



FOR IMMEDIATE RELEASE

Cineplex Announces Strategic Sale of Player One Amusement Group

Company Extracts Value from Non-Core Asset Sale to Strengthen Balance Sheet

TORONTO, ON, November 22, 2023 (TSX: CGX) – Cineplex Inc., Canada’s leading entertainment and media company, announced today that it has entered into a definitive agreement with OpenGate Capital (“OpenGate”) to sell Player One Amusement Group (“P1AG”), the Company’s amusement solutions division.

OpenGate will acquire all of the issued and outstanding common shares of P1AG for a total purchase price of \$155 million in cash, subject to customary post-closing adjustments (the “Transaction”). The Transaction unlocks tremendous value for Cineplex and its stakeholders, while providing immediate liquidity for repayment of net proceeds against the Company’s credit facility. The Transaction is expected to close in the first quarter of 2024 and is subject to regulatory approvals and other customary closing conditions. As part of the Transaction, P1AG has entered into a long-term agreement to continue to supply and service amusement games in Cineplex’s theatres and location-based entertainment venues.

“We proudly built the P1AG business, through several acquisitions and organic growth, to become a North American leader in amusement gaming solutions which has delivered strong, consistent results, especially coming out of the pandemic. As we continue to focus on our growth plan, the strategy to divest P1AG came at an opportune time to strengthen our balance sheet”, said Ellis Jacob, President and CEO, Cineplex. “We thank the talented employees of P1AG, and we look forward to working with them as a commercial partner and supplier to Cineplex going forward.”

Scotiabank and TD Securities are serving as financial advisors to Cineplex, and Goodmans LLP is serving as the Company’s legal advisor in connection with the Transaction.

About Cineplex

Cineplex (TSX:CGX) is a top-tier Canadian brand that operates in the Film Entertainment and Content, Amusement and Leisure, and Media sectors. Cineplex offers a unique escape from the everyday to millions of guests through its circuit of over 170 movie theatres and location-based entertainment venues. In addition to being Canada's largest and most innovative film exhibitor, the company operates Canada's favourite destination for 'Eats & Entertainment' (The Rec Room), complexes specially designed for teens and families (Playdium), and a newly launched entertainment concept that brings movies, amusement gaming, dining, and live performances together under one roof (Cineplex Junxion). It also operates successful businesses in digital commerce (CineplexStore.com), alternative programming (Cineplex Events), motion picture distribution (Cineplex Pictures), cinema media (Cineplex Media), digital place-based media (Cineplex Digital Media) and amusement solutions (Player One Amusement Group). Providing even more value for its guests, Cineplex is a partner in Scene+, Canada's largest entertainment and lifestyle loyalty program.

Proudly recognized as having one of the country's Most Admired Corporate Cultures, Cineplex employs over 10,000 people in its offices and venues across Canada and the United States. To learn more, visit Cineplex.com.

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Caution Regarding Forward-Looking Information

Certain statements in this news release may contain forward-looking information (identified by words such as "will", "anticipates", "expects", "intends" and similar expressions suggesting future events or future performance). Such forward-looking information is based on expectations and assumptions made by Cineplex and is subject to risks and uncertainties which may be beyond Cineplex's control. Readers are cautioned that undue reliance should not be placed on forward-looking information as actual results may vary materially from the forward-looking information. A comprehensive discussion of risks that may impact Cineplex can be found in Cineplex's public reports and filings, which are available under the Company's profile on Sedar+ (www.sedarplus.ca). Cineplex does not undertake to update, correct or revise any forward-looking information as a result of any new information, future events or otherwise, except as may be required by applicable law.