



FOR IMMEDIATE RELEASE

Cineplex Announces Offering of Convertible Debentures

TORONTO, ON, July 7, 2020 – Cineplex Inc. ("Cineplex" or the "Company") (TSX: CGX) today announced that it has filed a preliminary short form prospectus in connection with a marketed public offering (the "Offering") of convertible unsecured subordinated debentures (the "Debentures"). The Offering will be priced in the context of the market with terms to be determined at the time of entering into an underwriting agreement. It is currently anticipated that the size of the Offering will be \$275 million aggregate principal amount of Debentures.

The Company will also grant the Underwriters an over-allotment option to purchase up to an additional 15% of the Debentures to be sold pursuant to the Offering (the "Over-Allotment Option"). The Over-Allotment Option will be exercisable for a period of 30 days from the closing date of the Offering.

The Offering is being made through a syndicate of underwriters led by Scotiabank and including BMO Capital Markets, RBC Capital Markets, CIBC Capital Markets, National Bank Financial Inc. and TD Securities Inc.

The Debentures will mature and be repayable on September 30, 2025 (the "Maturity Date") and will bear interest at the rate determined at the time of pricing, payable semi-annually in arrears on September 30 and March 31 in each year (the "Interest Payment Date"), commencing on September 30, 2020. At the holder's option, the Debentures may be converted into common shares of the Company (the "Common Shares") at any time prior to the close of business on the earlier of: (i) five business days prior to the Maturity Date, and (ii) if called for redemption, five business days immediately preceding the dated fixed for redemption of the Debentures, at a conversion price to be determined at the time of pricing. Holders who convert their Debentures will receive accrued and unpaid interest for the period from the date of the latest Interest Payment Date to the date of conversion.

The Debentures will be direct, unsecured subordinated obligations of the Company, subordinated to any senior indebtedness of the Company and ranking equally with one another and with all other existing and future unsecured subordinated indebtedness of the Company.

The Debentures will not be redeemable by the Company prior to September 30, 2023. On or after September 30, 2023 and prior to September 30, 2024, the Company may, at its option, redeem the Debentures in whole or in part from time to time provided that the volume weighted average trading price of the shares of the Company on the Toronto Stock Exchange during the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of redemption is given is not less than 125% of the conversion price. On or after September 30, 2024, the Debentures may be redeemed in whole or in part from time to time at the option of the Company at a price equal to their principal amount plus accrued and unpaid interest.

The Company will use the net proceeds of the Offering to repay indebtedness under its credit facilities, of which \$100 million would be a permanent repayment and the balance would be available for borrowing under the Company's revolving credit facility.

Completion of the Offering will be subject to various conditions, including the approval of the Toronto Stock Exchange. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. The Debentures being offered, and the Common Shares issuable upon the conversion or redemption of the Debentures, have not been and will not be registered under the U.S. Securities Act of 1933 (the "1933 Act") or state securities laws. Accordingly, the Debentures may not be offered or sold to U.S. persons except pursuant to applicable exemptions from the registration requirements of the 1933 Act and applicable state securities laws is available.

A preliminary short-form prospectus containing important information relating to the Debentures has been filed with securities regulatory authorities in each of the provinces and territories of Canada. The preliminary short-form prospectus is subject to completion or amendment. Copies of the preliminary short-form prospectus may be obtained from Scotia Capital Inc.: 40 King Street W, Toronto, Ontario, M5H 3Y2; (e-mail: equityprospectus@scotiabank.com). A copy of the preliminary short-form prospectus can also be obtained under Cineplex's corporate profile on SEDAR at www.sedar.com. There will not be any sale or any acceptance of an offer to buy the Debentures until a receipt for the final short-form prospectus has been issued.

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Caution Regarding Forward Looking Statements

Certain information included in this news release contains forward-looking statements within the meaning of applicable securities laws. These forward-looking statements include, among others, statements with respect to Cineplex's objectives, goals and strategies to achieve those objectives and goals, as well as statements with respect to Cineplex's beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may", "will", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and "continue" (or the negative thereof), and words and expressions of similar import, are intended to identify forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, including those described in Cineplex's Annual Information Form ("AIF"), its management discussion and analysis ("MD&A") for the year ended December 31, 2019 and for the three months ended March 31, 2020 and its preliminary short form prospectus dated July 7, 2020 filed in connection with the Offering. Those risks and uncertainties, both general and specific, give rise to the possibility that predictions, forecasts, projections and other forward-looking statements will not be achieved. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Cineplex cautions readers not to place undue reliance on these statements, as a number of important factors, many of which are beyond Cineplex's control, could cause actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, the anticipated completion of the Offering, the use of proceeds from the Offering, the duration and impact of the COVID-19 pandemic on Cineplex, the movie exhibition industry and the economy in general, as well as Cineplex's response to the COVID-19 pandemic as it relates to the closure of its theatres and location-based entertainment venues, employee reductions and other cost-cutting initiatives, and increased expenses relating to safety measures taken at its facilities to protect the health and well-being of customers and employees; Cineplex's expectations with respect to liquidity and capital expenditures, including its ability to meet its ongoing capital, operating and other obligations, and anticipated needs for, and sources of, funds; Cineplex's ability to execute cost-cutting and revenue enhancement initiatives in response to the COVID-19 pandemic; risks generally encountered in the relevant industry, competition, customer, legal, taxation and accounting matters; the outcome of any litigation surrounding the termination of the Cineworld transaction; and diversion of management time on litigation related to the Cineworld transaction.

The foregoing list of factors that may affect future results is not exhaustive. When reviewing Cineplex's forward-looking statements, readers should carefully consider the foregoing factors and other uncertainties and potential events. Additional information about factors that may cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the "Risks and Uncertainties" section of Cineplex's AIF and MD&A and the "Risk Factors" section of its preliminary short form prospectus dated July 7, 2020.

Cineplex does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable Canadian securities law. 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. All forward-looking statements in this news release are made as of the date hereof and are qualified by these cautionary statements. Additional information, including Cineplex's AIF and MD&A, can be found on SEDAR at www.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. As a leading entertainment and media company, Cineplex welcomes millions of guests annually through its circuit of theatres and location-based entertainment ("LBE") 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 "CDM") and amusement solutions (Player One Amusement Group "P1AG"). Additionally, Cineplex operates an LBE business through Canada's newest destinations for 'Eats & Entertainment' (The Rec Room), and entertainment complexes specifically designed for teens and families (Playdium). 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 or download the Cineplex App.

Investor Relations contact:

Melissa Pressacco
Senior Manager, Communications and Investor Relations
InvestorRelations@Cineplex.com

Media Relations contact:

Sarah Van Lange
Executive Director, Communications
PressRoom@Cineplex.com