



FOR IMMEDIATE RELEASE

## Cineplex Inc. and VRstudios Inc. Announce Partnership

Agreement Includes Equity Investment, Commercial Partnership  
and Expansion Opportunities

Company Plans to Roll-Out 30-40 Virtual Reality Installations in Canada

Toronto, ON, (TSX: CGX) September 13, 2018 – [Cineplex](#), a leading entertainment and media company, today announced a strategic partnership with [VRstudios, Inc.](#) (“VRstudios”), the largest provider of turnkey, location-based virtual reality solutions in the world. The agreement includes a commercial partnership and an investment by Cineplex to acquire a significant ownership interest in VRstudios. The financial terms were not disclosed.

In addition to installation opportunities at existing Cineplex-owned properties – including its theatre network and location-based entertainment (LBE) network – the agreement also provides broader expansion opportunities in North America and around the globe. Founded in 2014 and based in Seattle, Washington, VRstudios’ product solutions are sold in various configurations for untethered multiplayer, free-roaming, room-scale and warehouse-scale commercial VR attractions. It features eight unique VR experiences in environments ranging in size from 100 to 2,400 square feet.

With more than 65 systems deployed to customers in 15 countries, plus another 120 commercial VR attractions powered by its AMP management software, VRstudios has the largest global installation footprint today and provides virtual reality solutions to popular entertainment destinations including theme parks, arcades, amusement parks, family entertainment centres, casinos and movie theatre complexes. Cineplex has recently installed a VRstudios attraction at The Rec Room in South Edmonton, Alberta, and plans to open approximately 30-40 additional locations across its theatre and LBE networks in Canada by the end of 2021.

“We are not just deploying VR across our network, we are strategically investing in the market to create new revenue streams as well as critical mass and scale for growth. We are proud to be leading the way in the burgeoning location-based VR market,” said Ellis Jacob, President and CEO, Cineplex. “VRstudios’ product

portfolio base has obvious application opportunities across the Cineplex ecosystem, and we are particularly excited about growth opportunities for Player One Amusement Group.”

One of North America’s leading providers of interactive video, redemption and amusement gaming equipment, Player One Amusement Group (P1AG) specializes in solution servicing and design for a wide range of customers in the theatrical exhibition vertical as well as community-based entertainment destinations such as bowling centres, restaurants, arcades, shopping centres and water parks. The agreement announced today creates opportunities for P1AG to work closely with VRstudios to manage the sale, support integration and maintenance of VRstudios’ portfolio of systems in North America.

“Cineplex is one of the world’s leading entertainment companies and we are honoured to be working in partnership with them to drive further innovation in the location-based VR marketplace,” said Kevin Vitale, Chief Executive Officer, VRstudios. “There is great synergy in our respective visions for scaling VR in commercial entertainment and the enterprise-wide strategy to make it happen.”

VRstudios offers a complete, customizable end-to-end virtual reality solution that includes an Attraction Management Platform™ for location-based entertainment businesses. Designed from the ground up, these systems facilitate amazing experiences which cannot be duplicated by in-home consumer virtual reality platforms. Emphasizing turnkey installation, easy-operation, training and support as well as owner profitability, the VRstudios solutions utilizes commercial-quality, patent-pending technology to offer ultimate virtual reality attractions.

- 30 -

#### **Forward Looking Statements**

This press release contains “forward-looking statements” within the meaning of applicable securities laws, such as statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in Cineplex’s Annual Information Form (“AIF”). Those risks and uncertainties include: adverse factors generally encountered in the film exhibition industry such as poor film product and unauthorized copying; risks associated with national and world events, including war, terrorism and international conflicts; natural disasters or extreme weather conditions; infectious diseases; changes in income tax legislation; and general economic conditions. In addition, these risks and uncertainties include: the ability to achieve the expected synergies and the timing of same; the effectiveness of integration efforts and risks related to the satisfaction of the conditions to closing the transaction; and the related financing arrangements, including future general economic and market conditions and the associated debt and equity capital markets. Many of these risks and uncertainties can affect our actual results and could cause our actual results to differ materially from those expressed or implied in any forward-looking statement made by us or on our behalf. All forward-looking statements in this press release are qualified by these cautionary statements. These statements are made as of the date of this press release and, except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third

parties in respect of Cineplex, its financial or operating results or its securities. Additional information, including Cineplex's AIF, can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### **About Cineplex**

A leading entertainment and media company, Cineplex (TSX:CGX) is a top-tier Canadian brand that operates in the Film Entertainment and Content, Amusement and Leisure, and Media sectors. As Canada's largest and most innovative film exhibitor, Cineplex welcomes over 70 million guests annually through its circuit of 165 theatres across the country. 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), amusement solutions (Player One Amusement Group) and an online eSports platform for competitive and passionate gamers (WorldGaming.com). Additionally, Cineplex operates a location based entertainment business through Canada's newest destination for 'Eats & Entertainment' (The Rec Room), and will also be opening new complexes specially designed for teens and families (Playdium) as well as exciting new sports and entertainment venues across Canada (Topgolf). Cineplex is a joint venture partner in SCENE, Canada's largest entertainment loyalty program.

Proudly recognized as having one of the country's Most Admired Corporate Cultures, Cineplex employs approximately 13,000 people in its offices across Canada and the United States. To learn more visit [Cineplex.com](http://Cineplex.com) or download the Cineplex App.

### **About VRstudios**

VRstudios ([www.vrstudios.com](http://www.vrstudios.com)) is a pioneer and leader in delivering turn-key large-scale, multiplayer, free-roaming commercial VR attraction systems for the LBE industry. The company offers a product line of complete solutions that can be quickly installed and efficiently operated, VRstudios is a one-stop-shop that makes it easy for owners and operators to offer innovative virtual reality attractions to their visitors. VRstudios launched in 2014 and has shipped over 65 systems to 15 countries.

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

Sarah Van Lange  
Director of Communications  
[Sarah.VanLange@Cineplex.com](mailto:Sarah.VanLange@Cineplex.com), 416-323-6728

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

T.Ron Davis  
Chief Marketing Officer  
[rond@vrstudios.com](mailto:rond@vrstudios.com), 425-361-5550