

Press Release

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Ymagis Group Strengthens CinemaNext's Exhibition Services in Turkey with New Business Partner Omega Cinema Systems

Ymagis Group (ISIN: FR0011471291, TICKER: MAGIS, PEA-PME-eligible), the European specialist in digital technologies for the cinema industry, announced that it has signed a letter of intent with Omega Cinema Systems to form the leading cinema exhibition services company in Turkey.

Under the terms of the agreement and subject to the fulfillment of conditions precedent, a new company, CinemaNext TR, will be created with Ymagis Group acquiring a 51% stake and Omega Cinema Systems founders Fikret Gürsoy, Turgay Gürsoy and Serkan Sahin acquiring the remaining 49%. CinemaNext Turkey will be managed by Fikret Gürsoy, Turgay Gürsoy and Serkan Sahin. All parties intend to conclude the deal before the end of February, at which time both Omega's and CinemaNext's current portfolio of activities and related cinema assets in Turkey will be transferred to CinemaNext TR.

Founded by Fikret Gürsoy in 1997 and based in Izmit/Kocaeli, near Istanbul, Omega is specialized in cinema installations and the maintenance of digital cinema equipment. Over 650 screens to date have been installed by Omega in Turkey for leading cinema chains, including Mars Cinema Group (CJ/CGV Entertainment), Gazi Cinemas and Avsar Group. 200 Turkish cinema screens also currently have service agreements with Omega for customer service and maintenance. In 2016, Omega reported revenue in excess of EUR 2.8 million.

"With this new partnership, Ymagis Group fulfills its objective to provide the same services in Turkey as offered in the rest of Europe by our CinemaNext business unit, while benefiting group synergies and local proximity with clients," explained Jean Mizrahi, Founder, President and CEO of Ymagis Group. "The Gürsoy family has been active on the Turkish cinema scene for over 50 years now, working successively in cinema exhibition and distribution before becoming the country's most trusted integrator. They have been instrumental in the digital conversion process in Turkey and we feel honored to be partnering with them in this new venture, which will bring the Group additional growth and recurring revenue."

"We are thrilled to join Ymagis Group's cinema exhibition services and become their local partner in Turkey," comments Fikret Gürsoy, Omega's Managing Director. "For years, we have served Turkish cinema exhibitors by offering them advanced bespoke technological solutions and paving the path to digitalization. This new venture with CinemaNext will strengthen the range of services we can offer our cinema clients, particularly in a fast-evolving business environment."

The European Audiovisual Observatory estimates cinema attendance of over 55 million in 2016 in Turkey, which boasts 2,550 screens. The Turkish motion picture industry is considered one of the most dynamic and important in Central Europe.

In June 2015, Ymagis Group announced new VPF agreements under the third-party collector financing model with six major Turkish cinema exhibitor chains representing 409 screens in 50 cinema multiplexes. These VPF agreements are effective through 31 December 2018 and are managed by its current Turkish entity, a wholly-owned subsidiary of Ymagis Group.

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 23 countries with close to 700 employees. Our core business is structured around three main units: CinemaNext (exhibitor services: sales and field services, software solutions, customer service/NOC and consulting), Eclair (content services: post-production, theatrical delivery, digital distribution, versioning and accessibility, restoration and preservation) and Ymagis (financial services). For more information, please connect to www.ymagis.com, www.cinemanext.digital or www.eclair.digital

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