



Chicken Soup for the Soul Entertainment Acquires APlus.com

January 2, 2019

Simplified Structure Expected to Increase EBITDA by \$5 million in 2019

COS COB, Conn., Jan. 02, 2019 (GLOBE NEWSWIRE) -- Chicken Soup for the Soul Entertainment, Inc. ("CSS Entertainment") (Nasdaq: CSSE), a growing media company building online video on-demand ("VOD") networks that provide positive and entertaining video content for all screens, today announced the acquisition of APlus.com ("A Plus"), the digital media company co-founded and chaired by Ashton Kutcher for \$15 million in cash and stock.

"Our historic relationship with A Plus has greatly benefited our company as we used A Plus's ability to generate video views to help attract major advertisers to sponsor our television series. As we ramp up series production, we expect to rely even more heavily on the A Plus distribution capability," said William J. Rouhana, Jr., chairman and chief executive officer. "By eliminating video view distribution costs, this acquisition is expected to result in \$5 million of cost savings in 2019 and will enhance our ability to increase the commitments we make to advertisers and increase our number of original series."

Ashton Kutcher received shares for his portion of the company, increasing his stake in CSS Entertainment. Ashton Kutcher, co-founder and chairman of A Plus, commented, "The full integration of A Plus and CSS Entertainment makes perfect sense to further CSS Entertainment's content creation and distribution strategies." Mr. Kutcher continued, "I look forward to working with the team to continue to grow CSS Entertainment with A Plus as a wholly-owned part of the company."

A Plus was co-founded in 2014 by Ashton Kutcher and majority ownership was acquired by Chicken Soup for the Soul, LLC ("CSS"), a parent company of CSS Entertainment in 2016. A Plus is a social and mobile-first platform that specializes in positive journalism and delivers video stories that bring people together. A Plus had 4.8 billion video views in the last year and increased social media followers by 50% to 2.9 million.

As part of the agreement, CSS Entertainment acquired all the outstanding shares of common stock of A Plus from the holders thereof, including Mr. Kutcher and CSS in consideration for approximately 350,000 shares of CSS Entertainment stock and cash. The cash portion of the transaction was offset by the elimination of approximately \$3.3 million in advances owed by A Plus to CSS Entertainment, and all open amounts under the intercompany cash management system. Any excess amount that may be due to CSS will be deferred and will be carried in the intercompany cash management system until amortized in accordance with prior practice. Additional details of the transaction are set forth in a periodic report on Form 8-K relating to the transaction that was filed on December 31, 2018.

"The net result of this transaction is the elimination of current liabilities and intercompany transactions, offsetting any cash considerations," added Mr. Rouhana. "We have streamlined our corporate structure and stand to fully benefit from the tremendous distribution reach that A Plus adds. In addition, we have deepened our longstanding and mutually beneficial relationship with Ashton Kutcher."

ABOUT CHICKEN SOUP FOR THE SOUL ENTERTAINMENT

Chicken Soup for the Soul Entertainment, Inc. is a growing media company building online video on-demand ("VOD") networks that provide positive and entertaining video content for all screens. The company also curates, produces and distributes long- and short-form video content that brings out the best of the human spirit, and distributes online content through its wholly-owned affiliate, A Plus. The company is aggressively growing its business through a combination of organic growth, licensing and distribution arrangements, acquisitions, and strategic relationships. The company is also expanding its partnerships with sponsors, television networks and independent producers. The company's subsidiary, Screen Media, is a leading global independent television and film distribution company that owns one of the largest independently owned television and film libraries. The company also owns Popcornflix®, a popular online advertiser-supported VOD ("AVOD") network and Pivotshare, a leading subscription-based VOD ("SVOD") platform. Chicken Soup for the Soul Entertainment is a subsidiary of Chicken Soup for the Soul, LLC.

ABOUT A PLUS

A Plus, a Chicken Soup for the Soul Entertainment company (Nasdaq: CSSE), is a digital media company devoted to delivering positive journalism to its readers. Its growth to hundreds of millions of monthly content views has been powered by a dynamic combination of proprietary technology and commitment to high-quality, empathetic storytelling. A Plus aims to challenge the status quo in media by focusing its content mission on positivity and social change.

FORWARD-LOOKING STATEMENTS

This press release includes forward-looking statements that involve risks and uncertainties. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks (including those set forth in the offering circular) and uncertainties which could cause actual results to differ from the forward-looking statements. The company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the company's expectations with respect thereto.

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