



D-BOX Technologies Announces First Quarter of Fiscal 2020 Results

Longueuil, Quebec, August 7, 2019 – D-BOX Technologies Inc. (TSX: DBO), a world leader in immersive entertainment experiences, announced first quarter revenues of \$7.5 million and a positive Adjusted EBITDA of \$0.2 million for its first quarter of fiscal year 2020.

FINANCIAL HIGHLIGHTS

Highlights for the first quarter ended June 30, 2019

Compared with the first quarter ended June 30, 2018:

- Revenues totalled \$7.5 million down 21% from \$9.5 million.
- Recurring revenues decreased 7% to \$2.4 million from \$2.6 million.
- Quarterly adjusted EBITDA* amounted to \$0.2 million compared with \$1.2 million.
- Adjusted EBITDA*/Revenue decreased to 3% from 12%.
- Net loss totalled (\$0.6) million compared with (\$0.2) million.

First quarter ended June 30 (in thousands of dollars, except per share amounts)		
	First Quarter	
	2019	2018
Revenues	7,533	9,512
Net loss	(606)	(229)
Adjusted EBITDA*	215	1,157
Basic and diluted net loss per share	(0.003)	(0.001)
Information from the consolidated balance sheets		
	As at June 30, 2019	As at March 31, 2019
Cash and cash equivalents	8,242	9,635

* See the "Non-IFRS" measures section in the Management's Discussion and Analysis dated August 7, 2019.

OPERATIONAL HIGHLIGHTS

- Set a new opening weekend record in D-BOX tickets sold with the Avengers: End Game.
- Grand opening of D-BOX at Cinesa's La Morajela in Spain, a subsidiary of Odeon Group, an AMC Entertainment Company.
- Renewed distribution agreement with ECCO Cine Supply, a leading European distributor of cinematic technology services.
- Grand opening of the Parc Astérix's theatre in France, featuring 300 D-BOX motion seats.
- LAI Games, a D-BOX partner, sold the 500th unit of the Virtual Reality game Raving Rabbits: The Big Ride.
- RS Simulation, a D-BOX partner, launched a new racing simulator.



“The grand opening of D-BOX at Cinesa in Spain was a big success. Not only was D-BOX’s contribution to the box office off to a strong start, we received a lot of attention from the local media.” said Claude Mc Master, D-BOX’s President and Chief Executive Officer. “In addition, ‘We are excited to work with Odeon Cinema, an AMC company, in Europe with its 360 locations and 2,900 screens in 14 European countries.’”

ADDITIONAL INFORMATION REGARDING THE FIRST QUARTER ENDED JUNE 30, 2019

The financial information relating to the first quarter ended June 30, 2019 should be read in conjunction with the Corporation’s unaudited interim condensed consolidated financial statements and the Management’s Discussion and Analysis dated August 7, 2019. These documents are available at 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. While the industry is facing some challenges, we remain optimistic about the long-term potential.

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 and training markets.

While system sales in each vertical could be impacted by a 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 these markets 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 consists 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.

	First Quarter Ended June 30	
	(in thousand of dollars)	
	2019	2018
Net loss	(606)	(229)
Amortization of property and equipment	417	572
Amortization of intangible assets	258	201
Amortization of other assets	1	1
Financial expenses	93	134
Income taxes	(7)	28
Share-based payments	45	55
Foreign exchange loss	14	395
Adjusted EBITDA	215	1,157

* See the “Non-IFRS” measures section in the Management’s Discussion and Analysis dated August 7, 2019.



On the management side, Jean-François Lacroix, the Company's Chief Financial Officer, has tendered his resignation in order to pursue another opportunity effective August 8, 2019.

"On behalf of the board of directors and executive team, I would like to thank Jean-François for his valued contribution and loyalty to D-BOX over the last two years and wish him the very best in his new position" said Claude McMaster.

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

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.

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