NEWS RELEASE

Art the Clown Is Back! Cineverse Secures North American Rights to TERRIFIER 3, the Highly Anticipated Slasher Film Sequel by Damien Leone, Promising Filmmakers Unparalleled Creative Freedom

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LOS ANGELES, June 12, 2023 /PRNewswire/ -- Cineverse Corp. (NASDAQ: CNVS), today announced that the Company has acquired all North American rights to the highly anticipated slasher sequel Terrifier 3 from filmmakers Damien Leone and Phil Falcone.

This team previously collaborated on the ultra-gory indie-horror blockbuster Terrifier 2, which brought in over $15 million worldwide at the box office and stayed in the top 10 in North America for an entire month, generating substantial press coverage and social media activity, and essentially dominating the Halloween season. The buzz surrounding Terrifier 2 resulted in a great deal of mainstream media exposure around the world, including coverage by "The Howard Stern Show" and even being spoofed on "Saturday Night Live".

Following the release of Terrifier 2, Cineverse saw a substantial increase in subscriptions for its horror streaming service SCREAMBOX, which is operated by Bloody Disgusting, the leading horror brand. Terrifier 2 held up against Hollywood heavy hitters, carving out a place among the top 10 titles digitally on Apple TV and moving into the top 5 on both Google Play and VUDU in the weeks following its digital release.

For the third installment, creator Leone and producer Falcone look to build and expand on the success of the second film. Staying true to the fanbase, the team aims to recreate the magic of Terrifier 2, while pushing the boundary of the horror genre to an even more extreme level. Terrifier 3 is set to have a wide theatrical release next year in North America followed by its exclusive streaming debut on SCREAMBOX.

"Produced for just $250,000, Terrifier 2 became a box office phenomenon, grossing more than $15 million worldwide," said Chris McGurk, Chairman & CEO at Cineverse. "It achieved revenues of roughly 60 times the production cost and was fueled almost exclusively by social marketing. We are thrilled that Damien and Phil have chosen to stay true to the franchise and keep the film uncut and independent rather than taking the major studio route. We aim to make this film the centerpiece of our releasing strategy which is focused on creator-friendly collaboration to generate fan-favorite franchises and film remakes that work theatrically as well as drive streaming subscription revenues. This time, we are planning a wide theatrical release for Terrifier 3 as we are confident that the film will deliver yet another unparalleled horror experience. We eagerly anticipate the creative vision that Damien and Phil will unleash upon audiences when we bring Terrifier 3 to the big screen in the fall of 2024."

"Indie horror changed the game last year, and that is thanks in no small part to Terrifier 2," said Brad Miska, Managing Director of Bloody Disgusting/Cineverse. "The team crafted something that transcends decades and solidified an icon in Art the Clown that will be talked about 20 years from now. Art has become a cultural phenomenon and the rightful heir to the throne of Jason and Freddy. The seismic impact this franchise will have in the genre is only being felt as tremors now. We are confident that Terrifier 2 and soon Terrifier 3 are films that people will revisit regularly. These are films that fans will want to marathon every year, and we plan to further stoke that excitement with a re-release of Terrifier 2 this fall in theaters. It brings us great excitement to reunite with Damien and Phil, as we set our sights on creating yet another blockbuster success with a full 360° marketing campaign."

"We're thrilled to be partnering with Cineverse and Bloody Disgusting again," said Leone. "Aside from a yearning for new and exciting horror villains like Art the Clown, a large part of Terrifier 2's success was based on its unprecedented theatrical release and its uncompromising nature. Many studios are unwilling to take that sort of a risk these days whereas Cineverse not only took it but embraced it. It's pretty clear that we're now entering a slasher genre renaissance - perhaps the biggest one since the 90s. Filmmakers like myself are going to have to keep pushing the envelope so it's encouraging when a company respects a director's vision and understands what makes a certain type of film successful."

The rights agreement was negotiated by Brandon Hill, Director of Acquisitions, on behalf of Cineverse, and by Priscilla Ross Smith of The Coven on behalf of the filmmakers. Leone is currently represented by WME.

About Cineverse

Cineverse is a global streaming technology and entertainment company with one of the world's largest portfolios of owned and operated streaming channels and streaming content libraries, all powered by its advanced, proprietary technology platform. Cineverse currently features enthusiast brands for subscription video on demand (SVOD), advertising-based video on demand (AVOD) and free, ad-supported streaming television (FAST) channels. Cineverse entertains consumers around the globe by providing premium feature film and television series, enthusiast streaming channels and technology services to some of the world's largest media, retail and technology companies. For more information, please visit **www.cineverse.com**.

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