



IMAX Corporation Responds to Results of Shareholder Vote on IMAX China Privatization Transaction

October 10, 2023

Despite 70% of Shareholders Voting "FOR", Proposed Transaction Does Not Meet the Necessary Threshold for Approval

NEW YORK, Oct. 10, 2023 /PRNewswire/ -- IMAX Corporation (NYSE: IMAX) today confirmed that the Company's proposal to acquire IMAX China's outstanding 96.3 million shares will not proceed following a vote by IMAX China shareholders.



At the Extraordinary General Meeting (EGM) of IMAX China shareholders held October 9 EST/October 10 HKT, 70% of the shares voted were in favor of the proposed transaction; however, votes against exceeded the 10% threshold required by Hong Kong law to defeat a privatization transaction. In total, approximately 61% of the total disinterested shares of IMAX China common stock were voted.

"Even though our proposal received the vast majority of votes cast, and support from both leading independent proxy advisory firms, the vote did not achieve the threshold needed for approval," said Rich Gelfond, CEO of IMAX. "While disappointing, the vote demonstrates that shareholders believe, as we do, that the future of IMAX China is bright. We are committed to our business in China and our team will continue to create new growth opportunities for the IMAX^(R) brand and technology in this vital market for blockbuster entertainment. Furthermore, we will explore opportunities to deploy the incremental capital intended for this transaction through alternate means of creating shareholder value, such as share repurchases of IMAX Corporation stock."

IMAX China (HKSE: 1970.HK) is a Hong Kong-listed subsidiary established by IMAX Corporation to oversee its business in Greater China.

About IMAX Corporation

IMAX, an innovator in entertainment technology, combines proprietary software, architecture, and equipment to create experiences that take you beyond the edge of your seat to a world you've never imagined. Top filmmakers and studios are utilizing IMAX systems to connect with audiences in extraordinary ways, making IMAX's network among the most important and successful theatrical distribution platforms for major event films around the globe. Streaming technology company SSIMWAVE, an IMAX subsidiary, is a leader in AI-driven video quality solutions for media and entertainment companies.

IMAX is headquartered in New York, Toronto, and Los Angeles, with additional offices in London, Dublin, Tokyo, and Shanghai. As of June 30, 2023, there were 1,718 IMAX systems (1,638 commercial multiplexes, 12 commercial destinations, 68 institutional) operating in 87 countries and territories. Shares of IMAX China Holding, Inc., a subsidiary of IMAX Corporation, trade on the Hong Kong Stock Exchange under the stock code "1970."

IMAX®, IMAX® Dome, IMAX® 3D, IMAX® 3D Dome, Experience It In IMAX®, The IMAX Experience®, An IMAX Experience®, An IMAX 3D Experience®, IMAX DMR®, DMR®, Filmed For IMAX™, IMAX LIVE™, IMAX Enhanced™, IMAX nXos®, SSIMWAVE and Films to the Fullest®, are trademarks and trade names of the Company or its subsidiaries that are registered or otherwise protected under laws of various jurisdictions. For more information, visit www.imax.com. You may also connect with IMAX on Instagram (www.instagram.com/imax), Facebook (www.facebook.com/imax), Twitter (www.twitter.com/imax), YouTube (www.youtube.com/imaxmovies) and LinkedIn (www.linkedin.com/imax).

Forward-Looking Statements

This press release contains forward looking statements that are based on IMAX management's assumptions and existing information and involve certain risks and uncertainties which could cause actual results to differ materially from future results expressed or implied by such forward looking statements. These forward looking statements include, but are not limited to, statements regarding the benefits of the acquisition, expansion and growth of business, operations and technology, industry prospects and consumer behavior, plans and references to the future success of IMAX Corporation together with its consolidated subsidiaries and expectations regarding the Company's future operating, financial and technological results. These forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. However, whether actual results and developments will conform with the expectations and predictions of the Company is subject to a number of risks and uncertainties, including, but not limited to, risks related to the adverse impact of the

COVID-19 pandemic; risks associated with investments and operations in foreign jurisdictions and any future international expansion, including those related to economic, political and regulatory policies of local governments and laws and policies of the United States and Canada as well as geopolitical conflicts, such as the conflict between Russia and Ukraine; risks related to the Company's growth and operations in China; the performance of IMAX DMR® films and other films released to the IMAX network; the signing of IMAX System agreements; conditions, changes and developments in the commercial exhibition industry; risks related to currency fluctuations; the potential impact of increased competition in the markets within which the Company operates, including competitive actions by other companies; the failure to respond to change and advancements in digital technology; risks relating to consolidation among commercial exhibitors and studios; risks related to brand extensions and new business initiatives; conditions in the in-home and out-of-home entertainment industries; the opportunities (or lack thereof) that may be presented to and pursued by the Company; risks related to cyber-security and data privacy; risks related to the Company's inability to protect its intellectual property; risks related to climate change; risks related to weather conditions and natural disasters that may disrupt or harm the Company's business; risks related to the Company's indebtedness and compliance with its debt agreements; general economic, market or business conditions; risks related to political, economic and social instability, including with respect to the Russia-Ukraine conflict; the failure to convert IMAX System backlog into revenue; changes in laws or regulations; any statements of belief and any statements of assumptions related to the foregoing; other factors and risks outlined in the Company's periodic filings with the United States Securities and Exchange Commission or in Canada, the System for Electronic Document Analysis and Retrieval; and other factors, many of which are beyond the control of the Company. Consequently, all of the forward looking statements made in this press release are qualified by these cautionary statements, and actual results or anticipated developments by the Company may not be realized, and even if substantially realized, may not have the expected consequences to, or effects on, the Company. These factors, other risks and uncertainties and financial details are discussed in IMAX's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No statement in this press release should be interpreted to mean that the earnings or financial performance of IMAX Corporation or IMAX China for the current year or future years will necessarily match or exceed the historical or published earnings or financial performance of IMAX Corporation or IMAX China, respectively.

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