

# **CINEPLEX INC.**

## **INVESTOR PRESENTATION**

### **SECOND QUARTER 2023**

## FORWARD LOOKING STATEMENTS

This presentation contains, and our officers and representatives may from time to time make, forward-looking statements within the meaning of applicable securities laws. These forward-looking statements may include, among others, statements with respect to Cineplex's objectives and goals, and strategies to achieve such objectives and goals, as well as statements with respect to Cineplex's beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may", "will", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and "continue" (or the negative thereof), and words and expressions of similar import, are intended to identify forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, including those described in Cineplex's Annual Information Form ("AIF") and Management's Discussion and Analysis for the year ended December 31, 2022 and for the six months ended June 30, 2023 (collectively, the "MD&A"). These risks and uncertainties, both general and specific, give rise to the possibility that predictions, forecasts, projections and other forward-looking statements will not be achieved. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Cineplex cautions readers not to place undue reliance on these statements, as a number of important factors, many of which are beyond Cineplex's control, could cause actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. Additional information about factors that may cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the "Risks and Uncertainties" section of Cineplex's MD&A.

Cineplex does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable Canadian securities law. Additionally, Cineplex undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Cineplex, its financial or operating results or its securities.

# OVERVIEW



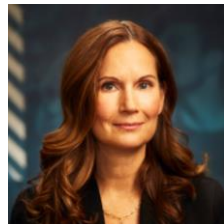
# STRONG MANAGEMENT TEAM THAT HAS OVERSEEN THE GROWTH OF THE BUSINESS



**Ellis Jacob**

*President and Chief Executive Officer*

- Assumed position in 2003; previously served as CEO and co-founder of Galaxy Entertainment Inc.
- Received the Order of Canada, the Order of Ontario, Canada's Most Innovative CEO, Canada's Most Admired CEO, ICTA Global Cinema Innovation Award, and the 2022 NATO Marquee Award
- 35+ years of industry experience



**Sara Moore**

*EVP and Chief Marketing Officer*



**Scott Hughes**

*EVP and Chief Digital and Technology Officer*



**Dan McGrath**

*Chief Operating Officer*

- Assumed position in 2011; previously served as Executive Vice President
- Director at Scene+, the Movie Theatre Association of Canada, and Canada's Walk of Fame
- 30+ years of industry experience



**Kevin Watts**

*EVP, Exhibition and LBE*



**Thomas Santram**

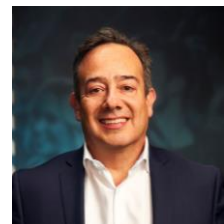
*SVP, General Counsel and LBE*



**Gord Nelson**

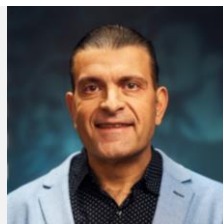
*Chief Financial Officer*

- Appointed Chief Financial Officer in 2004
- Named Canada's CFO of the Year for 2016
- Received Fellowship Designation from the Chartered Professional Accountants (CPA) Ontario in 2021
- Director at Scene+
- 30+ years of industry experience



**Fab Stanghieri**

*EVP and Managing Director, Media*



**John Kolliniatis**

*SVP & General Manager, P1AG*

Highly experienced management team with over 150 years of combined industry experience



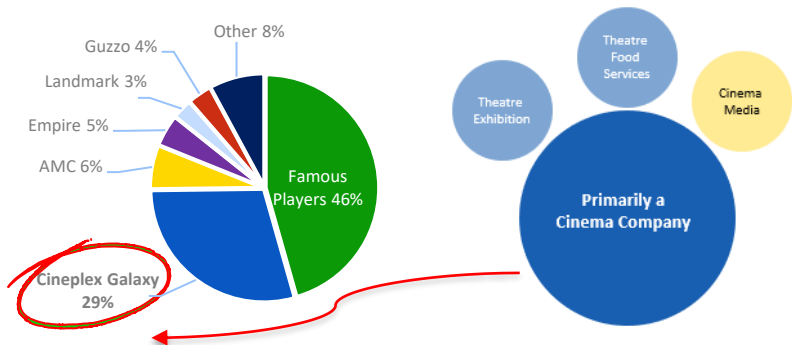
# DISCIPLINED STRATEGY TO CREATE A DIVERSIFIED BUSINESS

## Pure Play Theatre and Cinema Media Company

**1** (2003 – 2012)

Build market share in the theatrical exhibition market and established a national presence in Canada

BOX OFFICE MARKET SHARE<sup>(1)</sup>  
FOR FULL YEAR ENDED DECEMBER 31, 2003

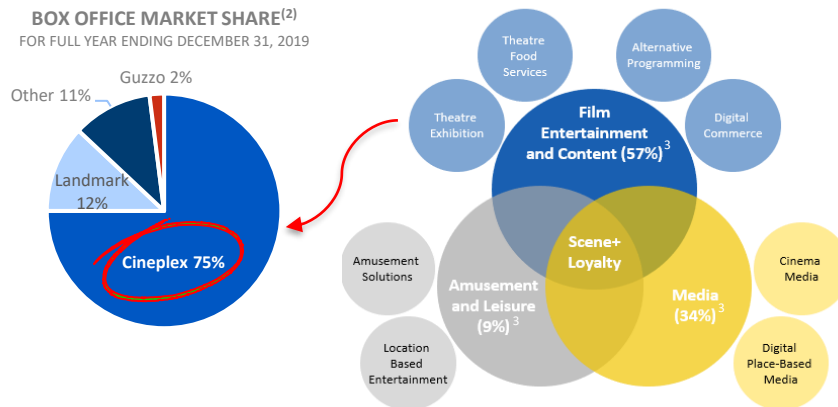


## Diversified Entertainment and Media Company

**2** (2012 – Present)

Extend off core competencies and market position to create a diversified entertainment and media company

BOX OFFICE MARKET SHARE<sup>(2)</sup>  
FOR FULL YEAR ENDING DECEMBER 31, 2019



Following a strategic focus centered around strengthening market position in the exhibition business, current management has executed on its strategic plan and transformed Cineplex into a leading and diversified Media & Entertainment Company. Cineplex is the **LARGEST** motion picture exhibition company in Canada.

1. Source: A.C. Nielson EDI Data  
 2. Source: Rentrak  
 3. Percentages represent 2019 adjusted EBITDAal (excl. Corporate & Other) split by division



# DIVERSIFIED BUSINESS SEGMENTS

## FILM ENTERTAINMENT & CONTENT



- Includes Theatre Exhibition, Theatre Food Service, Alternative Programming, Digital Commerce
- Cineplex is the largest motion picture company in Canada and operates 1,600+ screens in 157 theatres
- ~75% market share in Canada
- 2019 Revenue: \$1.2 billion

## MEDIA



- Includes in-theatre advertising (Cineplex Media) and a digital place-based media business (Cineplex Digital Media) that operates in four key verticals: quick service restaurants, retail, financial and digital-out-of-home
- 2019 Revenue: \$196 million

## AMUSEMENT & LEISURE



- Includes Amusement Solutions (P1AG) and Location-Based Entertainment (LBE) venues under brand names *The Rec Room* and *Playdium*
- Cineplex operates 13 LBE locations across Canada
- 2019 Revenue: \$257 million

## LOYALTY & MARKETING

- Includes Canada's leading loyalty program, Scene+, which has over 13 million members
- Cineplex's entertainment subscription program, CineClub, has over 115,000 members and was the first of its kind launched in Canada







# MAJOR FILM RELEASES HAVE PERFORMED BETTER THAN PRE-COVID LEVELS...

FILM	TOTAL DOMESTIC BOX OFFICE	TOTAL WORLDWIDE BOX OFFICE	ACCOLADES
 <p><b><i>Top Gun: Maverick</i></b> May 2022</p>	\$719mm	\$1,479mm	<ul style="list-style-type: none"> <li>• Highest grossing domestic Paramount film ever, and Tom Cruise's most successful film to date</li> <li>• 5<sup>th</sup> highest grossing film ever in North America</li> </ul>
 <p><b><i>Avatar: The Way of Water</i></b> December 2022</p>	\$684mm	\$2,320mm	<ul style="list-style-type: none"> <li>• 2<sup>nd</sup> highest 20<sup>th</sup> Century Fox film all time behind its predecessor, <i>Avatar</i></li> <li>• 3<sup>rd</sup> highest grossing film all-time globally</li> </ul>
 <p><b><i>The Super Mario Bros. Movie</i></b> April 2023</p>	\$574mm	\$1,355mm	<ul style="list-style-type: none"> <li>• 2<sup>nd</sup> highest grossing animation film in North America</li> <li>• Top 5 family movies of all time globally</li> </ul>
 <p><b><i>Barbie</i></b> July 2023</p>	\$366mm	\$789mm	<ul style="list-style-type: none"> <li>• 2<sup>nd</sup> highest grossing comedy film of all time and counting</li> <li>• Highest grossing opening weekend from a female director</li> </ul>

Source: Box Office Mojo, The Numbers, and Forbes as of August 2, 2023

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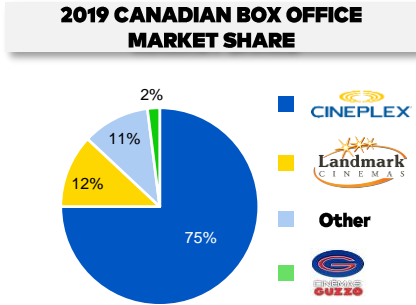




# THEATRE EXHIBITION

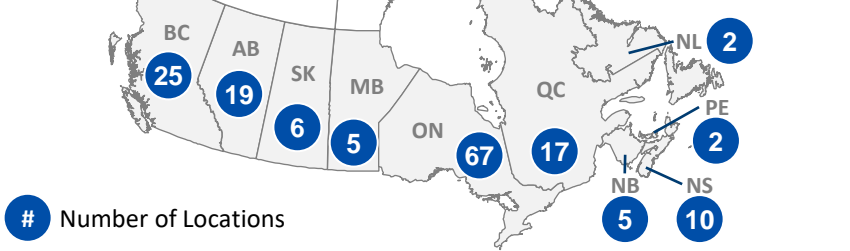
## Segment Overview

- Operates modern multiplex theatres in major metropolitan and mid-sized markets
- Offers multiple premium experiences for movie-lovers
- During Q2 2023 year to date, premium theatre formats made up **47.8%** of box office revenues



## Location Overview

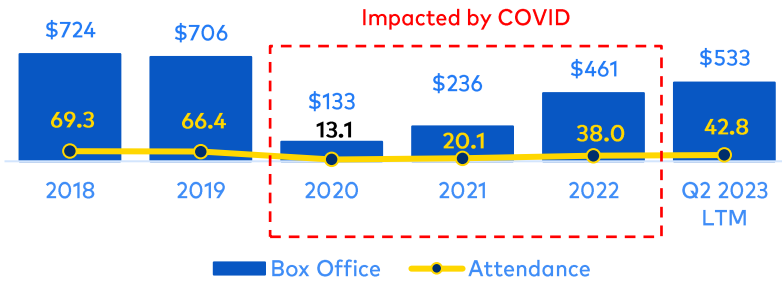
Operates 1,631 screens in 158 theatres across Canada



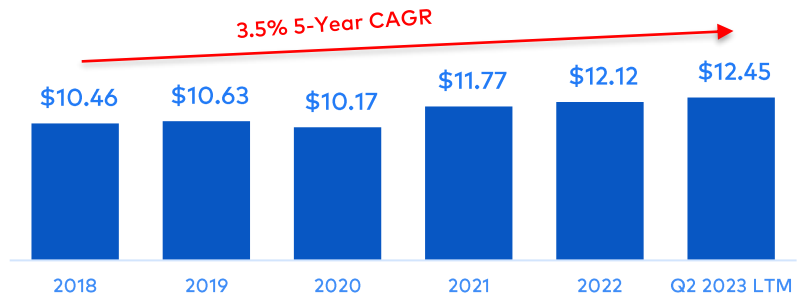
# Number of Locations

Note: as of June 30, 2023

## Box Office Revenue (\$M)



## Box Office per Patron (\$)



# THEATRE EXHIBITION



<b>Screens<sup>1</sup></b>	809	96	25	99	101	7	15	5	292
<b>Locations<sup>1</sup></b>	157	80	25	25	88	7	15	5	35
<b>Premium Pricing</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Reserved Seating</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Features</b>	<ul style="list-style-type: none"> <li>▪ Highly-sophisticated screens, capable of playing 2D and 3D pictures</li> <li>▪ Wall-to-wall screens</li> <li>▪ Dolby ATMOS surround sound at most locations</li> <li>▪ Extra-wide, high back, rocker seats</li> <li>▪ Immersive movie experience</li> <li>▪ Crystal-clear images</li> <li>▪ Giant screens</li> <li>▪ Powerful digital surround sound</li> <li>▪ Enhanced food and beverage menu</li> <li>▪ Adult-only licensed auditoriums</li> <li>▪ Reserved luxury seating</li> <li>▪ Exceptional service at your seat</li> <li>▪ Exclusive licensed lounge</li> <li>▪ Seats move in synchronization with the action on screen</li> <li>▪ Specially designed motion seats set in pods of four and synchronized to on-screen action</li> <li>▪ Environmental effects like wind, mist, bubbles and more</li> <li>▪ 270-degree, panoramic movie-watching experience</li> <li>▪ Colorful décor and playful seating</li> <li>▪ A selection of family-friendly films and an indoor play structure where kids can climb, slide and explore</li> <li>▪ In-auditorium food service</li> <li>▪ Luxury recliners with powered footrests</li> </ul>								



FILM ENTERTAINMENT & CONTENT  
**THEATRE FOOD SERVICE**



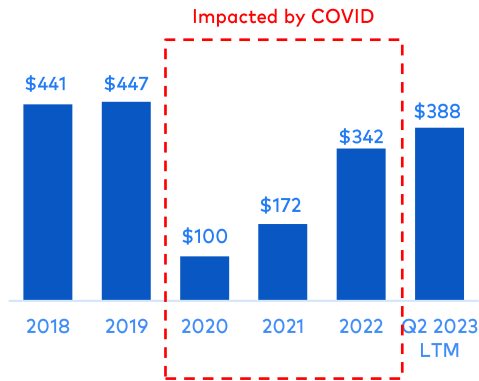
Note: Food service revenue from LBE and delivery is not included in the CPP calculation.

**Segment Overview**

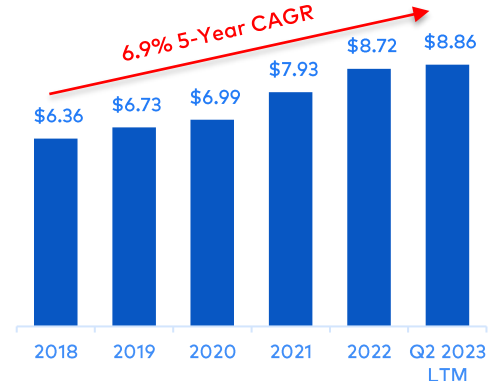
- Highly diversified product offering consisting core concessions in addition to expanded offerings through proprietary and third-party brands
- Alcohol offered at **103 locations**
- Home delivery service offered at **143 locations**
- Integrated Scene+ offers with targeted promotions to drive sales



**Theatre Food Revenue (\$M)**



**Concession per Patron<sup>(1)</sup> (\$)**



# ALTERNATIVE PROGRAMMING & DIGITAL COMMERCE

## Alternative Programming



- International content
- Classic Film Series
- Anime Features
- In the Gallery Series
- National Theatre Live & Stratford Stage Productions
- Major Sporting Events at Cineplex
- The Met: Live in HD

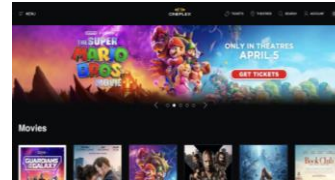


- Cineplex Pictures is an expansion of Cineplex's distribution business
- Lionsgate entered into strategic collaboration with Cineplex Pictures for Canadian Distribution of 11 titles in 2023, including: *John Wick: Chapter 4*; *Are you There God? It's Me, Margaret*; and *Hunger Games: The Ballad of Songbirds and Snakes*



## Digital Commerce

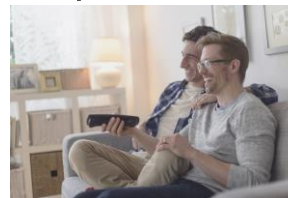
### Cineplex.com



### Mobile App



### Cineplex Store



- Improves the guest experience by providing:
  - Movie showtimes and information
  - Online and mobile ticketing
  - Mobile food ordering at VIP Cinemas
- Premier destination for Canadians to buy, rent and download digital movies and allows for at home and on-the-go viewing



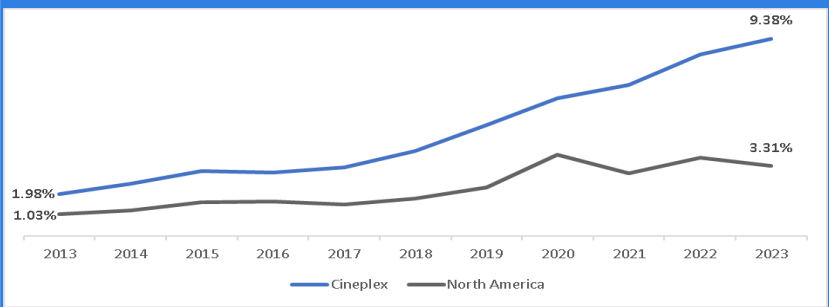
# ALTERNATIVE PROGRAMMING – INTERNATIONAL PROGRAMMING

Cineplex consistently outperforms the North American industry in international cinema due to its data and analytics capabilities coupled with its strong relationships with international content suppliers.









## Overview

- Cineplex has developed a focused, data-driven strategy to deliver international content, which typically does not find a home in the traditional national-chain multiplex
- Cineplex derived ~7% of its box office revenues from international content year to date Q2 2023 as compared to ~2% for the North American industry

## International Product as a % of Box Office Revenue



## Select International Films by N.A. Market Share

			
<b>Kali Jotta</b> 83%	<b>Chhalla Mud Ke Nahi Aaya</b> 80%	<b>Jodi</b> 80%	<b>Chal Mera Putt 2</b> 77%
			
<b>Honsla Rakh</b> 71%	<b>Drishyam 2</b> 49%	<b>K.G.F: Chapter 2</b> 45%	<b>Pathaan</b> 31%

North American Market Share: % = Cineplex



## Segment Overview

Cineplex Media unlocks access to premium entertainment & leisure audiences, at the height of engagement to the end of their physical or digital customer journey.

**Extensive portfolio of media assets including:**

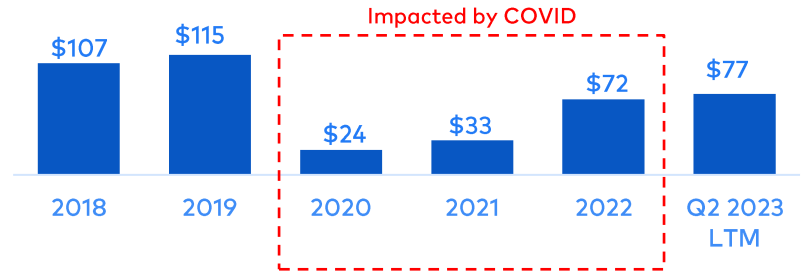
- **In-Cinema:**
  - On-screen advertising (Pre-show, Showtime, & VIP)
  - Digital Lobby: Digital Posters and Lobby Show
  - Cineplex.com and Cineplex App advertising
  - Sponsorships & Experiential Activations
- **Location Based Entertainment Destinations:**
  - Digital Posters, Sponsorships & Activations
- **National footprint of represented shopping destinations:**
  - Over 80 shopping mall and urban pathways, including 5 of the top 10 busiest malls in Canada
  - Digital Posters, Large Format Digital, Sponsorships



## Media Asset Coverage



## Revenues (\$M)



# CINEPLEX DIGITAL MEDIA (CDM)



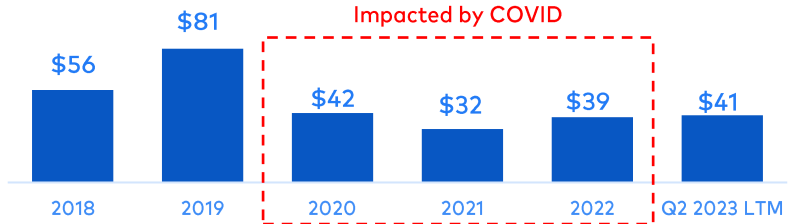
## Segment Overview

- Full service, digital place-based ecosystem based on experiential technologies
- **Contractual exclusive relationships** with leading malls and concourses
- Primarily service quick service restaurants, financial, retail and shopping mall & concourse clients

<p><b>Digital Out of Home</b></p>	<p><b>Quick Service Restaurants</b></p>
<p><b>Financial</b></p>	<p><b>Retail</b></p>



## Revenues (\$M)





# LOCATION-BASED ENTERTAINMENT (LBE)

## Segment Overview



- Amusement gaming, live entertainment, feature attractions and dining experiences
- Large gaming and attractions area, bar, live entertainment and upscale casual dining
- Target: Millennials, GenX with kids, and corporate groups
- 2 locations estimated to open in 2024

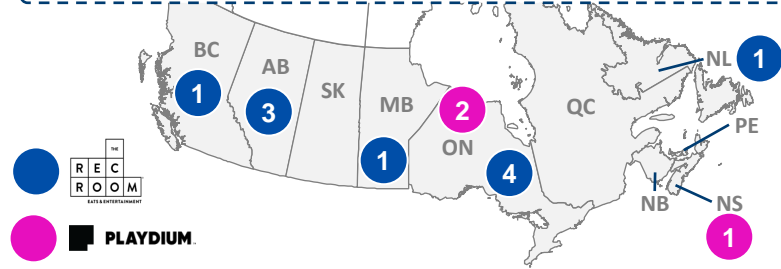


- Large entertainment complexes in mid-sized communities across Canada
- Large game floors, active attractions, fun and playful food
- Target: Teens, their friends and families and groups
- Currently operating 3 locations across Canada



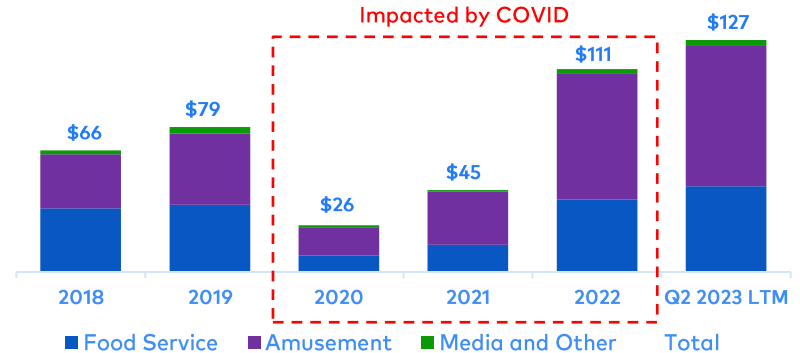
## Location Overview

Operates 13 locations across Canada



Note: as of June 30, 2023

## Revenues (\$M)



# PLAYER ONE AMUSEMENT GROUP (P1AG)

## Segment Overview

P1AG provides end-to-end amusement solutions for businesses of all sizes in North America through two segments:

### Route Operations

- Operator of amusement and vending equipment under revenue share model
- Recurring high margin revenues
- Real-time reporting capabilities
- Turnkey customizable solutions

### Sales & Distribution

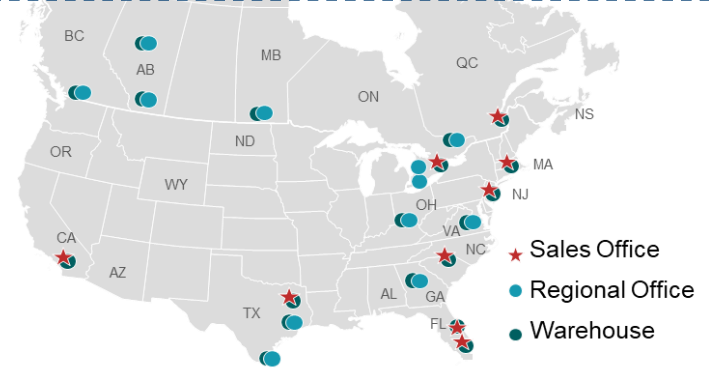
- Sale of the latest, top earning amusement and vending equipment
- “Sticky” customer base
- After-sales support: merchandising, parts, game rotation and installation

### Select Customers

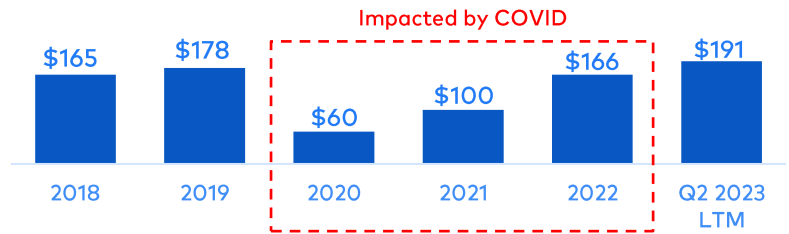
Route Operations			
Sales & Distribution			

## Location Overview

Coast-to-coast coverage across Canada and the U.S.



## Revenues (\$M)

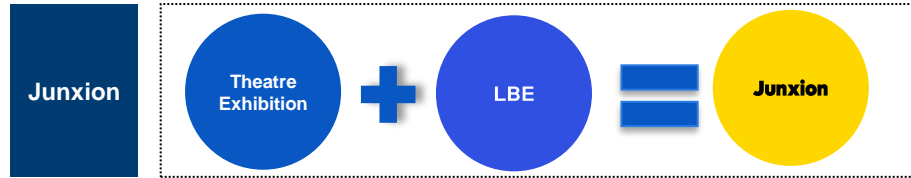


# JUNXION: INNOVATION & OPTIMIZATION

**Cineplex's immersive Junxion concept provides a one-stop shop entertainment experience that maximizes revenue-per-square-foot**



- First Cineplex Junxion location opened in December 2022 in Winnipeg, Manitoba.
- Second location opened in May 2023 in Mississauga, Ontario.



## THE COMPLETE NIGHT OUT



Social



Live Entertainment



Movie Theatre



Food & Beverage



Amusement  
Gaming

# SCENE+ LOYALTY PROGRAM

The expanded Scene+ partnership increases program **ENGAGEMENT** and access to **NON-MOVIEGOERS**

**SCENE**<sup>™</sup>

Scene<sup>™</sup>

Entertainment Loyalty Program

2007

The SCENE loyalty program commenced in 2007 with Cineplex and Scotiabank each owning a 50% interest in the program.

  
**Scotiabank**

2020

In December 2020, Cineplex entered into an agreement with Scotiabank to enhance and expand the SCENE loyalty program in combining with Scotia Rewards.

In conjunction with this agreement, Cineplex reduced its interest in the program from 50% to 33.3% for \$60 million.

Lifestyle Loyalty Program

2022

In December 2021, SCENE and Scotia Rewards merged, and SCENE became Scene+.

In August 2022, Empire Company Limited become co-owners, along with Cineplex and Scotiabank, with each party owning 1/3<sup>rd</sup> of Scene+.

Expand grocery category across all Empire banners.

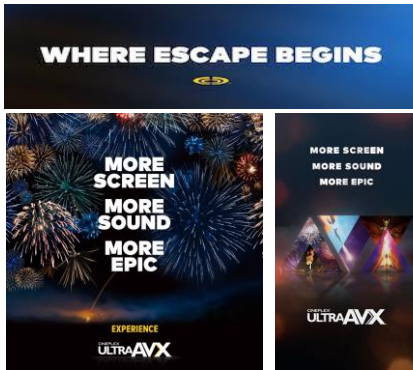
  
**Scotiabank**  
empire<sup>®</sup>  
COMPANY LIMITED

Canada's leading lifestyle loyalty program with over **13 million** members

# MARKETING & LOYALTY

Cineplex has created a deeply resonant brand presence in Canada as a loved escape. We build on this guest sentiment with compelling products and rich guest insights which drive engagement and increase attendance and higher per-patron spend.

## BRAND WORK



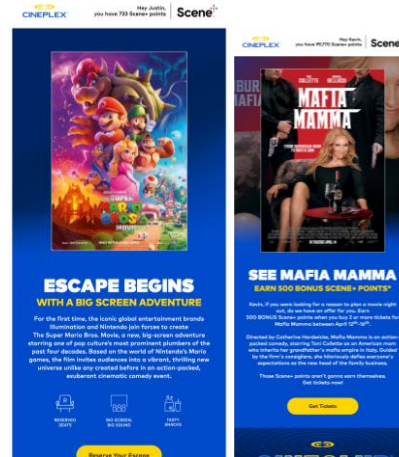
- Resonant Master Brand Platform
- Unique Premium Sub-brands to drive engagement

## CINECLUB



- 115k+ Members
- Drive attendance & frequency
- Increase spend across ecosystem
- Strong brand advocates and promoters

## PERSONALIZATION



- Targeted and personalized offers and platform experience
- Unique guest journeys across our eco system

## SCENE+



- Rich data eco-system to drive personalization
- Over 13 million SCENE+ members

# CAPITAL STRUCTURE AND ALLOCATION

## De-levering the Balance Sheet Remains A Focus

(\$M)	Maturity	Interest Rate	Capacity	Book Value	Face Value
Credit Facility	Nov 2024	6.40%	\$541	\$330	\$330
Notes Payable	Feb 2026	7.50%		\$247	\$250
<b>Total</b>				<b>\$577</b>	<b>\$580</b>
Convertible Debentures <sup>(1)</sup>	Sept 2025	5.75%		\$262	\$316



**Target Leverage Ratio  
of 2.5x to 3.0x**

- Immediately prior to the pandemic, the Company was operating at a covenant leverage ratio of 2.32x and has strong financial disciplines and focus on de-levering over the near-term
- As the business continues to ramp up, we will continue to focus on reaching our target leverage ratio of 2.5x - 3.0x.
- 2023 net capex guidance of \$60 million
- Minimal cash taxes over the next two years due to non-capital losses available to utilize against future periods
- Financial covenant testing of the Total Leverage Ratio has been suspended from Q1 2023 through to and including Q3 2023

Note: as of June 30, 2023

(1) Conversion price of \$10.94



A group of five diverse people are seated around a dark wooden table in a restaurant or bar setting. They are all smiling and laughing, engaged in conversation. The background features a dark wood-paneled wall and a black leather tufted booth. The table is set with plates of food, including what appears to be a burger and fries, and several glasses of drinks. The overall atmosphere is warm and social.

**QUARTERLY HIGHLIGHTS &  
FINANCIAL RESULTS**



# HIGHLIGHTS OF SECOND QUARTER 2023 RESULTS



## Theatre Exhibition

- Outperformed North American box office recovery by 5% when comparing Q2 2023 to Q2 2019
- Premium format represented 46.6% of box office, a higher percentage than any exhibitor in North America



## Per Patron Spend

- Q2 record box office revenues per patron of \$12.84, up 4.5% from Q2 2022 and up 15.4% from Q2 2019
- Q2 record concession revenues per patron was \$9.21, up 4.2% from Q2 2022 and up 30.8% from Q2 2019



## Amusement & Leisure

- Reported all-time quarterly record revenue in P1AG and second quarter record revenue in LBE



## Media

- Media revenues increased 17% over Q1 2023



## Loyalty & Subscription

- CineClub program crossed 115,000 members in Q2 2023
- Over 13 million Scene+ members, representing one-third of the Canadian population and 15 years of history



## Profitability

- Generated a positive adjusted EBITDAaL of \$60.2 million compared to \$35.8 million in Q2 2022
- Delivered \$39.6 million of adjusted free cash flow compared to \$21.8 million in Q2 2022

\*Please refer to slides 32 & 33 for Non-GAAP and Other Financial Measure

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# SECOND QUARTER AND FULL YEAR FINANCIAL SUMMARY

IN MILLIONS OF DOLLARS, EXCEPT THEATRE ATTENDANCE IN THOUSANDS OF PATRONS, PER PATRON AMOUNTS, AND MARGINS

QUARTERLY RESULTS						ANNUAL RESULTS				
Q2 2019	Q2 2020	Q2 2021	Q2 2022	Q2 2023		2019	2020	2021	2022	Q2 2023 LTM
\$189	\$0	\$12	\$136	\$165	<b>Box Office</b>	\$706	\$133	\$236	\$461	\$533
\$130	\$3	\$13	\$111	\$131	<b>Food Service</b>	\$483	\$109	\$187	\$381	\$435
\$49	\$8	\$9	\$26	\$26	<b>Media</b>	\$197	\$65	\$65	\$112	\$118
\$58	\$4	\$22	\$66	\$77	<b>Amusement</b>	\$228	\$78	\$134	\$247	\$283
\$13	\$7	\$8	\$11	\$24	<b>Other</b>	\$51	\$34	\$34	\$68	\$85
<b>\$439</b>	<b>\$22</b>	<b>\$65</b>	<b>\$350</b>	<b>\$423</b>	<b>Total Revenue</b>	<b>\$1,665</b>	<b>\$418</b>	<b>\$657</b>	<b>\$1,269</b>	<b>\$1,454</b>
<b>\$19</b>	<b>(\$99)</b>	<b>(\$104)</b>	<b>\$1</b>	<b>\$177</b>	<b>Net Income (Loss)</b>	<b>\$29</b>	<b>(\$629)</b>	<b>(\$249)</b>	<b>\$0</b>	<b>\$187</b>
<b>\$114</b>	<b>(\$41)</b>	<b>(\$17)</b>	<b>\$78</b>	<b>\$102</b>	<b>Adjusted EBITDA*</b>	<b>\$406</b>	<b>(\$56)</b>	<b>\$60</b>	<b>\$252</b>	<b>302</b>
<b>\$70</b>	<b>(\$73)</b>	<b>(\$53)</b>	<b>\$36</b>	<b>\$60</b>	<b>Adjusted EBITDAaL*</b>	<b>\$231</b>	<b>(\$183)</b>	<b>(\$84)</b>	<b>\$82</b>	<b>\$132</b>
16.0%	-329.9%	-81.9%	10.2%	14.2%	<b>Adjusted EBITDAaL Margin*</b>	13.8%	-43.7%	-12.8%	6.4%	9.1%
4.4%	-449.9%	-159.7%	0.4%	41.7%	<b>Net Income (Loss) Margin</b>	1.7%	-150.4%	-37.9%	-%	12.9%
17,011	6	1,148	11,092	12,806	<b>Theatre Attendance*</b>	66,360	13,065	20,080	38,045	42,865
\$11.13	\$4.50	\$10.89	\$12.29	\$12.84	<b>BPP*</b>	\$10.63	\$10.17	\$11.77	\$12.12	\$12.43
\$7.04	\$10.33	\$7.86	\$8.84	\$9.21	<b>CPP*</b>	\$6.73	\$6.99	\$7.93	\$8.72	\$8.85








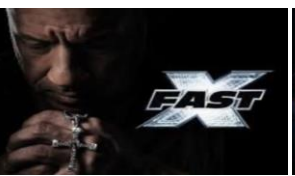














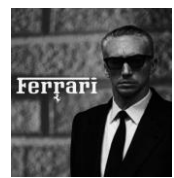

\*Please refer to slides 32 & 33 for Non-GAAP and Other Financial Measure

A man and a woman are shown from the chest up, smiling and looking towards the right side of the frame. They are in a dark environment with a strong blue light source from the upper right, creating a moody atmosphere. The man is on the left, wearing a dark blue button-down shirt. The woman is on the right, wearing a denim jacket over a white top. The text "A LOOK AHEAD" is overlaid in the center in a bold, white, sans-serif font.

**A LOOK AHEAD**

# 2023 FILM SLATE

Spill over from Dec 2022

Q1						
Q2						
Q3						
Q4						

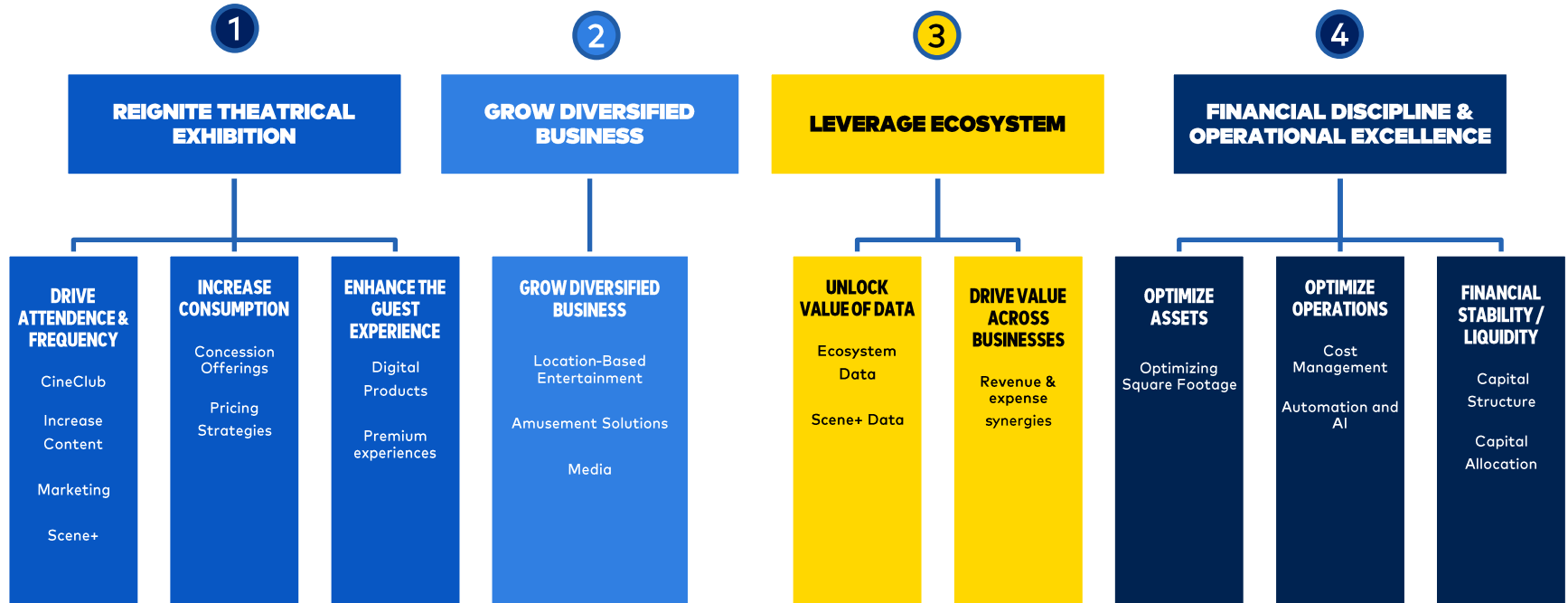
2023 expected to be a further year of recovery and improvement in content volume and box office

## EXCITING 2024 FILM SLATE AHEAD





# KEY GROWTH PRIORITIES



We will continue to advance growth initiatives and drive long-term value for our shareholders

# INVESTMENT HIGHLIGHTS

- 1 Leading box office market share and geographic diversity across Canada
- 2 Diversification of business and revenue streams
- 3 Focused and disciplined growth strategy
- 4 Pre-pandemic a strong cash flow generating business
- 5 Traditionally a defensive business and resilient to recessionary periods
- 6 Leading Canadian loyalty program and ecosystem touchpoints create meaningful data collection opportunities
- 7 Experienced management team



# **APPENDIX**

# YEAR OVER YEAR SEGMENTED FINANCIAL SUMMARY

IN MILLIONS OF DOLLARS

REVENUES						ADJUSTED EBITDAaL and MARGIN				
2019	2020	2021	2022	Q2 2023 LTM	OPERATING SEGMENT	2019	2020	2021	2022	Q2 2023 LTM
\$1,212	\$268	\$447	\$881	\$1,019	<b>Film Entertainment and Content</b>	\$179 14.8%	(\$146) -54.4%	(\$65) -14.5%	\$27 3.1%	\$68 6.7%
\$196	\$65	\$65	\$111	\$117	<b>Media</b>	\$106 54.3%	\$22 33.6%	\$28 42.5%	\$60 54.6%	\$64 54.3%
\$178	\$60	\$100	\$166	\$191	<b>Amusement Solutions</b>	\$22 12.2%	(\$11) -18.0%	\$9 8.7%	\$27 16.6%	\$36 19.0%
\$79	\$26	\$45	\$111	\$127	<b>Location-Based Entertainment*</b>	\$7 9.3%	(\$8) -32.0%	\$6 12.9%	\$31 28.2%	\$33 25.6%
\$-	\$-	\$-	\$-	\$-	<b>Corporate and Other</b>	(\$84) N/A	(\$40) N/A	(\$62) N/A	(\$64) N/A	(\$69) N/A
<b>\$1,665</b>	<b>\$418</b>	<b>\$657</b>	<b>\$1,269</b>	<b>\$1,454</b>	<b>Total</b>	<b>\$231</b> 13.8%	<b>(\$183)</b> -43.7%	<b>(\$84)</b> -12.8%	<b>\$82</b> 6.4%	<b>\$132</b> 9.1%

\*Adjusted EBITDAaL per Operating Segment note includes pre-opening costs and overhead relating to the management of Location-Based Entertainment  
Please refer to slides 32 & 33 for Non-GAAP and Other Financial Measure

# Non-GAAP Financial Measures

Management of Cineplex uses certain non-GAAP financial measures to evaluate performance. These measures are either comparable to similar measures presented by other issuers or are widely used in the theatre exhibition industry. For a detailed discussion of these non-GAAP financial measures, please refer to Cineplex's management's discussion and analysis filed on <https://www.sedarplus.ca/landingpage/>. Non-GAAP financial measures used in investor presentations included the following:

<b>EBITDA</b>	<b>EBITDA is calculated by adding back to net income, interest income and expense, income taxes, depreciation, and amortization.</b>
<b>Adjusted EBITDA</b>	<b>Adjusted EBITDA excludes the change in fair value of financial instrument, (gain)/loss on disposal of assets, foreign exchange, the equity income of CDCP, and impairment, depreciation, amortization, interest and taxes of Cineplex's other joint ventures and associates.</b>
<b>Adjusted EBITDAaL</b>	<b>Adjusted EBITDAaL modifies adjusted EBITDA to deduct current cash rent paid or payable related to lease obligations.</b>
<b>Adjusted Free Cash Flow</b>	<b>Adjusted free cash flow is calculated by adjusting cash provided by operating activities by total capital expenditures net of proceeds on sale of assets, changes in operating assets and liabilities, changes in operating assets and liabilities of joint ventures and associates, repayments of principal component of lease obligations, principal portion of cash rent paid not pertaining to current period, growth capital expenditures, share of income of joint ventures and associates net of non-cash depreciation.</b>
<b>Theatre Attendance</b>	<b>Theatre attendance is calculated as the total number of paying patrons that frequent Cineplex's theatres during the period.</b>
<b>BPP</b>	<b>Calculated as total box office revenues divided by total paid theatre attendance for the period.</b>
<b>BPP excluding premium priced product</b>	<b>Calculated as total box office revenues for the period, less box office revenues from 3D, UltraAVX, VIP, 4DX, ScreenX and IMAX product divided by total paid theatre attendance for the period less paid theatre attendance for 3D, UltraAVX, VIP, 4DX, ScreenX and IMAX product.</b>
<b>CPP</b>	<b>Calculated as total theatre food service revenues divided by total paid theatre attendance for the period.</b>
<b>Premium Priced Product</b>	<b>Defined as 3D, 4DX, UltraAVX, IMAX, ScreenX and VIP film product.</b>

# Non-GAAP Financial Measures

Theatre concession margin per patron	Calculated as total theatre food service revenues less total theatre food service cost, divided by theatre attendance for the period.
Same theatre metrics	Same theatre metrics are calculated by removing the results for all theatres that have been opened, acquired, closed or otherwise disposed of subsequent to the start of the prior year comparative period.
Film cost percentage	Calculated as total film cost expense divided by total box office revenues for the period.
Theatre concession cost percentage	Calculated as total theatre food service costs divided by total theatre food service revenues for the period.
LBE food cost percentage	Calculated as total LBE food costs divided by total LBE food service revenues for the period.
P1AG Adjusted EBITDAaL	Calculated as amusement revenues of P1AG less the total operating expenses of P1AG, which excludes foreign exchange.
P1AG Adjusted EBITDAaL Margin	Calculated as P1AG Adjusted EBITDAaL divided by total amusement revenues for P1AG for the period.
Adjusted Store Level EBITDAaL Metrics	Calculated as total LBE revenues from all locations less the total of operating expenses of LBE, which excludes pre-opening costs and overhead relating to the management of the LBE businesses.
Adjusted Store Level EBITDAaL Margin	Calculated as adjusted store level EBITDAaL divided by total revenues for LBE for the period.

# THANK YOU!

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## CONTACT

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