

Press Release

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Ymagis Group Announces that its Eclair Cinema SAS Subsidiary is Being Placed in Receivership

Decision aims to contribute to a return to profitability for the Eclair business unit and to secure the Group's future activities

Ymagis Group (FR0011471291, MAGIS, PEA-PME, TECH 40), the European specialist in digital technologies for the film industry, has decided to ask the Commercial Court of Nanterre to place one of the French subsidiaries of its Eclair business unit, Eclair Cinema SAS, in receivership given the performance of its activities in post-production and the restoration of cinematographic and audio-visual works. Eclair Cinema represented 5.5% of Ymagis Group's revenue for the first half of 2018 and almost all losses recorded over this same period. In 2017, the subsidiary generated revenue totalling €12.4M.

Eclair Cinema mainly focuses on the French market in the post-production and restoration sectors, activities which are severely affected by: (i) fierce competition, (ii) shrinking markets in terms of volume and value, and (iii) the announced decline in restoration project financing by public bodies.

Subject to the decision of the Court, Eclair Cinema plans to implement a thorough restructuring of its activities, refocusing them towards specialisation in an innovative service offer for creative teams and post-production laboratories, and adjusting its production capacities in restoration.

This procedure and the measures which will be set up under the authority of the Court should enable Eclair Cinema to redress its operation and ensure its long-term future.

In this way, the Eclair business unit will be better able to concentrate its efforts and investments on its adaptation activities (subtitling, dubbing), digital distribution, preservation and content delivery to cinemas (films, live events, etc.) and on the digitalisation of its services. The implementation this year of the EclairTrack and EclairPlay platforms which use the EclairBox and EclairExpress technological solutions are the first positive results of this policy, which will continue in the coming weeks with new platforms for rights-holders being brought to market (EclairSend, EclairScreener and EclairStore, among others).

This decision reflects the Group's determination to steer its activities towards promising sectors and profit margin contributors.

Ymagis Group states that the holders of its EuroPP loan have unanimously given their agreement to this operation, in accordance with the provisions of the issuance contracts for these loans.

In line with the applicable regulations, Ymagis Group will issue statements at each new stage of the procedure.

ABOUT YMAGIS GROUP

Ymagis is a European leader in advanced digital technology services for the cinema industry. Founded in 2007, the Group is headquartered in Paris and has offices in 26 countries with 770 employees. Our core business is structured around four main units: CinemaNext (exhibitor services: sales and field services, software solutions, customer service/NOC), Eclair (content services: postproduction, theatrical delivery, digital distribution, versioning and accessibility, restoration and preservation), Virtual Print Fee (VPF) for finance solutions and other activities, including EclairColor, EclairGame and Virtual Reality. For more information, please visit www.ymagis.com, www.cinemanext.com or www.eclair.digital

YMAGIS is listed on Euronext Paris and is part of the CAC Small, CAC Mid and Small and CAC All-Tradable indices.

YMAGIS GROUP

Jean Firôme, CFO
Tel.: +33 (0)1 75 44 88 88
investisseurs@ymagis.com

CALYPTUS

Sophie Levesque / Mathieu Calleux
ymagis@calyptus.net
Tel.: + 33 (0)1 53 65 68 62

