



Cinedigm Reports Highest Quarterly Digital Sales in Five Years in its Streaming Business Segment with Q1 FY 2021 Revenues Up an Estimated 34%

July 13, 2020

Strong Digital Transactions on Amazon and Apple Contributed to Record-Breaking Sales

LOS ANGELES, July 13, 2020 (GLOBE NEWSWIRE) -- [Cinedigm \(NASDAQ: CIDM\)](#) announced today that Q1 FY 2021 (April 1, 2020 through June 30, 2020) had the strongest fiscal Q1 performance in over five years for digital content sales. Due to the current stay at home environment, which has permanently accelerated the ongoing consumer cord cutting trend to streaming, viewership increased across all platforms and consumer transactions were significantly higher than in the past, the Company reported.

"We have been laser focused on aggregating and distributing thousands of titles to the key streaming platforms like Netflix, Apple and Amazon given the huge demand for independent premium content we are seeing from both existing and newly launched platforms," said Yolanda Macias, Executive Vice President, Cinedigm Entertainment Group. "All of the existing and new streaming platforms need a high volume of fresh digital content to keep pace competitively and to keep up with the record cord cutting happening around the globe. As expected in this environment, we generated over an estimated 34% year-over-year growth in our digital content sales in the first quarter of Cinedigm's fiscal year, which ended on June 30, 2020."

The driving force for the digital growth is the digital transactional space with Amazon and Apple leading the charge, according to Cinedigm. Amazon, Apple, Vudu, Google, InDemand EST, Hoopla, Microsoft, Sony and Fandango also generated their strongest performance levels in history with Cinedigm achieving over 60% year-over-year quarterly growth.

Additionally, next day air releases such as Hallmark's *When Calls the Heart* and ITV's *Good Witch* series achieved strong consumer sales. Cinedigm also enacted various promotional programs in this *stay-at-home* environment to accelerate sales of our digital catalog business. The promotional programs that led the catalog business to overperform include Spring Sales, Mother's Day, AnimeMay and June Weddings.

"Cinedigm Digital is positioned to offer producers and film makers robust and unique revenue opportunities and these results confirm their confidence in us," continued Macias. "At the same time, our distribution platform partners rely on Cinedigm to provide entertaining and compelling content to their viewers, and the data indicates we delivered. We expect to continue these strong results going forward as our relationships with content producers and streaming content distribution platforms continue to get stronger and expand."

Uniquely, with kids out of school and parents left to homeschool, Cinedigm content has been a strong player in the educational digital space. Cinedigm has rolled out lucrative, outside the box strategic promotions including digital download activity books, digital bookmarks, and coloring books that coincide with educational content to increase content consumption and engage the platform's audience. Cinedigm's partnership with Hoopla has achieved a Q1 year-over-year growth of 70%, a milestone in the partner relationship. Cinedigm content on Overdrive has attained a Q1 year-over-year growth of 115%, a new benchmark in the history of the partnership. In addition, Cinedigm has executed a new business deal with Kanopy, a college library digital platform. With states increasing their digital library budgets, Cinedigm expects continued success with educational and library platforms, with Cinedigm content at the forefront of partner growth in this space.

Cinedigm offers global streaming linear, on-demand branded channels while distributing digital films and TV series on every meaningful transactional, SVOD, and AVOD global platform. The Company distributes tens of thousands of hours of film and TV content to over 70 digital platforms in 180+ territories. Branded content includes co-productions in the action, western and military genres along with family (Hallmark, ZDF), anime (Konami Cross Media) and sports championship programs (NFL, NHL).

Cinedigm has leaned into digital monetization since its inception offering content providers a path to global reach on streaming platforms. Data and analytics guide our decisions to follow growth trends such as AVOD and the team closed eight new AVOD deals including Redbox, Google and Fuse. In addition, five more expansion deals are in process. When the advertising dollars flow back into the ecosystem, Cinedigm's content is positioned to capture not only the views but ad dollars.

ABOUT CINEDIGM

For more than twenty years, Cinedigm (NASDAQ: CIDM) has led the digital transformation of the entertainment industry. Today, Cinedigm entertains hundreds of millions of consumers around the globe by providing premium content, streaming channels and technology services to the world's largest media, technology and retail companies. For more information, visit <http://www.cinedigm.com/>.

Press Contact for CIDM:

Jill Calcaterra
310-466-5135
jcalcaterra@cinedigm.com



Source: Cinedigm Digital Cinema Corp.