



## D-BOX Technologies Gains Traction with New Markets

**Longueuil, Quebec, June 26, 2019** – D-BOX Technologies Inc. (TSX:DBO), a world leader in immersive experiences, announced today annual revenues of \$34.2 million and adjusted EBITDA of \$2.1 million for the fiscal year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS

#### *Highlights for the year ended March 31, 2019*

Compared with the year ended March 31, 2018:

- Revenues decreased 4% from \$35.5 million to \$34.2 million.
- Recurring revenues totalled \$8.6 million up 2% from \$8.4 million.
- \*Adjusted EBITDA fell 20% from \$2.6 million to \$2.1 million.
- \*Adjusted EBITDA/Revenues decreased from 7% to 6%.
- Net loss \$(1.7) million compared with \$(1.8) million.
- Cash flows generated by operating activities \$0.4 million, down \$2.3 million from \$2.7 million.

#### *Highlights for the fourth quarter ended March 31, 2019*

Compared with the fourth quarter ended March 31, 2018:

- Revenues decreased to \$8.3 million down 11% from \$9.3 million.
- Recurring revenues fell 7% to \$1.8 million from \$2.0 million.
- Quarterly \*Adjusted EBITDA was \$0.3 million compared with \$0.9 million.
- \*Adjusted EBITDA/Revenues fell to 3% from 10%.
- Net loss totalled \$551 thousand compared with a net income of \$12 thousand.

<b>Fourth quarter and Year ended March 31</b> (in thousands of dollars, except per share data)				
	<b>Fourth Quarter</b>		<b>Fiscal Year</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Revenues	<b>8,308</b>	9,284	<b>34,164</b>	35,478
Net income (loss)	<b>(551)</b>	12	<b>(1,705)</b>	(1,761)
Adjusted EBITDA*	<b>267</b>	906	<b>2,062</b>	2,573
Basic and diluted net income (loss) per share	<b>(0.003)</b>	0.000	<b>(0.010)</b>	(0.010)
<b>Information from the consolidated balance sheet</b>				
	<b>March 31, 2019</b>		<b>March 31, 2018</b>	
Cash and cash equivalents	<b>9,635</b>		10,141	

\* See the "Non-IFRS" measures section in the Management's Discussion and Analysis dated June 26, 2019.



## **OPERATIONAL HIGHLIGHTS**

- D-BOX expands in Spain with Cinesa Luxe, a subsidiary of Odeon Group, an AMC Entertainment Company.
- D-BOX and Cineplex strengthen partnership to reach new milestone of 100 auditoriums.
- D-BOX inaugurated the first full screen of D-BOX recliner seats in Las Vegas with Maya cinemas last January.
- D-BOX signs with eSports Central to launch Montreal's first eSports Entertainment complex featuring 6 racing motion simulators.
- D-BOX signs Hoyts cinemas, a leading exhibitor in Australia, to equip 4 auditoriums with over 200 recliners.
- Subsequent to the fiscal year-end, D-BOX signed an agreement with PVR Cinemas, India's largest exhibitor. PVR operates a cinema circuit of more than 745 screens in 160 locations. The first agreement will include the installation of standard and recliner seats for four screens.

"D-BOX's distinct motion technology could bring value in multiple applications and in multiple markets. While we continued the penetration of new and existing leading exhibitors, we have delivered solid annual growth in the themed entertainment as well as in the simulation and training market with respectively 14% and 31% growth", commented Claude Mc Master, President and Chief Executive Officer of D-BOX. "With several million users from moviegoers to crane operators using our technology everyday, we are proud to build a global brand that goes beyond the world of entertainment".

## **ADDITIONAL INFORMATION REGARDING THE FOURTH QUARTER AND FISCAL YEAR ENDED MARCH 31, 2019**

The financial information relating to the fourth quarter and fiscal year ended March 31, 2019 should be read in conjunction with the Corporation's consolidated financial statements, the Management's Discussion and Analysis, and the Annual Information Form (AIF) dated June 26, 2019. These documents are available at [www.sedar.com](http://www.sedar.com).

## **OUTLOOK**

D-BOX operates in two major areas: the entertainment market and the simulation and training market which have their respective sub-markets.

Our solution offers a compelling value proposition to movie exhibitors, where we attract moviegoers by providing an immersive experience and enabling exhibitors to earn additional revenue with rapid payback. With about 1% penetration of the motion technology in theatrical auditoriums globally, D-BOX's motion technology has abundant room to grow. Moreover, we are cautiously optimistic given the strong film release lineup for the remainder of the year which has a direct impact on our rights for use, rental and maintenance revenues.

In the themed entertainment and the simulation and training markets, D-BOX's expertise in immersive motion and true-to-life simulation positions the Corporation as an active participant in the growing virtual reality (VR), gaming, car racing simulation, and simulation & training markets. Both markets grew 22% compared with the same period of the previous year and represented 49% of total revenues in fiscal 2019. While we are still in the infancy stage, we believe those markets could represent sustainable growth opportunities for years to come.

While system sales in each vertical could be impacted by long sales cycle and market fluctuations, we believe our diversification strategy into different verticals will mitigate the volatility of our overall system sales. As we look forward, we are excited by the market opportunities ahead of us. The size and projected growth of each market are promising.



## RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME (LOSS)\*

Adjusted EBITDA provides useful and complementary information, which can be used, in particular, to assess profitability and cash flows provided by operations. It consist of net income (loss) excluding amortization, financial expenses net of income, income taxes, write-off of property and equipment and intangible assets, shared-based payments, foreign exchange loss (gain) and non-recurring expenses related to restructuring costs.

	Fiscal Year ended March 31		Fourth Quarter ended March 31	
	2019	2018	2019	2018
<b>Net Income (loss)</b>	<b>(1,705)</b>	(1,761)	<b>(551)</b>	12
Amortization of property and equipment	<b>1,934</b>	2,332	<b>422</b>	569
Amortization of intangible assets	<b>800</b>	748	<b>198</b>	261
Amortization of other assets	<b>3</b>	5	<b>1</b>	2
Financial expenses (income)	<b>529</b>	525	<b>145</b>	124
Income taxes (recovery)	<b>10</b>	5	<b>(36)</b>	—
Write-off of property and equipment	—	1	—	1
Write-off of intangible assets	—	145	—	93
Share-based payments	<b>157</b>	226	<b>48</b>	20
Foreign exchange loss (gain)	<b>334</b>	90	<b>40</b>	(176)
Restructuring costs	—	257	—	—
<b>Adjusted EBITDA</b>	<b>2,062</b>	<b>2,573</b>	<b>267</b>	<b>906</b>

\* See the “Non-IFRS” measures section in the Management’s Discussion and Analysis dated June 26, 2019.

## ABOUT D-BOX

D-BOX is redefining the entertainment experience by creating hyper-realistic, immersive entertainment experiences that move the body and spark the imagination through motion. This expertise is one of the reasons why we have collaborated with some of the world’s best companies to deliver new ways to tell great stories. Whether for movies, video games, virtual reality applications, themed entertainment or professional simulation, our mission is to move the world.

D-BOX Technologies Inc. is a publicly traded Canadian company listed on the Toronto Stock Exchange (TSX: DBO). The head office is located in Montreal and offices are based in Los Angeles, USA and Beijing, China.  
[www.d-box.com](http://www.d-box.com)

D-BOX®, D-BOX Motion Code®, LIVE THE ACTION®, MOTION ARCHITECTS®, MOVE THE WORLD® and FEEL IT ALL are trademarks of D-BOX Technologies Inc. Other names are for informational purposes only and may be trademarks of their respective owners.

## DISCLAIMER REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included herein, including those that express management’s expectations or estimates of our future performance, constitute “forward-looking statements” within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to place undue reliance on forward-looking statements. D-BOX disclaims any intent or obligation to publicly update these forward-looking statements, whether as a result of new information, future events or otherwise.



**FOR FURTHER INFORMATION, PLEASE  
CONTACT:**

Jean-François Lacroix  
Chief Financial Officer  
D-BOX Technologies Inc.  
450-876-1227  
[jflacroix@d-box.com](mailto:jflacroix@d-box.com)

Steve Li  
Vice-President Investor Relations and Corporate  
Strategy  
450-442-3003, ext. 403  
[sli@d-box.com](mailto:sli@d-box.com)