



# Kinopolis Group

## Business Update Q3 2021

### Regulatory release – 28 October 2021

#### Business update third quarter 2021

For the first time in a long time, almost all Kinopolis cinemas were open for a full quarter. Visitor numbers continued to increase in all countries over the course of the third quarter, with differences in pace depending on the film releases in each country and the local situation with regard to the Covid-19 pandemic.

Several blockbusters enjoyed a successful cinema release. 'Fast & Furious 9' and 'Black Widow', for example, scored well during the summer, with 'Dune', 'No Time to Die' and 'Venom: Let There Be Carnage' attracting both true film fans and the more occasional moviegoers to the big screen in recent weeks. Average revenue per visitor remained high in the third quarter.

The newly opened cinemas – i.e. Kinopolis Haarlem (NL), Leidschendam (NL), Tamarack Edmonton (CA) and Metz Waves (FR) – started successfully and Kinopolis is on track regarding the implementation of the previously announced Entrepreneurship and Star plans. The Group's liquidity also continued to progress positively.

#### Key figures<sup>1</sup> for the third quarter 2021<sup>2</sup>

- ★ Kinopolis welcomed **7.1 million visitors** in the third quarter, or **70.5%** of the visitors in the same period in 2019.
- ★ **Visitor-related revenue** grew faster than visitor numbers in all countries, thanks to higher sales per visitor.
- ★ **EBITDA** adjusted for leases (EBITDAL) was positive for every month in the third quarter, as was the **free cash flow** excluding working capital.
- ★ **Net profit** was positive thanks to the strong operating result.
- ★ The **net financial debt** excluding lease liabilities decreased from € 542.3 million to € 507.4 million compared to 30 June 2021.
- ★ In the third quarter, the financial headroom increased from € 141.9 million to € 176.9 million.

#### Important achievements

- ★ Festive **inauguration of Kinopolis Leidschendam (NL)** with the Dutch premiere of 'Dune'.
- ★ Introduction of '**Landmark Extras**', the new loyalty programme – including a subscription formula – in Canada.
- ★ Successful **premium event formulas** following the release of 'No Time to Die'.

<sup>1</sup> An explanatory glossary and APMs can be found on the investor relations website of Kinopolis Group.

<sup>2</sup> Figures from 1 July up to and including 30 September 2021.



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**Eddy Duquenne, CEO Kinopolis Group:** "I'm proud of the smoothness and speed with which we have restarted. Thanks in part to the implementation of our Entrepreneurship and Star plans, both the financial result and the financial strength of the company are also recovering. Blockbusters such as 'Dune', 'No Time to Die' and 'Venom: Let There Be Carnage' are very successful right now, against a background of a pandemic that has not yet disappeared from society and is still impacting our activities."

#### Notes

In the third quarter, Kinopolis welcomed 70.5% of the visitors welcomed in the same period in 2019. The visitor trend evolved positively month after month. This upward trend continued in October, thanks in part to the success of 'No Time to Die'.

The measures to prevent the spread of the Covid-19 virus differ in each country. The restrictions have been further relaxed in each country in recent months, with or without the introduction of the Covid Pass. The use of the Covid Pass is currently mandatory in France, the Netherlands, Luxembourg, Canada, Brussels and soon also in the rest of Belgium.

The top 5 in the third quarter of 2021 were "Fast & Furious 9", "Black Widow", "Shang-Chi and the Legend of the Ten Rings", "Free Guy" and "Jungle Cruise". The most successful local films were 'K3: Dans van de Farao' in Flanders, 'Kaamelott - Premier Volet', 'BAC Nord' and 'OSS 117: Alerte rouge en Afrique noire' in France and Wallonia, 'Luizenmoeder - De Film', 'De Nog Grotere Slijmfilm' and 'De Slag om de Schelde' in the Netherlands, and '¡A Todo Tren! Destino Asturias' and 'Operación Camarón' in Spain.

Visitors (in millions)	Belgium	France	Canada	Spain	The Netherlands	United States	Luxembourg	Switzerland	Total
Number of cinemas*	11	14	40	8	20	10	3	1	107
YTD Q3 2021	1,72	1,62	1,72	1,46	1,24	1,25	0,23	0,03	9,26
YTD Q3 2020	2,11	1,83	2,41	1,32	1,63	0,98	0,24	0,03	10,55
YTD Q3 2021 vs YTD Q3 2020	-18,3%	-11,7%	-28,9%	10,6%	-23,9%	28,0%	-7,0%	-3,3%	-12,3%

Visitors (in millions)	Belgium	France	Canada	Spain	The Netherlands	United States	Luxembourg	Switzerland	Total
Number of cinemas*	11	14	40	8	20	10	3	1	107
Q3 2021	1,49	1,25	1,49	0,97	1,05	0,67	0,13	0,02	7,07
Q3 2020	0,50	0,54	0,42	0,39	0,50		0,06	0,01	2,41
Q3 2021 vs Q3 2020	199,8%	133,5%	251,9%	146,8%	111,6%		115,3%	200,0%	193,1%

\* Operated by Kinopolis. In addition, one cinema (in Poland) is leased to third parties.  
Number of cinemas at 30/09/2021

Visitor-related revenue increased stronger than visitor numbers. Revenue from ticket sales (Box Office), as well as revenue from the sale of drinks and snacks (In-theatre Sales), showed an increase per visitor. ITS revenue per visitor increased thanks to more visitors in the shop and also due to more products being bought per visitor.



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Revenue from almost all other business lines, including revenue from **B2B activities and screen advertising**, increased compared to the same period in 2020, given the limited activity in 2020.

Only the revenue from real estate activities decreased, due to rent concessions to hospitality partners.

The positive **EBITDA** of the third quarter also delivered a strong total EBITDA since the start of the year (YTD). The operating result adjusted for leases (EBITDAL) was also positive in the third quarter, thanks to increased visitor numbers and higher consumption, combined with the efficiency and cost measures that were implemented.

Free cash flow at the end of the third quarter amounted to € 37.3 million.

An amount of € 4.5 million was invested in external expansion in the third quarter.

The net financial debt excluding lease liabilities decreased from € 542.3 million to € 507.4 million compared to 30 June 2021, thanks to the positive free cash flow.

### Important events since 1 July 2021

#### Inauguration of Kinopolis Leidschendam in the 'Westfield Mall of the Netherlands'

Together with the reopening of the Dutch cinemas on 5 June, the brand new Kinopolis cinema in the 'Westfield Mall of the Netherlands' shopping centre in Leidschendam also opened its doors. The cinema was inaugurated on 13 September with the Dutch premiere of 'Dune'.

The 'Westfield Mall of the Netherlands' is a project by Unibail-Rodamco-Westfield, in which the Leidsenhage shopping centre was transformed into the largest shopping centre in the Netherlands. Kinopolis Leidschendam has 11 screens, and Kinopolis expects to welcome around 500,000 visitors per year. The International Cinema Technology Association (ICTA) honoured the brand new cinema with the award for 'Best New-Build of the Year', a great recognition for the teams involved.

#### Closure and sale of small Canadian cinemas

Kinopolis decided to close a few Canadian cinemas, each with only one or two screens, as the maintenance investments required were disproportionate to the contribution of these cinemas to the turnover development of the Group. Specifically, it concerns two leased Landmark cinemas, Dawson Creek (BC) and Airdrie (Alberta), and four owned Landmark cinemas, namely Yorkton (Saskatchewan), Selkirk (Manitoba) and the two cinemas located in the Yukon province. The owned cinemas were all sold at the end of the summer.

#### Launch of Landmark Extras

Landmark Cinemas introduced a brand new loyalty program in September, under the name 'Landmark Extras'. These are three different formulas that enable customers to collect points with every purchase and to be rewarded with 'extras'. The 'Movie Club' is a subscription formula in which the customer pays CAD 9.99 per month for a package of benefits, including one free movie visit per month. More information can be found on [www.landmarkextras.com](http://www.landmarkextras.com).



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### James Bond VIP Experience

On 30 September, the Belgian release date for 'No Time to Die', Kinopolis organised a James Bond 'VIP experience' in the Laser ULTRA auditoriums of its Belgian cinemas. Attendees received a VIP welcome with a photo opportunity, champagne, a goodie bag and drinks and snacks. Dressed in their most glamorous outfits, guests were able to enjoy Daniel Craig's final performance as Agent 007 in style. A special formula was also developed in France to mark the release: the 'Séance Super Fan', an evening dedicated to the new James Bond film, with various animations and goodies.

### Discovery Day in French Kinopolis cinemas

On 2 October, Kinopolis France organised the fourth edition of the Kinopolis Discovery Day. In 9 cinema complexes, visitors were able to discover the films being offered over the coming months by watching a free trailer show with additional animation. The event could also be followed remotely via a live stream.

### Line-up for second half of 2021

The most popular films at the moment are 'No Time to Die', 'Venom: Let There Be Carnage', 'Dune' and 'The Last Duel'. The following blockbusters are due to hit cinemas in the next few months: 'Eternals', 'The Addams Family 2', 'Ghostbusters: Afterlife', 'House of Gucci', 'Spider-Man: No Way Home', 'West Side Story', 'The King's Man', 'Encanto' and 'Sing 2'. The local film programme includes, among others, 'Red Sandra' and 'Nachtwacht 3' in Flanders, 'Soof 3' and 'Bon Bini Holland 3' in the Netherlands, 'Les Tuches' and 'Aline' in France and 'La Familia Perfecta' and 'Mamá o Papá' in Spain. Live opera and ballet will be complemented by art, sports and concerts.

### Financial calendar

Thursday, 17 February 2022  
Thursday, 28 April 2022  
Wednesday, 11 May 2022

Annual results 2021  
Business update first quarter 2022  
General Meeting

### Contact

Kinopolis Press Office  
+32 (0)9 241 00 16  
[pressoffice@kinopolis.com](mailto:pressoffice@kinopolis.com)

Kinopolis Investor Relations  
+32 (0)9 241 00 22  
[investor-relations@kinopolis.com](mailto:investor-relations@kinopolis.com)

### About Kinopolis

Kinopolis Group NV was formed in 1997 as a result of the merger of two family-run cinema groups and was listed on the stock exchange in 1998. Kinopolis offers an innovative cinema concept which serves as a pioneering model within the industry. In addition to its cinema business, the Group is also active in film distribution, event organization, screen publicity and property management.

In Europe, Kinopolis Group NV has 58 cinemas spread across Belgium, the Netherlands, France, Spain, Luxembourg, Switzerland and Poland. Since the acquisition of Canadian movie theatre group Landmark Cinemas and American movie theatre group MJR Digital Cinemas, Kinopolis also operates 40 cinemas in Canada and 10 in the US.



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In total, Kinopolis Group currently operates 108 cinemas worldwide, with a total of 1,097 screens and almost 200,000 seats. Kinopolis' employees are all committed to giving millions of visitors an unforgettable movie experience. More information on [www.kinopolis.com/corporate](http://www.kinopolis.com/corporate).