income tax recovery is recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual rate used for the year ended December 31, 2020 was 27.0% (2019: 27.0%). The components of income tax recovery are shown in the following table:

(thousands of dollars)	2020	2019
	$	$
Current tax	28	153
Deferred tax	334	(6,072)
Income tax expense (recovery)	362	(5,919)

The tax on the Company's net income before tax differs from the amount that would arise using the weighted average tax rate applicable to consolidated profits of the Company as follows:

(thousands of dollars)	2020	2019
	$	$
Net (loss) income before income taxes	(14,379)	31,401
Tax rate	27.0%	27.0%
	(3,882)	8,478
Effect of capital transactions and non-deductible expenses	3,426	(12,626)
Impairment of assets	1,353	-
Income from joint ventures and associates		
and non-controlling interest	(499)	(855)
Adjustment in respect of prior years	(36)	(916)
Income tax expense (recovery)	362	(5,919)

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

23. INCOME TAXES (CONTINUED)

The Company's net deferred tax asset (liability) consists of the following:

(thousands of dollars)	2020	2019
	$	$
Deferred Tax Assets:		
Available capital and non-capital losses	6,640	11,309
Long-term investments	169	169
Deferred income and other	69	99
Intangible assets	2,324	-
	9,202	11,577
Deferred Tax Liabilities:		
Property, plant and equipment	(4,804)	(4,953)
Pension asset and post-retirement benefit	(501)	(861)
Intangible assets	-	(771)
	(5,305)	(6,585)
Net tax position	3,897	4,992

The Company has recognized non-capital tax loss of approximately $21.0 million (2019: $19.8 million) that can be carried forward and may be used to reduce future years' net income for tax purposes from the Canadian tax jurisdictions.

The Company also has unrecognized investment tax credits of $3.2 million (2019: $4.0 million) that can be carried forward to be used to reduce future years' federal tax payable. The credit carryforwards, if unused, expire between 2021 and 2025.

Refer to Note 19 regarding the contingency relating to the CRA reassessment.

24. REVENUE BY CATEGORY

(thousands of dollars)	2020	2019
	$	$
Advertising	97,431	122,908
Subscription, data, services and events	48,806	54,645
Commercial printing and other	5,067	7,237
	151,304	184,790

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

25. EXPENSE BY NATURE

(thousands of dollars)	2020	2019
	$	$
Wages and benefits (Note 26)	69,756	99,664
Newsprint, ink and other printing costs	10,574	16,437
Delivery costs	8,011	12,951
Rent, utilities and other property costs	4,681	5,863
Advertising, marketing and other promotion costs	5,216	9,834
Third party production and editorial costs	7,546	11,005
Legal, bank, insurance and professional services	10,266	7,204
Data services, system maintenance, telecommunications and software licences	7,843	8,163
Fees, licences and other services	2,610	2,540
Event costs	576	2,225
Other	1,284	937
	128,363	176,823
Direct expenses	93,463	136,554
General and administrative expenses	34,900	40,269
	128,363	176,823

The Company received grants from various government aid programs, some relating to COVID relief, including the Department of Canadian Heritage's Canada Periodical Fund's Aid to Publishers program, Special Measures for Journalism, which were treated as an offset to certain expenses above.

26. WAGES AND EMPLOYEE BENEFITS EXPENSE

(thousands of dollars)	2020	2019
	$	$
Salaries and wages	77,335	86,877
CEWS (a)	(18,712)	-
Pension and benefit plan costs	10,474	11,915
Other	659	872
	69,756	99,664

Compensation awarded to key management for the year consists of salaries and short-term benefits of $4.8 million (2019: $5.2 million). As at December 31, 2020, there were termination benefits payable to key management of $ nil (2019: $0.1 million). Key management includes the Company's directors, officers and divisional managers.

(a) The Government of Canada passed the Canada Emergency Wage Subsidy ("CEWS") to help businesses keep workers employed through the challenges posed by the COVID-19 pandemic. An extension to the CEWS program was announced extending the program to June 2021 and providing new criteria for qualification and revised subsidy levels. Under the extension, the subsidy available to employers decreases over the extension period. The Company has recognized a recovery of compensation expense of $18.7 million during the year ended December 31, 2020.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

26. WAGES AND EMPLOYEE BENEFITS EXPENSE (CONTINUED)

As at December 31, 2020, the Company has an amount receivable related to CEWS of $2.8 million included in Trade and other receivables. The Company will continue to monitor its eligibility.

27. INTEREST EXPENSE (NET)

(thousands of dollars)	2020	2019
	$	$
Interest income	(22)	(98)
Interest expense	1,617	2,617
Interest expense (net)	1,595	2,519

28. OTHER INCOME

For the year ended December 31, 2020, the Company recorded other income of $3.0 million, relating to its share of the sale of certain real estate assets by a company in which Glacier is a minority shareholder (refer to Note 7).

29. RESTRUCTURING AND OTHER EXPENSES (NET)

(thousands of dollars)	2020	2019
	$	$
Restructuring expenses (a)	3,421	3,635
Transaction and transition costs (b)	2,553	899
Other (income) expense (net)	(178)	754
	5,796	5,288

(a) Restructuring expenses

During the year ended December 31, 2020, restructuring expenses of $3.4 million were recognized (2019: $3.6 million). Restructuring expenses include severance costs of $2.8 million (2019: $1.4 million) incurred as the Company restructured and reduced its workforce.

(b) Transaction and transition costs

The Company incurred costs related to its acquisitions and divestitures completed in 2020 and 2019. These costs include both the costs of completing the transactions and the costs of integrating these new operations into the Company, including equity transactions with non-controlling interest. Transaction costs include legal, accounting, due diligence, consulting and general acquisition costs. Transition costs include information technology costs, transitional staffing requirements, service fees paid to the vendor during the transition period and other costs directly related to the operational integration of the newly acquired businesses, as well as any closing costs associated with the closure or divestiture of operations.

30. RELATED PARTY TRANSACTIONS

In addition to other related party disclosures in the consolidated financial statements, the Company has the following related parties with which it completed transactions:

(a) During the year ended December 31, 2020, the Company and its affiliates recorded administration, consulting, interest and other expenses of $1.1 million (2019: $0.6 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis.

In July 2020, the Company sold a 45% non-controlling interest in its ERIS and STP businesses (ERI Environmental Risk LP) to Madison Venture Corporation, a related party. Refer to Note 5 for details of the transaction.

The Company considered a variety of financial restructuring options with the objective of raising sufficient capital in the time required while preserving financial value for shareholders. Selling part of an asset at the valuation attained in the time required was deemed significantly more favourable for shareholders than raising equity at current market prices, or attempting to sell an entire asset to a third-party during the pandemic. The transaction allowed GVIC to retain ownership in the businesses, retain 100% of the cash flow for operating and debt service needs, maintain operating scale, and have the opportunity to repurchase the interest sold in the future.

Madison is a related party to both Glacier and GVIC. As such, a special committee of GVIC was formed, independent financial and legal advisors were retained, and a fairness opinion was provided advising that the transaction is fair from a financial point of view. Due to the serious financial difficulty caused by the pandemic, the Company relied on the "financial hardship" exemptions in sections 5.5(g) and 5.7(e) of Multilateral Instrument 61-101 with respect to valuation and minority approval requirements. A special committee of Glacier was also formed to review the transaction, and was supportive of the transaction.

Due to the financial impact of the pandemic and the level of the Company's leverage prior to the transaction, the Company requested and received temporary covenant relief from its lenders and worked with its banking syndicate to implement a financial restructuring plan that would provide access to sufficient ongoing liquidity with which to operate through the pandemic. As a result of the transaction, the banking agreement was amended to provide ongoing additional borrowing capacity.

(b) During the year ended December 31, 2020, the Company paid its joint venture Great West Media LP for printing services as part of its normal operations. These services were provided at an agreed upon value. Total printing charged to the Company for the year was $0.3 million (2019: $0.2 million).

At December 31, 2020, $0.3 million (2019: $0.4 million) was due to Great West Media LP for printing services and other amounts plus accrued interest on the outstanding balance.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

30. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) During the year ended December 31, 2020, the Company paid its joint venture Borden Bridge Development Corporation rental income as part of its normal operations. These services were provided at the agreed upon value. Total rent charged to the Company for the year was $0.2 million (2019: $0.2 million).

(d) At December 31, 2020, the Company had amounts due from an associate of $6.9 million (2019: $6.9 million) relating to non-operating advances. These amounts are non-interest bearing and have no fixed terms of repayment. These amounts are included in trade and other receivables.

The Company provides digital advertising related services to the associate at rates consistent with those charged to third parties for similar services.

31. SEGMENT DISCLOSURE

The Company, its subsidiaries, its joint ventures and its associates operate in three distinct operating segments mainly throughout Canada and the United States, with some operations in the United Kingdom. These segments are Environmental and Property Information, Commodity Information and Community Media. Environmental and Property Information includes the Company's business to business content, marketing solutions and data information products which are environmental and property related. Commodity Information includes the Company's business to business content, marketing solutions and data information products which are agriculture, energy and mining related. The Community Media segment includes the Company's community media assets and related digital and printing operations.

In April 2019, the Company sold its interest in Fundata, which was previously included in the Environmental, Property and Financial Information segment. Fundata is included up to this date.

The following segment information is for the years ended December 31, 2020 and 2019:

Year ended December 31, 2020

(thousands of dollars)	Environmental and Property Information	Commodity Information	Community Media	Total Operations	Joint Ventures and Associates	IFRS Total
	$	$	$	$	$	$
Revenue	26,571	45,304	111,604	183,479	(32,175)	151,304
Divisional earnings before interest, taxes, depreciation, and amortization	1,371	10,476	23,481	35,328	(6,819)	28,509
Centralized and corporate expenses						5,568
						22,941
Net interest expense, debt and lease liability						2,190
Depreciation and amortization						12,152
Impairment expense						23,505
Other income						(3,014)
Restructuring and other expense						5,796
Share of earnings from joint ventures and associates						(3,309)
Income tax expense						362
Net loss for the year						(14,741)

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

31. SEGMENT DISCLOSURE (CONTINUED)

Year ended December 31, 2019

(thousands of dollars)	Environmental, Property, and Financial Information	Commodity Information	Community Media	Total Operations	Joint Ventures and Associates	IFRS Total
	$	$	$	$	$	$
Revenue	26,340	55,927	147,115	229,382	(44,592)	184,790
Divisional earnings before interest, taxes, depreciation, and amortization	2,983	6,745	14,681	24,409	(8,354)	16,055
Centralized and corporate expenses						8,088
						7,967
Net interest expense, debt and lease liability						3,194
Depreciation and amortization						13,760
Net gain on sale						(47,713)
Impairment expense						5,700
Restructuring and other expense						5,288
Share of earnings from joint ventures and associates						(3,663)
Income tax recovery						(5,919)
Net income for the year						37,320

The Company operates in the following main geographical areas:

(thousands of dollars)	2020	2019
	$	$
Canada	132,486	168,941
United States	18,818	15,849
Total revenue	151,304	184,790

32. FINANCIAL INSTRUMENTS

Financial risk management

The Company's activities result in exposure to a variety of financial risks, including risks relating to foreign exchange, credit, liquidity and interest rate risks. Details of these risks, how they arise and the objectives and policies for managing them are described as follows:

(a) Market risk

(i) Foreign exchange risk

A small portion of the Company's products are sold at prices denominated in U.S. dollars while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars.

The Company also has foreign operations in the United States and the United Kingdom, whose earnings are exposed to foreign exchange risk.

32. FINANCIAL INSTRUMENTS (CONTINUED)

An assumed $0.01 increase in the USD/CAD foreign exchange rate during the year ended December 31, 2020 would have less than $0.1 million (2019: less than $0.1 million) impact on pre-tax net income. An assumed $0.01 decrease would have an equal but opposite effect on pre-tax net income.

The Company's interest rate risk mainly arises from the interest rate impact on cash and floating rate debt. The Company actively manages its interest rate risk through ongoing monitoring of market interest rates and the overall economic situation. Where appropriate, the Company has in the past and may in the future enter into derivative transactions to fix its interest rates.

(ii) Interest rate risk

An assumed 100 basis points increase in interest rates during the year ended December 31, 2020 would have a $0.1 million (2019: $0.3 million) impact on pre-tax net income. An assumed 100 basis points decrease would have had an equal but opposite effect on pre-tax net income.

(b) Credit risk

Credit risk is risk of financial loss to the Company if a customer, a deposit taking institution, or a third party to a derivative instrument fails to meet its contractual obligation.

The Company holds its cash and cash equivalents at major Canadian financial institutions in order to minimize the risk of default on the Company's cash position.

The Company sells its products and services to a variety of customers under various payment terms and therefore is exposed to credit risks from its trade receivables from customers.

The Company has adopted policies and procedures designed to limit these risks. The carrying amounts for trade receivables are net of applicable allowances for doubtful accounts, which are determined using the ECL model, credit losses are measured as the present value of cash shortfalls from all possible default events, discounted at the effective interest rate of the financial asset.

The Company is protected against any concentration of credit risk through its products, broad clientele and geographic diversity. As at December 31, 2020, no single customer accounts for more than 5% of consolidated trade receivables.

Management regularly monitors trade receivable aging and customer credit limits, performs credit reviews and provides allowances for potentially uncollectible trade receivables. The amounts disclosed in the consolidated balance sheets are net of allowances for doubtful accounts. The Company establishes an allowance for doubtful accounts that represents its estimate of incurred losses in respect of trade receivables. Trade receivables are impaired when there is evidence that collection is unlikely. At December 31, 2020, the Company had trade receivables of $25.1 million (2019: $26.5 million), net of allowance for doubtful accounts of $1.1 million (2019: $1.0 million).

Based on the historical payment trend of the customers, the Company believes that this allowance for doubtful accounts is sufficient to cover the risk of default.

(AMOUNTS EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)

32. FINANCIAL INSTRUMENTS (CONTINUED)

The Company is also exposed to credit-related losses in the event of non-performance by counterparties to derivative instruments. The Company manages its counterparty risk by only entering into derivative contracts with major financial institutions with high credit ratings assigned by international credit-rating agencies as counterparties.

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents, trade receivables and the credit risk of counter parties relating to the Company's derivatives.

	2020		2019	
	Gross $	Impairment $	Gross $	Impairment $
Not past due	13,479	(11)	14,569	(10)
Past due 0 - 30 days	5,145	(17)	6,546	(18)
Past due 30 - 60 days	2,539	(33)	2,730	(34)
Past due > 60 days	3,917	(1,070)	2,676	(930)

The movement in the allowance for impairment in respect of loans and receivables during the year was as follows:

(thousands of dollars)	2020 $	2019 $
Balance, beginning of year	(992)	(1,311)
Impairment loss, net of recoveries	(139)	319
Balance, end of year	(1,131)	(992)

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations on a current basis. The Company is exposed to liquidity risk with respect to trade payables, debt, and contractual obligations and contingencies; refer to Notes 15, 16, 17, 18 and 19 for repayment terms of the Company's financial liabilities.

The Company manages liquidity by maintaining adequate cash balances and by having appropriate lines of credit available. In addition, the Company continuously monitors and reviews both actual and forecasted cash flows. Management believes that future cash flow from operations and the availability under existing banking arrangements will be adequate to support its financial liabilities. The Company's revolving facility has been classified as current based on its maturity date. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities. The Company expects to renegotiate its banking agreement well before maturity. With improved operating results, cost saving measures and the various government relief programs, the Company expects to have adequate liquidity with which to operate at lower levels of revenue during the ongoing pandemic and foreseeable future and will continue to monitor costs and restructure accordingly to maintain sufficient levels of profitability and cash flow.

The other liabilities related to contingent consideration (Note 16) are recorded as level 3 FVTPL financial instruments.

32. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value

The Company's cash and cash equivalents, trade and other receivable, trade and other payables, debt and other current and non-current liabilities are classified as measured at amortized cost, and other investments are classified as measured at FVOCI. The carrying amounts of these instruments at December 31, 2019 approximate fair value.

The three levels of the fair value hierarchy are:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data.

33. CAPITAL DISCLOSURES

The Company's fundamental objectives in managing capital are to maintain financial flexibility in order to preserve its ability to meet financial obligations, ensure adequate liquidity and financial flexibility at all times and deploy capital to provide an appropriate investment return to its shareholders while maintaining prudent levels of financial risk. The Company believes that the aforementioned objectives are appropriate in the context of Glacier's business.

The Company defines its capital as shareholders' equity, debt, and preferred shares, net of any cash and cash equivalents.

The Company's financial strategy is designed to maintain a flexible capital structure including an appropriate debt to equity ratio consistent with the objectives stated above and to respond to changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may purchase shares for cancellation pursuant to normal course issuer bids, issue new shares, raise debt (secured, unsecured, convertible and/or other types of available debt instruments), enter into hedging arrangements and refinance existing debt with different characteristics, amongst others.

The Company constantly monitors and assesses its financial performance and economic conditions in order to ensure that its net debt levels are prudent.

The Company's financial objectives and strategy are reviewed on an annual basis. The Company believes that its ratios are within reasonable limits, in light of the relative size of the Company and its capital management objectives.

The Company is also subject to financial covenants, in its operating credit facility agreement, which are measured on a quarterly basis. The Company is in compliance with all financial covenants at December 31, 2020 and 2019.

34. SUBSEQUENT EVENTS

(a) On March 9, 2021, the Company entered into an agreement to sell its energy information business to geoLOGIC systems ltd for $4.5 million in cash at closing plus an earn-out of up to $3.5 million, for a total of up to $8.0 million. The earn-out is revenue based and payable over three years.

(b) The Company has entered into a definitive arrangement agreement under which Glacier will acquire all of the Class B common voting shares and Class C non-voting shares of GVIC Communications Corp. (“GVIC”) not currently held by Glacier and its subsidiary, or by a wholly-owned limited partnership of GVIC through a share exchange. The GVIC shareholders have approved the arrangement and it is expected to close before the end of March 2021, subject to certain closing conditions.

GLACIER MEDIA INC.
CORPORATE INFORMATION

BOARD OF DIRECTORS

Bruce W. Aunger
Sam Grippo
S. Christopher Heming
Jonathon J.L. Kennedy
Hugh McKinnon
Geoffrey L. Scott

OFFICERS

Sam Grippo, Chairman
Jonathon J.L. Kennedy, President & Chief Executive Officer
Orest Smysnuik, CA, Chief Financial Officer
Bruce W. Aunger, Secretary

TRANSFER AGENT

Computershare Trust Company of Canada
Toronto, Calgary and Vancouver

AUDITORS

PricewaterhouseCoopers LLP

STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading symbol: GVC

INVESTOR RELATIONS

Institutional investors, brokers, security analysts and others requiring financial and corporate information about Glacier should visit our website *www.glaciermedia.ca* or contact: Orest Smysnuik, CA, Chief Financial Officer.

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