



**FOR IMMEDIATE RELEASE**

## **Cineplex Announces Adoption of Shareholder Rights Plan**

TORONTO, ON, June 19, 2020 – Cineplex Inc. (the “Company” or “Cineplex”) (TSX: CGX) announced that its Board of Directors (the “Board”) has approved the adoption of a shareholder rights plan agreement (the “Rights Plan”) with AST Trust Company (Canada), as rights agent.

The Rights Plan has been adopted to ensure the fair treatment of all shareholders in connection with any take-over bid for the Company. The Rights Plan has not been adopted in response to any specific takeover bid or other proposal to acquire control of Cineplex and the Company is not aware of any such pending or contemplated proposals.

At the close of business today, one right will be issued and attached to each common share of Cineplex outstanding at such time. The rights will automatically attach to the common shares of Cineplex (the “Common Shares”) and no further action will be required by shareholders. A right will also automatically attach to each Common Share of Cineplex issued hereafter.

Subject to the terms of the Rights Plan and to certain exceptions provided therein, the rights will become exercisable in the event that any person, together with joint actors, acquires or announces its intention to acquire 20 per cent or more of the Company’s outstanding Common Shares without complying with the “Permitted Bid” provisions of the Rights Plan or in circumstances where the application of the Rights Plan is waived in accordance with its terms. The “Permitted Bid” provisions prevent the dilutive effects of the Rights Plan from operating if a takeover bid is made to all holders of Common Shares of the Company (other than the bidder) by way of a takeover bid circular that remains open for acceptance for a minimum of 105 days and satisfies certain other conditions. In circumstances where a takeover bid does not comply with the requirements of the Rights Plan or where the application of the Rights Plan is not waived in accordance with its terms, the rights holders (other than the acquiring person and any joint actors) will be entitled to purchase additional Common Shares of the Company at a significant discount to the market price.

The Rights Plan has been conditionally approved by the Toronto Stock Exchange and is subject to the ratification by the shareholders of the Company within six months of its effective date. The Board intends to recommend the ratification of the Rights Plan for approval by its shareholders at the Company's next annual meeting of shareholders, which will be held prior to December 31, 2020. If ratified by shareholders, the Rights Plan will have an initial term of three years. If the Rights Plan is not ratified by the Company's shareholders at the next annual meeting of shareholders, the Rights Plan and all rights issued thereunder will terminate and cease to be effective at that time.

A copy of the Rights Plan will be made available under the Company's profile on SEDAR at [sedar.com](http://sedar.com).

#### **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. A leading entertainment and media company, Cineplex welcomes millions of guests annually through its circuit of theatres and location based entertainment venues across the country. In addition to being Canada's largest and most innovative film exhibitor, Cineplex also operates successful businesses in digital commerce (CineplexStore.com), food service, alternative programming (Cineplex Events), cinema media (Cineplex Media), digital place-based media (Cineplex Digital Media) and amusement solutions (Player One Amusement Group). Additionally, Cineplex operates Canada's favourite destination for 'Eats & Entertainment' (The Rec Room) and entertainment complexes specially designed for teens and families (Playdium). Cineplex is a joint venture partner in SCENE, Canada's largest entertainment loyalty program.

#### **Media Relations contact:**

Sarah Van Lange  
Executive Director, Communications  
[PressRoom@Cineplex.com](mailto:PressRoom@Cineplex.com)

#### **Investor Relations contact:**

Melissa Pressacco  
Senior Manager, Communications and Investor Relations  
[InvestorRelations@Cineplex.com](mailto:InvestorRelations@Cineplex.com)