

Kinepolis Group

Results 2022

Roadshow

March, 2023

KINEPOLIS GROUP





Business review 2022

CEO, Mr. Eddy Duquenne

KINEPOLIS GROUP



- ❑ **72,7% of 2019 attendance in 2022 (+70,7% vs 2021), resulting in 90,6% of 2019 revenue**
 - Q1 still impacted by restrictive measures and closures
 - Film calendar continues to be impacted (less Hollywood releases in 2022)
 - 2023 will still be a transition year in terms of content

- ❑ **Sales per visitor remain record high**, resulting in a faster recovery of turnover vs visitor numbers

- ❑ High **demand for premium movie experiences**

- ❑ Kinepolis gains in **profitability** and **financial strength**, thanks to the contribution of the Entrepreneurship plan, yearly budget exercise and expansion

- ❑ Strategic pillars
 - Best Marketer
 - Best Cinema Operator
 - Best Real Estate Manager

- ❑ Opening Kinopolis Metz Amphithéâtre (FR)

- ❑ Acquisition of cinemas in Barcelona, Marbella (ES) and Amnéville (FR)

- ❑ Roll-out of Kinopolis concepts in Canada and US
 - Premiere Seats (CA)
 - Laser ULTRA (CA, US)
 - VIP Seats (US)

- ❑ Acceleration laser transition (circa 220 installations in 2022)

- ❑ Launch Movie Club loyalty formula, further roll-out CINE K, ...



NEW BUILDS OPENED IN 2022



Kinepolis Metz
Amphithéâtre



ACQUISITIONS IN 2022



Kinepolis Mataró (Barcelona)



Kinepolis La Cañada (Marbella)



ACQUISITIONS IN 2022



Gaumont Amnéville (FR)



DIVIDEND PAYMENT

□ 2022:

- Based on Net Income: € 27,5 m
- # Dividend eligible shares: 26 967 801*
- € 0,26* gross dividend per share

* Calculation based on number of treasury shares as at 13/02/2023

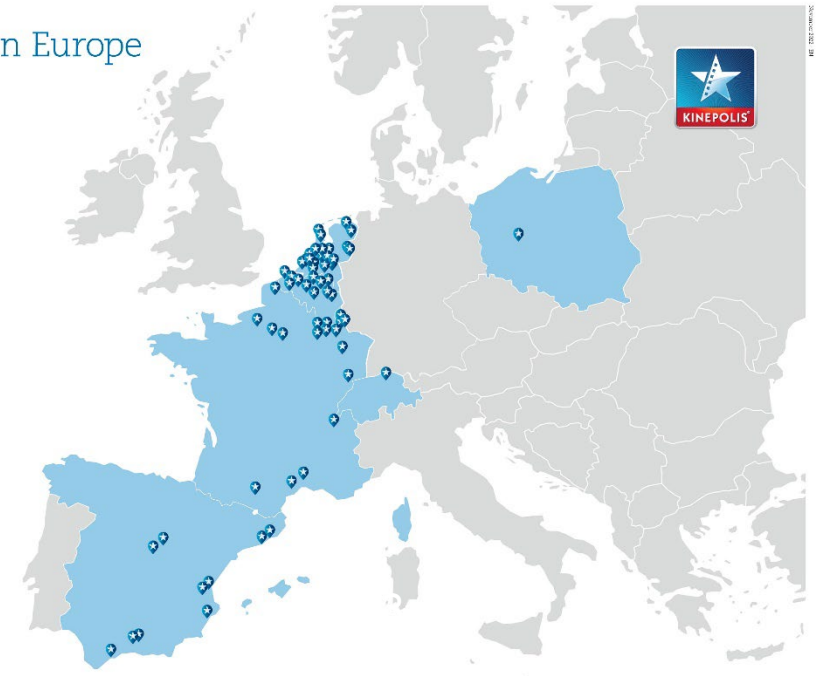
- Due to the impact of the Covid-19 pandemic, there has been decided not to distribute a dividend for 2019-2021



Kinepolis in North America



Kinepolis in Europe



Countries	Complexes ***		Screens ***		Market Share	Complexes in Ownership	
						#	%Visitors
Belgium	11		138			10	98%
France	16	+2	176	+20	4%	11	80%
Canada	38	-2	312	-13	14%	4	1%
Spain	10	+2	157	+20	7%	3	33%
The Netherlands	20		147		13%	13	68%
United States	10		164		0,4%	7	71%
Luxembourg	3		22		83%	1	67%
Switzerland	1		8		1%	1	100%
Poland *	1		18			1	n/a
Total	110		1 142			51	55%**

* 1 complex in Poland operated by Cineworld

** 55% of 2022 visitors

*** Complex and screen additions are compared to 31 December 2021



KEY FINANCIALS

€m	YE 2022		YE 2021		% Better / -Worse
Revenue	499,9		266,4		87,7%
<i>Visitors ('000)</i>	29 323		17 181		70,7%
EBITDA	150,2		72,7		106,8%
<i>EBITDA margin</i>	€ 5,12/Vis	30,1%	€ 4,23/Vis	27,3%	278 bps
EBITDAL	114,0		38,5		196,0%
<i>EBITDAL margin</i>	€ 3,89/Vis	22,8%	€ 2,24/Vis	14,5%	834 bps
EBIT	68,0		-6,5		1 138,6%
<i>EBIT margin</i>	13,6%		-2,5%		1 606 bps
Result	27,5		-25,5		208,0%
<i>Result per share (in €)</i>	1,02		-0,94		208,2%
Free Cash Flow	70,1		48,9		43,4%

YE 2019	
	551,5
	40 341
	172,3
€ 4,27/Vis	31,3%
	142,7
€ 3,54/Vis	25,9%
	101,0
	18,3%
	54,4
	2,02
	90,2

€m	YE 2022	YE 2021	Evolution NFD
Net Financial Debt (NFD) excl. lease liabilities	423,5	474,5	-50,9




ADJUSTED KEY FINANCIALS

€m	YE 2022		YE 2021		% Better / -Worse	YE 2019	
Revenue	499,9		266,4		87,7%	551,5	
<i>Visitors ('000)</i>	29 323		17 181		70,7%	40 341	
EBITDA	150,2		72,7		106,8%	172,3	
Adjusted EBITDA	151,0		72,3		108,9%	174,1	
<i>Adjusted EBITDA margin</i>	€ 5,15/Vis	30,2%	€ 4,21/Vis	27,1%	307 bps	€ 4,32/Vis	31,6%
EBITDAL	114,0		38,5		196,0%	142,7	
Adjusted EBITDAL	114,7		38,1		201,0%	144,6	
<i>Adjusted EBITDAL margin</i>	€ 3,91/Vis	22,9%	€ 2,22/Vis	14,3%	864 bps	€ 3,58/Vis	26,2%
EBIT	68,0		-6,5		1 138,6%	101,0	
Adjusted EBIT	69,5		-5,8		1 304,2%	104,0	
<i>Adjusted EBIT margin</i>	13,9%		-2,2%		1 606 bps	18,9%	
Result	27,5		-25,5		208,0%	54,4	
Adjusted Result	28,6		-24,9		214,9%	56,0	
<i>Result per share (in €)</i>	1,02		-0,94		208,2%	2,02	
Free Cash Flow	70,1		48,9		43,4%	90,2	

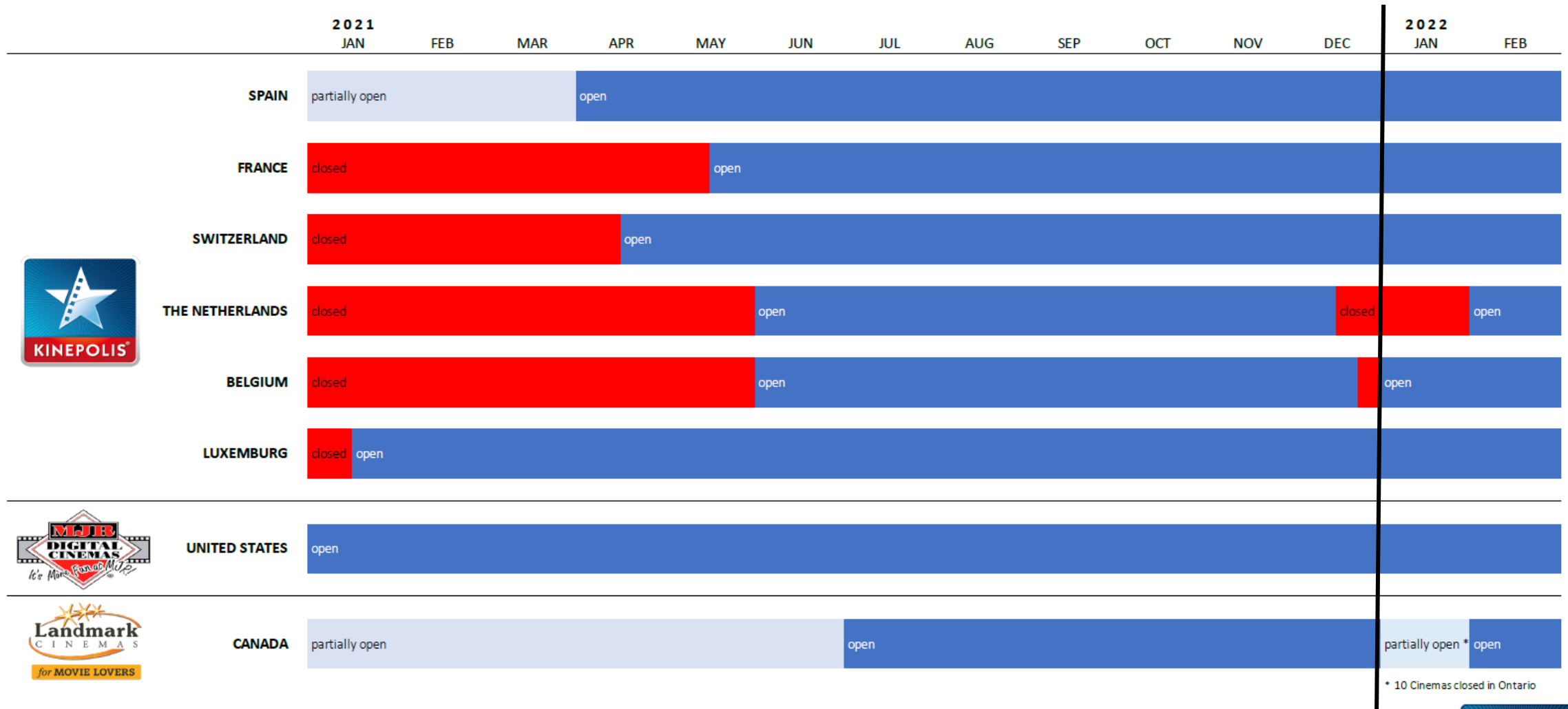
€m	YE 2022	YE 2021	Evolution NFD
Net Financial Debt (NFD) excl. lease liabilities	423,5	474,5	50,9



Customer experience excellence	Wellbeing & development of employees	Green building & infrastructure
<ul style="list-style-type: none"> • CSI: 424 K surveys completed in 2022 (+35% vs. 2021); partial implementation in Canada (full roll-out in 2023) • € 21,5 million invested in maintenance & roll-out premium moviegoing experiences • Acceleration laser transition • Introduction Movie Club loyalty formula, roll-out CINE K, ... • 43% of content programmed in 2022 (Kinopolis Europe) was local content • 20% of 2022 titles programmed was alternative content (2% of BO) 	<ul style="list-style-type: none"> • PSI: 81% response rate (+5% vs. 2021) • Relaunch of self-learning organization & bottom-up budget exercise: 11,2% of fixed employees are budget owners; US budget owners participated in budget planning process for the first time • Yearly performance cycle for 100% of employees • Internal mobility: 1 out of 2 vacancies filled internally • Provided first work experience to more than 710 students in 2022 in BeLux • Highly diverse workforce, with 35 to 52% women in middle & higher management 	<ul style="list-style-type: none"> • Carbon footprint measured since 2021 but evolution not relevant due to Covid-19 impact • Energy consumption: significant efficiency gains through intelligent building management systems and laser transition • Laser transition: 220 upgrades in 2022, resulting in 41% laser screens (62% in Europe) vs. 25% per end of 2021. 154 additional upgrades foreseen in 2023 (target: 56% laser per end of 2023) 



CLOSURES AND REOPENINGS THEATRES

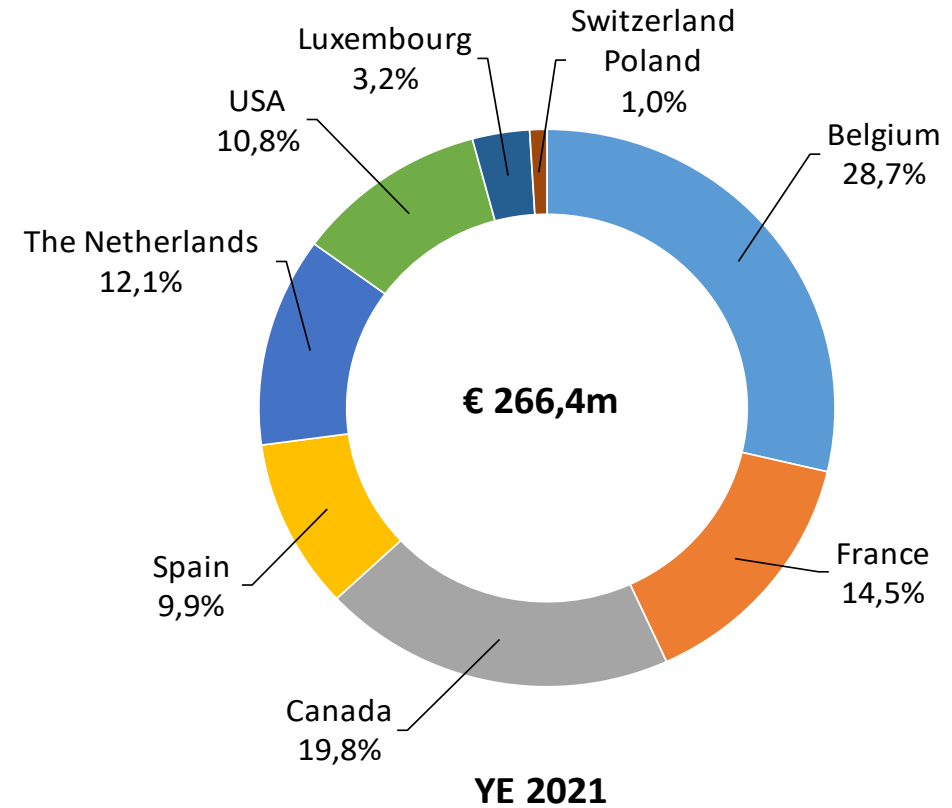
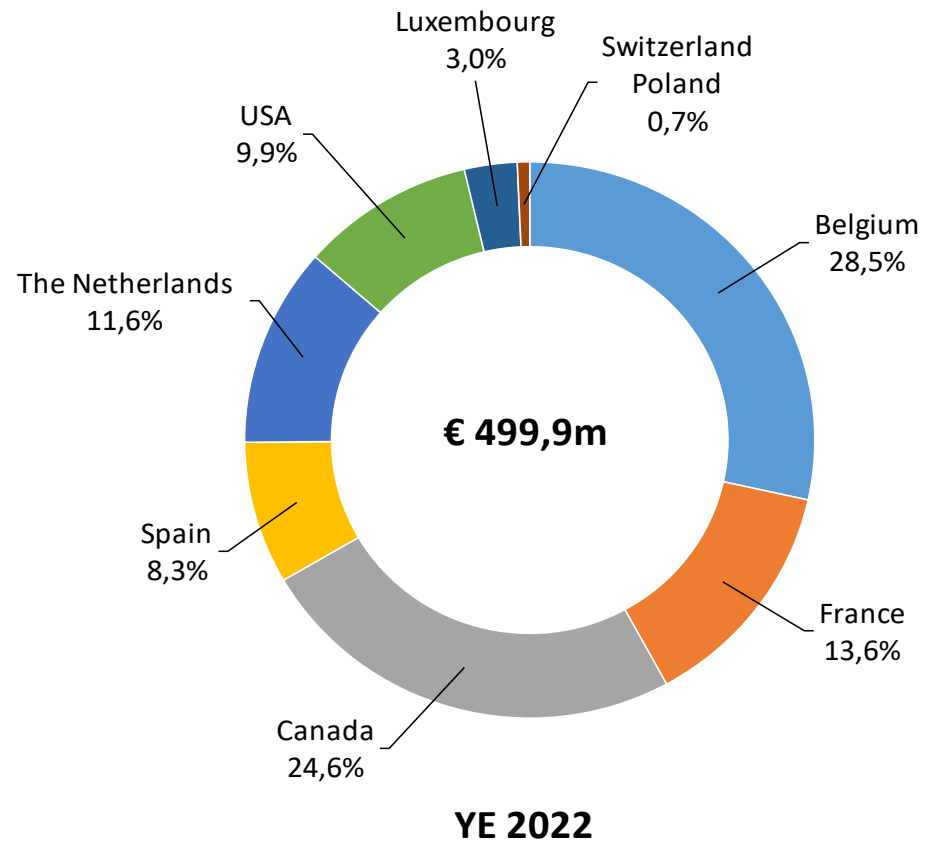


VISITORS

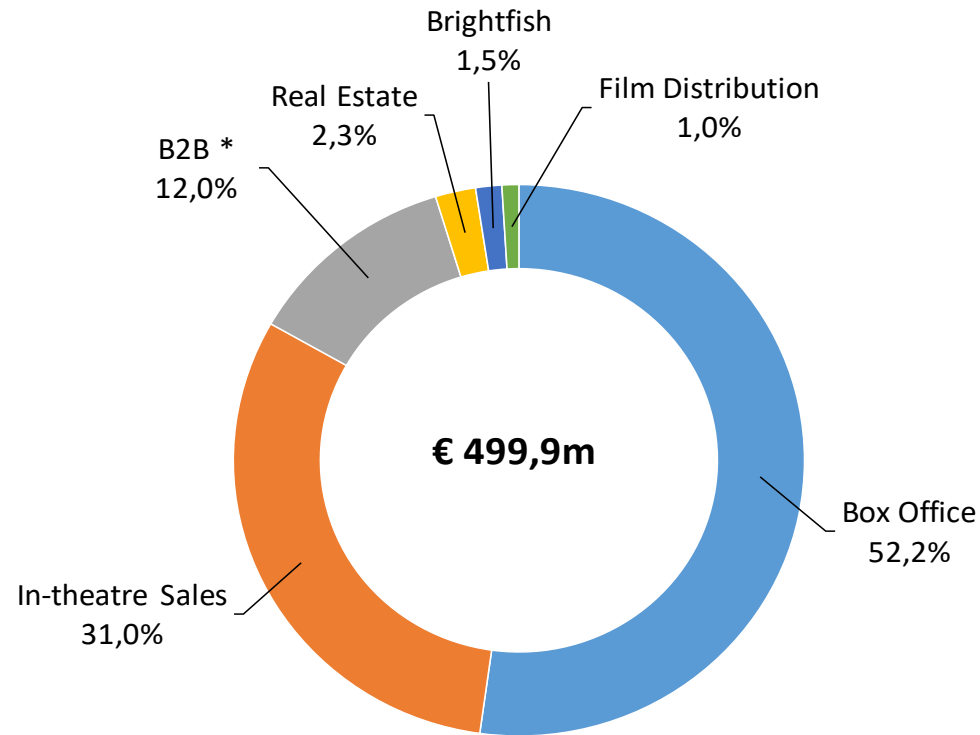
Visitors (000's)	YE 2022	% of Tot	YE 2021	% of Tot	% Δ YoY
Belgium	5 800	19,8%	3 209	18,7%	80,7%
France	5 117	17,5%	3 224	18,8%	58,7%
Canada	7 553	25,8%	3 597	20,9%	110,0%
Spain	3 617	12,3%	2 519	14,7%	43,6%
The Netherlands	3 205	10,9%	1 957	11,4%	63,8%
United States	3 298	11,2%	2 198	12,8%	50,0%
Luxembourg	644	2,2%	420	2,4%	53,4%
Switzerland	89	0,3%	57	0,3%	57,0%
Total	29 323	100,0%	17 181	100,0%	70,7%



REVENUE BY COUNTRY

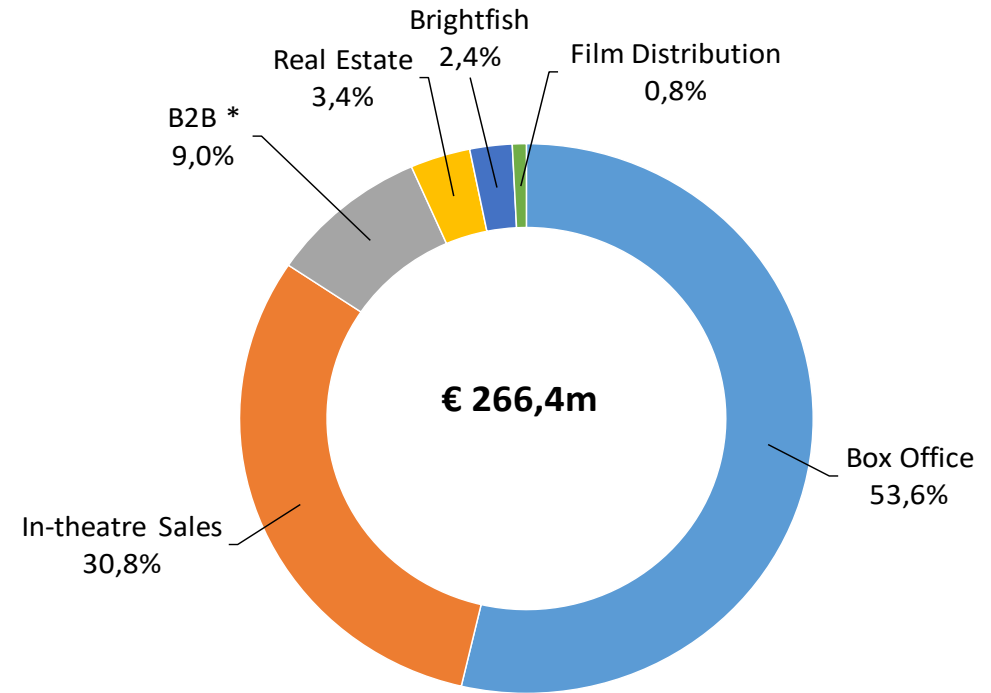


REVENUE BY ACTIVITY



YE 2022

* Including Cinema Screen Advertising



YE 2021

* Including Cinema Screen Advertising



MOVIES

Top 5 Movies 2022	3D	Visitors (000's)
1. Top Gun: Maverick		2 133
2. Avatar: The Way of Water	✓	1 599
3. Minions: The Rise of Gru	✓	1 410
4. Jurassic World: Dominion	✓	1 194
5. Doctor Strange in the Multiverse of Madness	✓	1 108
Top 5		7 444
Weight Top 5		25,4%

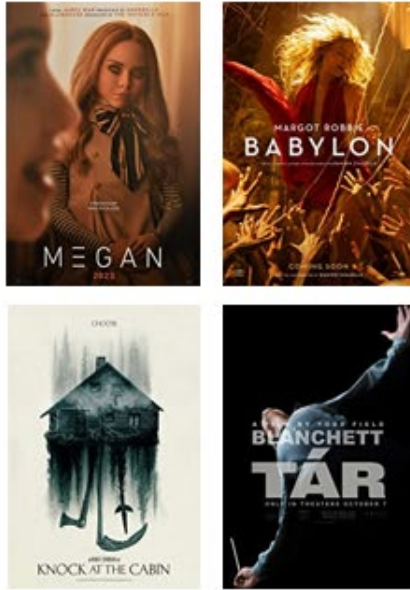
Top 5 Movies 2021	3D	Visitors (000's)
1. Spider-Man: No Way Home	✓	1 352
2. No Time to Die	✓	1 193
3. Dune (2021)	✓	704
4. Fast & Furious 9	✓	668
5. Shang-Chi and the Legend of the Ten Rings	✓	610
Top 5		4 528
Weight Top 5		26,4%



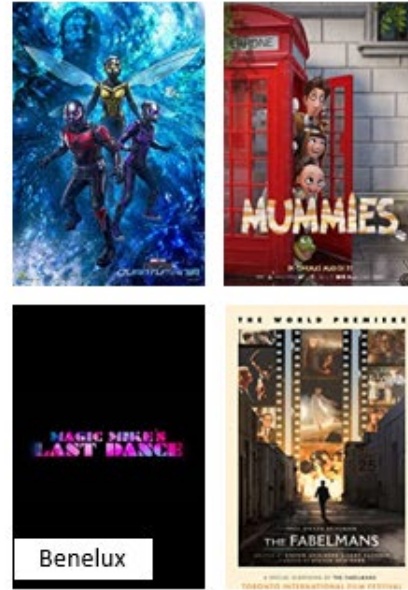
LINE-UP 2023

Q1

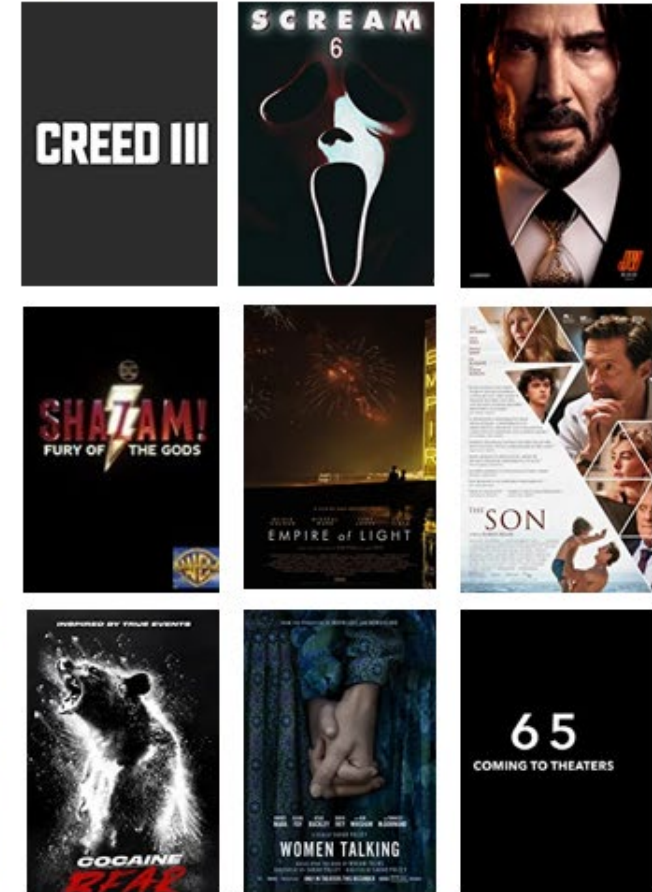
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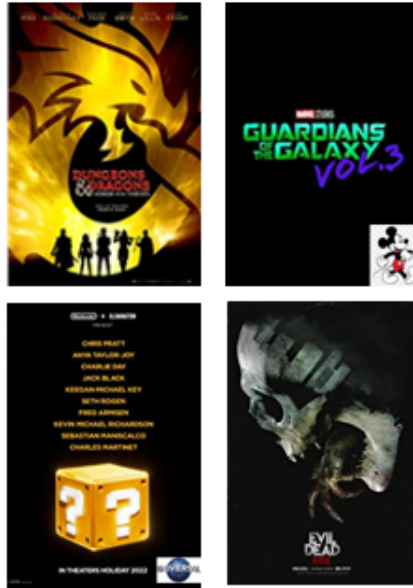
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LINE-UP 2023

Q2

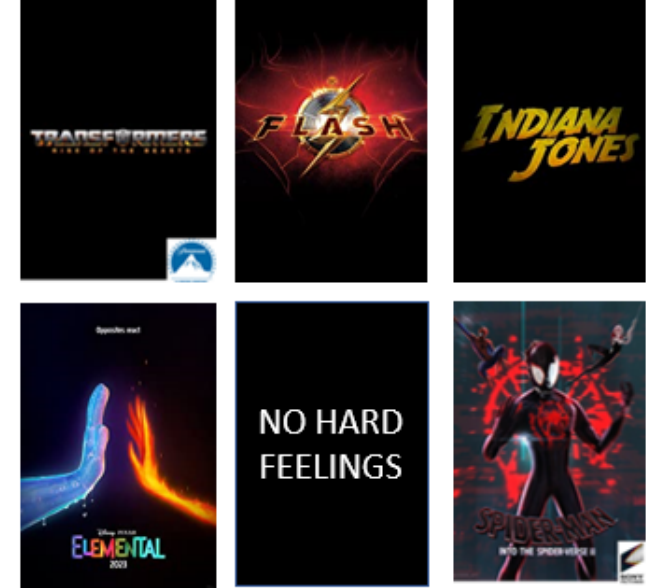
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LINE-UP 2023

Q3

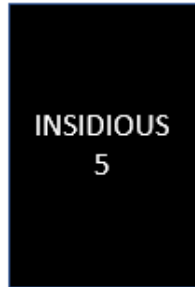
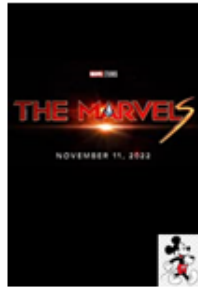
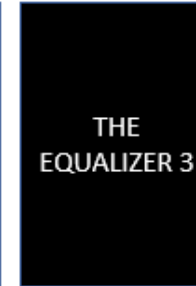
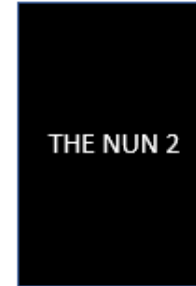
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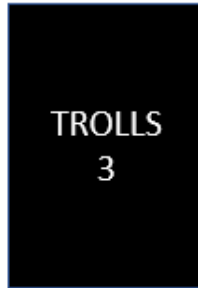
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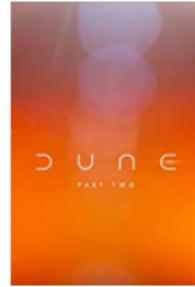
LINE-UP 2023

Q4

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11



12





Financial Review 2022

CFO, Mr. Jeroen Mouton

KINEPOLIS GROUP



FINANCIAL HIGHLIGHTS

- ❑ Revenue of € 499,9 million with 29,3 million visitors
 - ❑ 90,6% of revenue 2019
 - ❑ 72,7% of visitors 2019

- ❑ Revenue up by 87,7% with 70,7% more visitors
 - ❑ Increase Box Office (+82,6%)
 - ❑ Increase In-theatre Sales (+89,4%)
 - ❑ Increase B2B (+150,8%)
 - ❑ Increase Sales and Events (+168,3%)
 - ❑ Increase Screen Advertising (+91,3%)
 - ❑ Increase Brightfish (+16,3%)
 - ❑ Increase Film Distribution (+127,5%)
 - ❑ Increase Real Estate (+26,3%)

- ❑ EBITDAL up by 196,0% with a margin of 22,8% (14,5% last year), EBITDAL margin of 25,9% in 2019



FINANCIAL HIGHLIGHTS

- ❑ NFD excl. lease liabilities decreased from € 474,5 million per 31/12/2021 to € 423,5 million per 31/12/2022 or € -50,9 million, mainly due to:
 - € +70,1 m free cash flow, of which:
 - € +105,8 m from operations and payment of lease liabilities
 - € -16,3 m interests paid
 - € -13,9 m income taxes paid
 - € -13,2 m maintenance capex
 - € +7,7 m working capital
 - € -22,4 m investments in internal and external expansion
 - € +2,3 m proceeds from sales of property, plant and equipment
 - € +1,0 m sale of treasury shares
 - € -0,6 m amortisation of refinancing transaction costs
 - € +0,5 m FX effect on cash

- ❑ Weighted average maturity of credit lines per 31/12/2022: 3,23 years

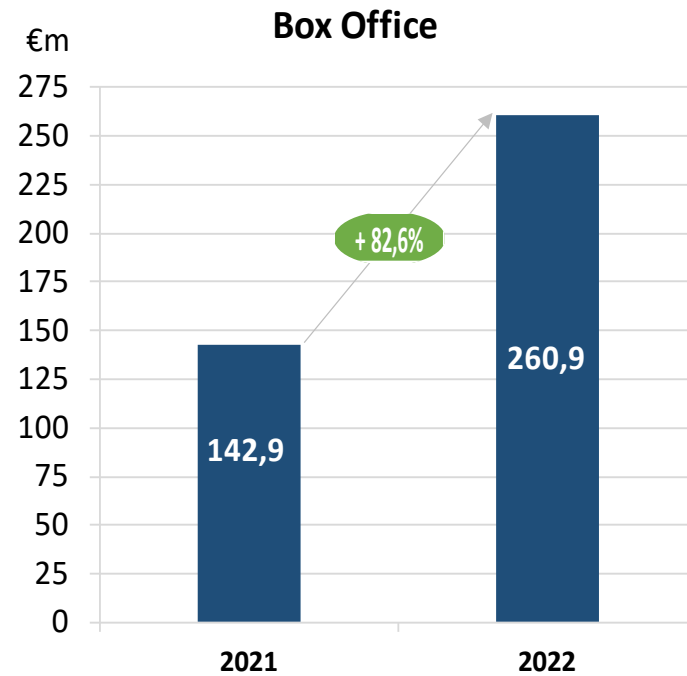
- ❑ Covenants met per 31/12/2022, covenant holiday extended until 30/06/2023

REVENUE BY COUNTRY

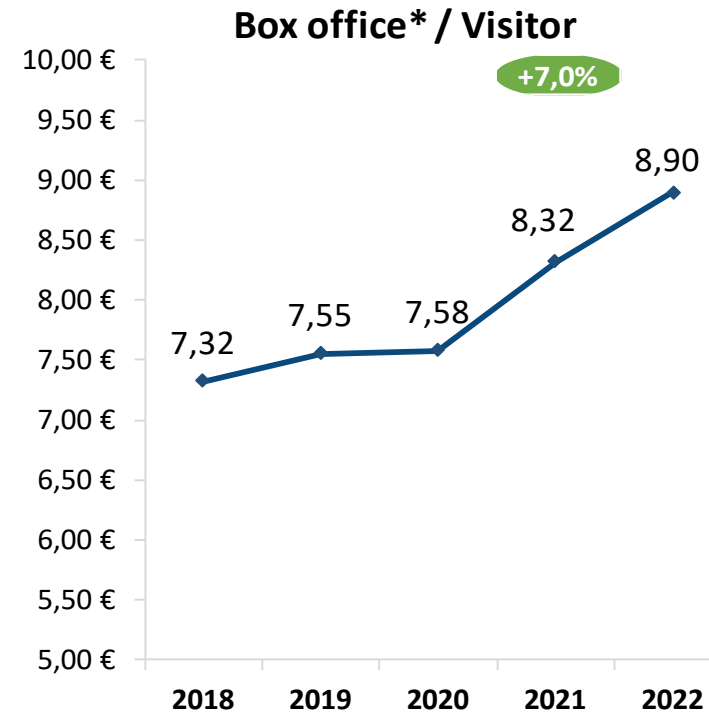
Revenue €m	YE 2022	% of Tot	YE 2021	% of Tot	% Δ YoY	% Δ Y Vis	YE 2019
Belgium	142,3	28,5%	76,4	28,7%	86,3%	80,7%	167,0
France	67,9	13,6%	38,7	14,5%	75,5%	58,7%	81,7
Canada	122,8	24,6%	52,8	19,8%	132,4%	110,0%	137,7
Spain	41,4	8,3%	26,3	9,9%	57,6%	43,6%	61,4
The Netherlands	57,9	11,6%	32,4	12,1%	78,8%	63,8%	65,7
United States	49,3	9,9%	28,8	10,8%	71,4%	50,0%	15,7
Luxembourg	15,0	3,0%	8,6	3,2%	74,9%	53,4%	17,6
Other	3,5	0,7%	2,6	1,0%	36,6%	57,0%	4,6
Total	499,9	100,0%	266,4	100,0%	87,7%	70,7%	551,5

EVOLUTION BOX OFFICE

52,2% OF REVENUE



-14,4% compared to 2019

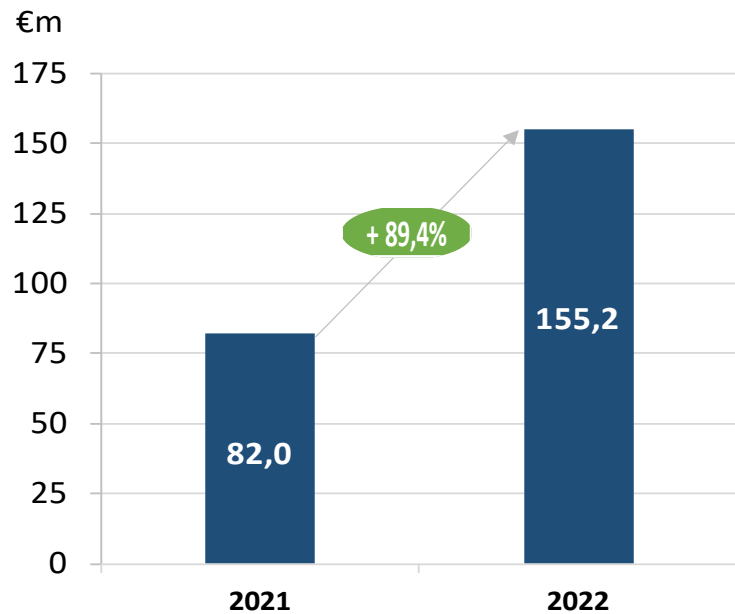


* Box Office revenue after deduction of indirect taxes

EVOLUTION ITS

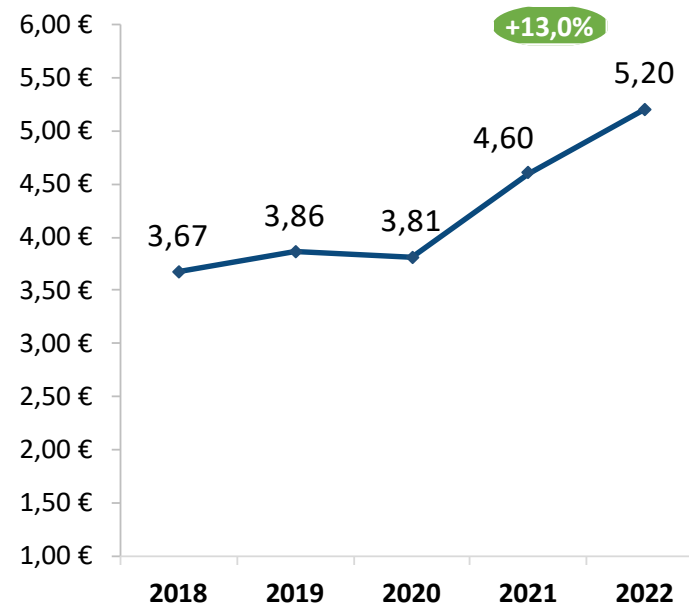
31% OF REVENUE

In-theatre Sales



-0,4% compared to 2019

ITS* / Visitor

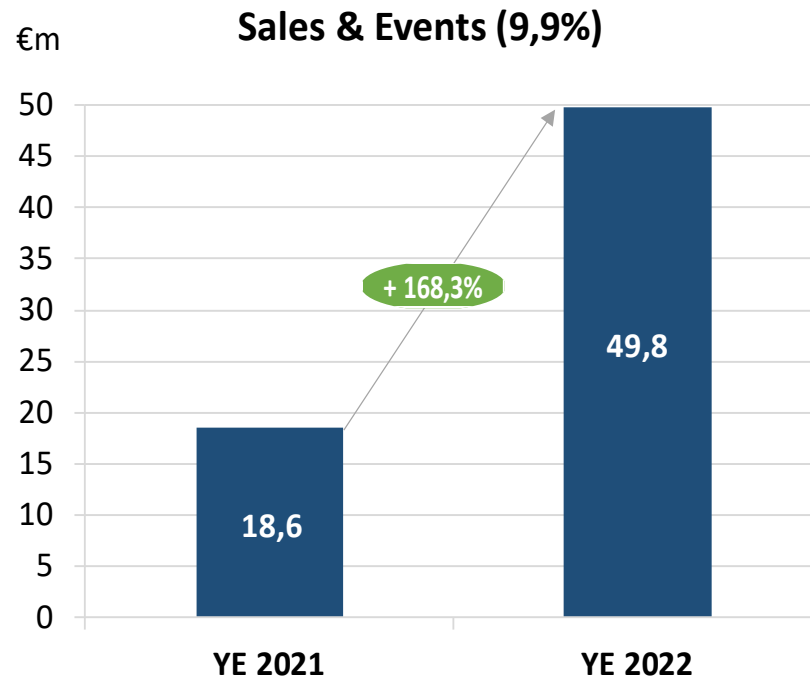


* Excl. ITS Delivery sales

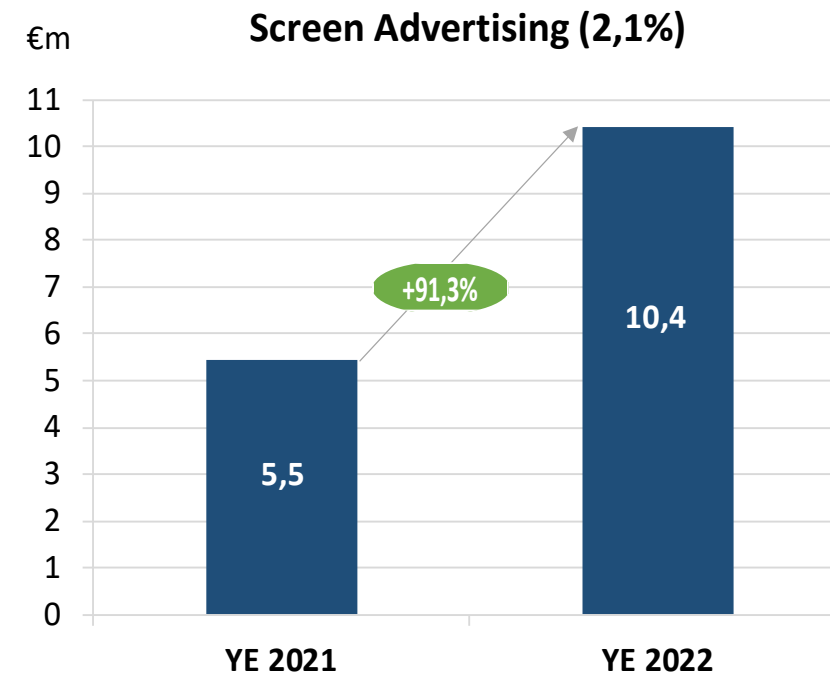


B2B REVENUE*

12% OF REVENUE



+3,4% compared to 2019



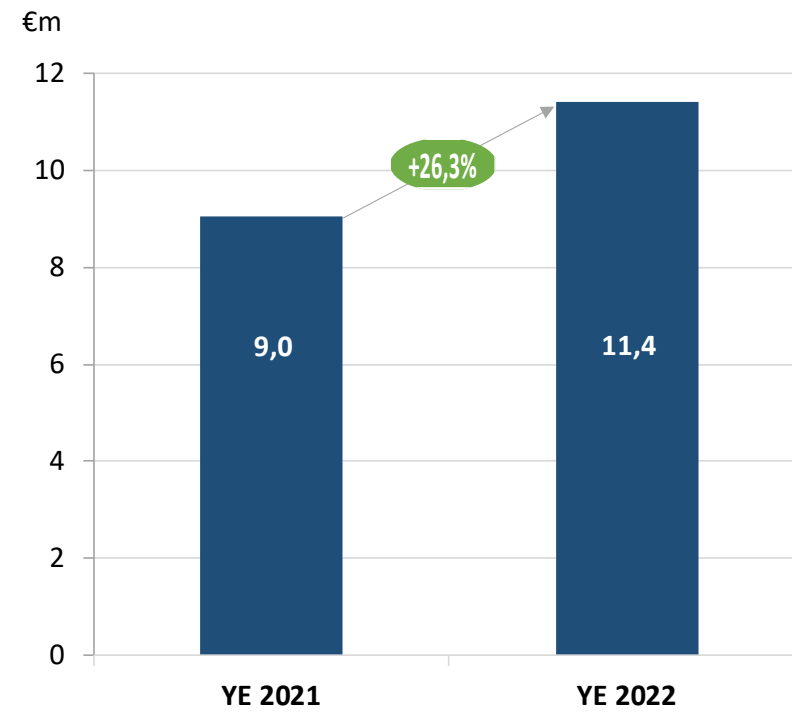
-18,2% compared to 2019

* Excluding Brightfish



REAL ESTATE AT FLAT FX

2,3% OF REVENUE

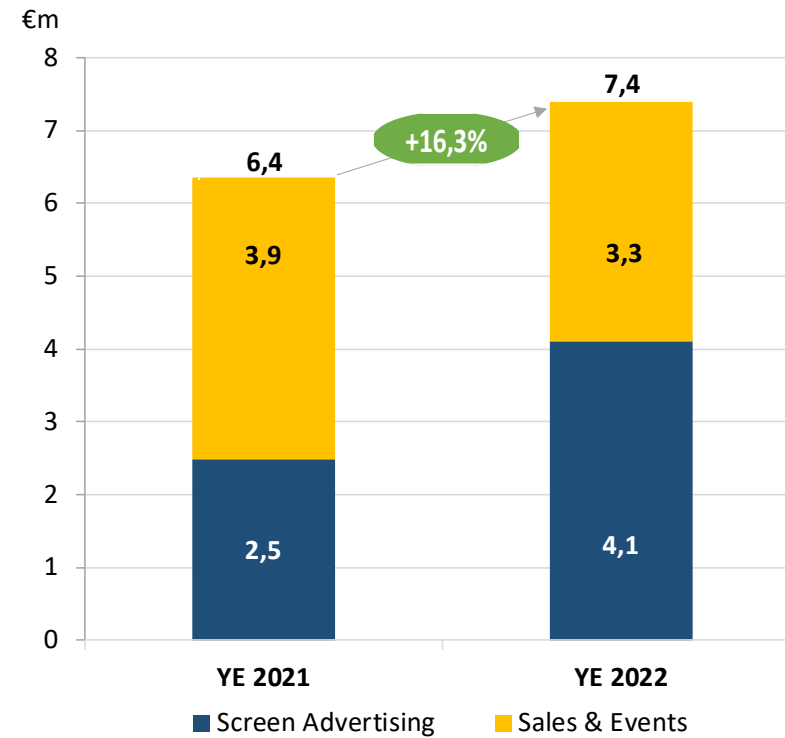


-17,7% compared to 2019



BRIGHTFISH

1,5% OF REVENUE



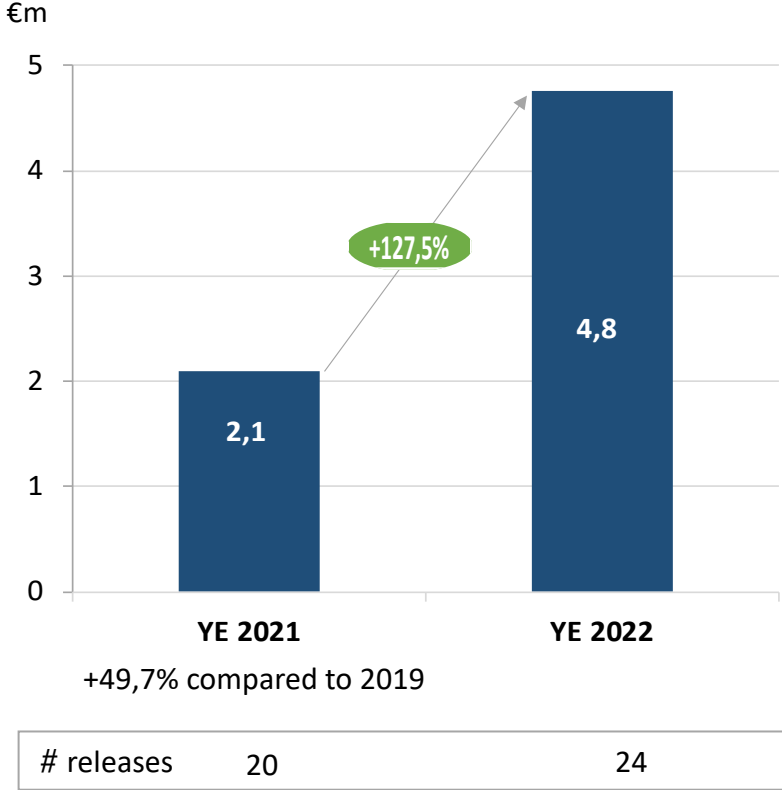
-42,7% compared to 2019

- Screen Advertising: -36,8%
- Sales & Events: -48,7%



FILM DISTRIBUTION

1% OF REVENUE



OPERATING COSTS

€m	YE 2022	YE 2021	% Better / -Worse	YE 2019
Marketing and selling expenses	-23,5	-14,3	-64,5%	-27,9
Administrative expenses	-28,1	-22,4	-25,7%	-30,3
Other operating income / cost	5,1	23,7	-78,3%	1,6
Operating Costs	-46,5	-12,9	-259,7%	-56,6

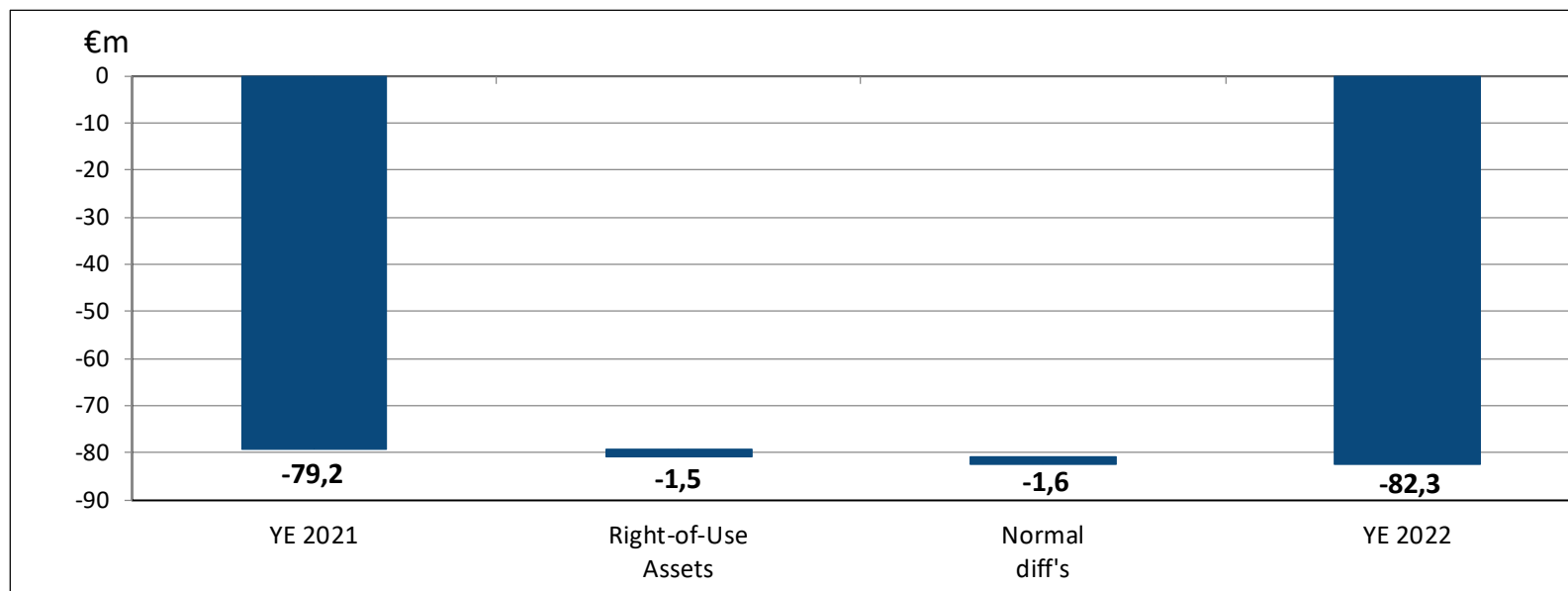
EBITDA(L) BY COUNTRY

EBITDA - €m	YE 2022	% of Total	YE 2021	% of Total	% Better / -Worse	% Δ Y Vis
Belgium	37,9	25,3%	9,4	12,9%	305,5%	80,7%
France	25,5	17,0%	19,0	26,2%	33,9%	58,7%
Canada	33,1	22,0%	16,5	22,7%	100,5%	110,0%
Spain	11,7	7,8%	7,8	10,7%	50,5%	43,6%
The Netherlands	21,5	14,3%	11,6	15,9%	85,9%	63,8%
United States	14,2	9,5%	4,7	6,5%	202,5%	50,0%
Luxembourg	5,6	3,8%	2,7	3,8%	106,9%	53,4%
Switzerland & Poland	0,7	0,4%	1,0	1,4%	-33,3%	57,0%
TOTAL	150,2	100,0%	72,7	100,0%	106,8%	70,7%

EBITDAL - €m	YE 2022	% of Total	YE 2021	% of Total	% Better / -Worse	% Δ Y Vis
Belgium	35,6	31,2%	7,0	18,2%	407,1%	80,7%
France	23,3	20,4%	16,8	43,5%	38,9%	58,7%
Canada	13,2	11,6%	-1,9	-5,0%	787,9%	110,0%
Spain	7,9	6,9%	4,0	10,4%	96,3%	43,6%
The Netherlands	17,7	15,5%	7,9	20,4%	124,9%	63,8%
United States	10,5	9,2%	1,6	4,0%	574,7%	50,0%
Luxembourg	5,1	4,5%	2,2	5,8%	130,2%	53,4%
Switzerland & Poland	0,7	0,6%	1,0	2,6%	-33,3%	57,0%
TOTAL	114,0	100,0%	38,5	100,0%	196,0%	70,7%

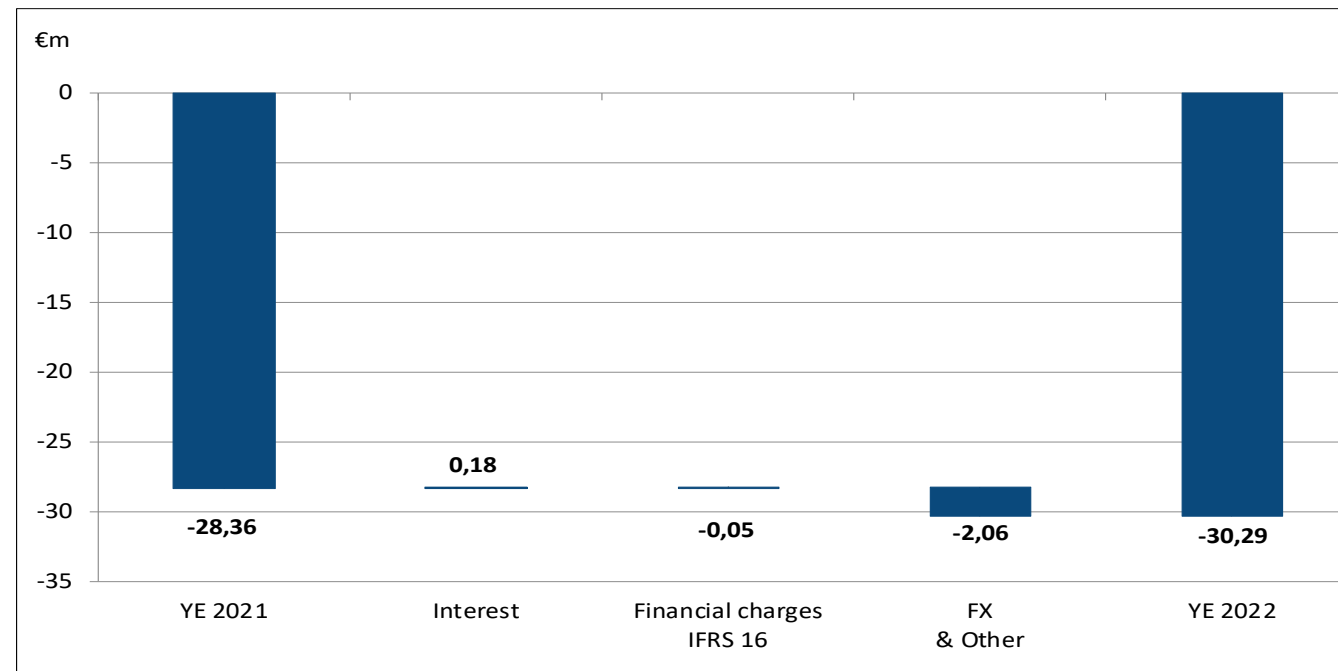
DEPRECIATION, AMORTISATION, PROVISIONS

€m	YE 2022	YE 2021	% Better / -Worse
Depreciation, amortisation and provisions	-53,6	-52,0	-3,1%
Depreciations on right-of-use assets	-28,7	-27,2	-5,4%
Total depreciation, amortization and provisions	-82,3	-79,2	-3,9%

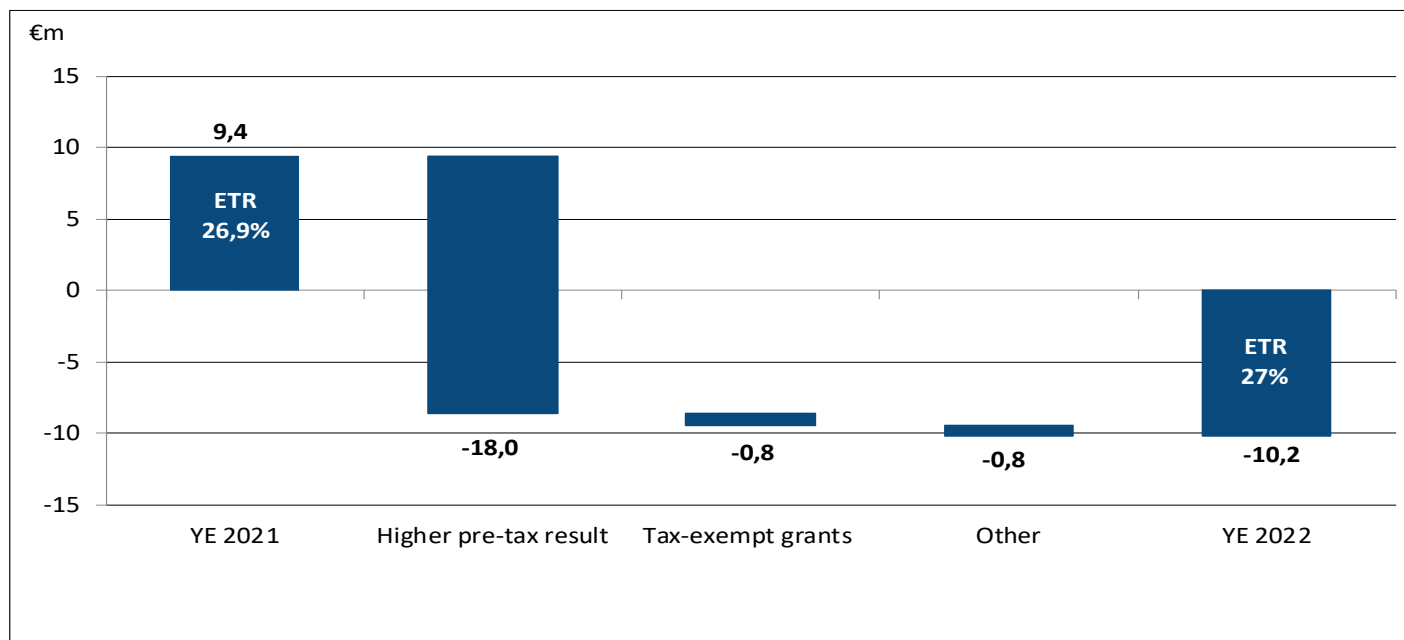


FINANCIAL RESULT

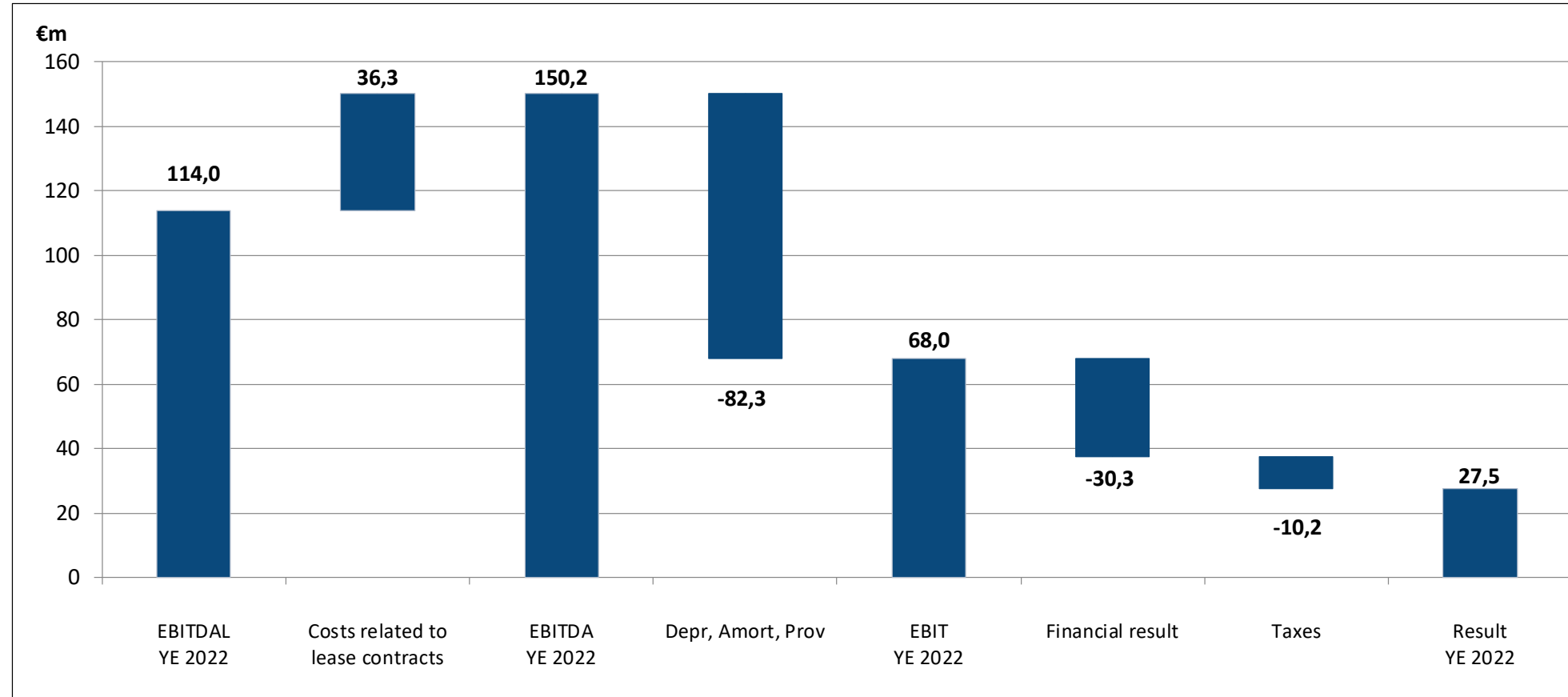
€m	YE 2022	YE 2021	% Better / -Worse
Interest expense	-15,23	-15,41	1,2%
Financial charges IFRS 16	-10,37	-10,32	-0,4%
FX	-0,08	0,12	-165,4%
Other (CNC, bank charges,...)	-4,61	-2,75	-68,0%
Financial (Cost) / Income	-30,29	-28,36	-6,8%



€m	YE 2022	YE 2021	% Better / -Worse
Result before taxes	37,7	-34,9	208,0%
Taxes	-10,2	9,4	-208,1%
Result	27,5	-25,5	208,0%
Effective Tax Rate ('ETR')	27,0%	26,9%	2 bps

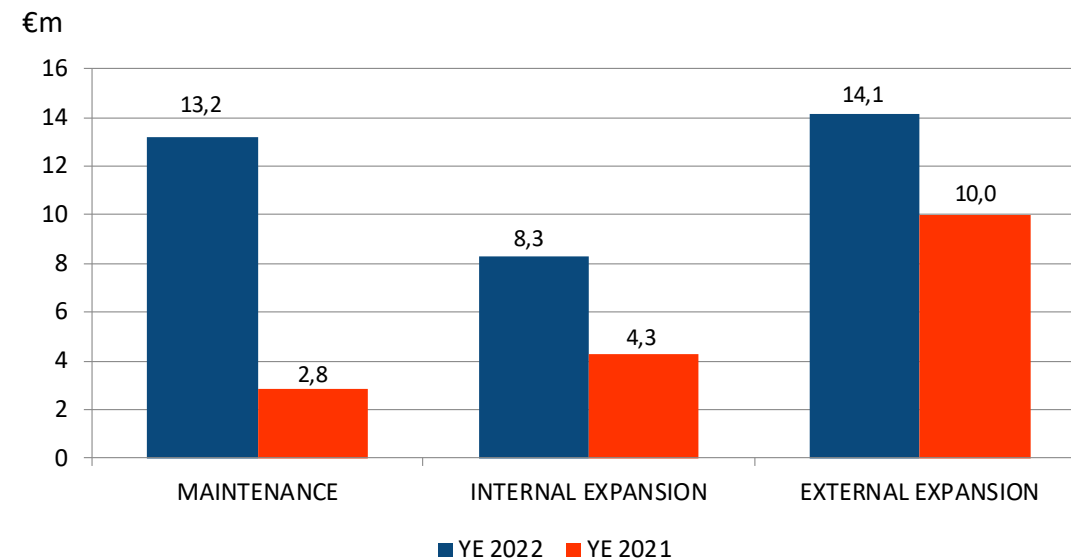


EBITDA(L) TO NET RESULT

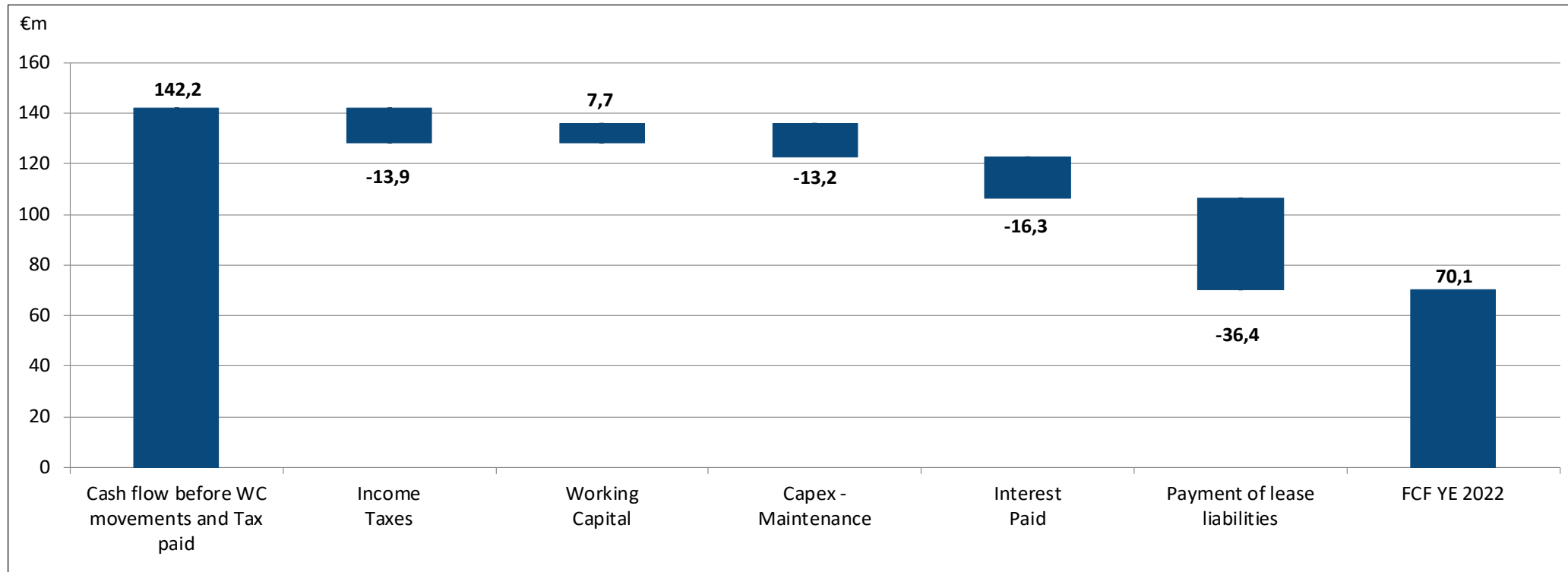


INVESTMENTS

€m	YE 2022	YE 2021	YE 2019
Belgium	5,6	2,2	14,4
France	2,4	0,9	6,7
Canada	5,6	1,8	11,5
Spain	1,7	0,3	2,7
The Netherlands	1,7	0,7	5,3
United States	3,7	0,3	
Luxembourg	0,6	0,8	3,0
Other	0,1		0,4
Maintenance & Internal Expansion	21,5	7,1	43,9
External Expansion	14,1	10,0	198,3
TOTAL	35,6	17,1	242,2



FREE CASH FLOW

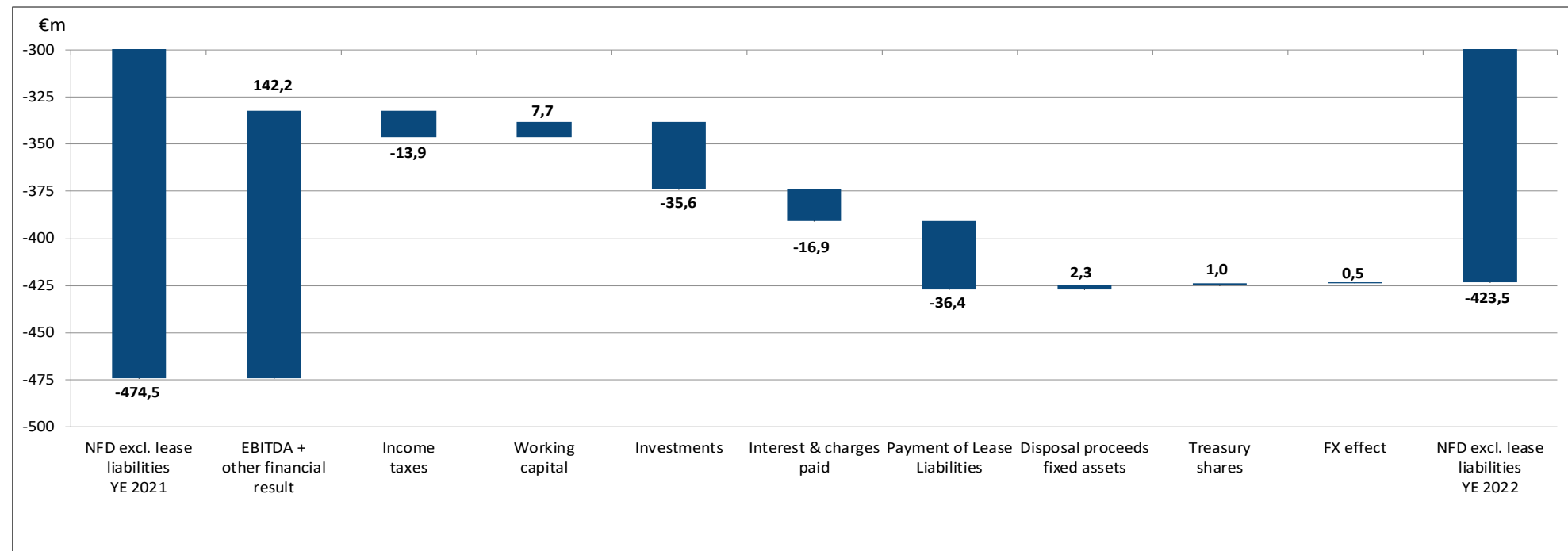


FREE CASH FLOW EVOLUTION

	H1 2022	Q3 2022	Q4 2022	H2 2022	YE 2022	YE 2019
OCF after lease payments	45 387	23 311	37 066	60 377	105 765	140 949
Working capital	-10 709	-13 522	31 980	18 458	7 749	8 776
Income taxes paid	-563	-9 666	-3 651	-13 317	-13 880	-25 718
Capital exp – maintenance	-3 842	-4 892	-4 463	-9 356	-13 197	-20 956
Interest paid	-4 552	-580	-11 188	-11 768	-16 319	-12 882
Free cash flow	25 722	-5 349	49 744	44 395	70 117	90 169
Capital exp - digitalization, remodeling & expansion	-3 851	-5 230	-5 479	-10 708	-14 559	-45 267
Proceeds from sales of financial and intangible assets and PPE	148	29	2 101	2 130	2 278	5 942
Acquisition of subsidiary, net of cash acquired			-7 858	-7 858	-7 858	-173 930
Treasury shares	1 045				1 045	
Dividend payments						-24 723
FCF after expansion exp, dividends & treasury shares	23 064	-10 550	38 508	27 959	51 023	-147 809
FCF excl. working capital	36 431	8 173	17 764	25 937	62 368	81 393

NET FINANCIAL DEBT EVOLUTION

€m	YE 2022	YE 2021	Better/-Worse	NFD Evolution
Net Financial Debt (NFD) excl. lease liabilities	423,5	474,5	50,9	10,7%
Net Financial Debt (NFD) incl. lease liabilities	793,9	865,0	71,1	8,2%
Leverage ratio*: NFD / EBITDA	5,28	11,90		
Leverage ratio*: NFD excl. lease liabilities / EBITDAL	3,72	12,32		



* Not club deal definition



MATURITY PROFILE FINANCIAL DEBT **



* Commercial paper drawn for € 12,5 million per 31/12/2022 – this lowers the availability of the RCF for the same amount (€ 3,5 million ancillary facilities)

** Excluding IFRS 16 lease liabilities

Weighted average maturity of credit lines per 31/12/2022: 3,23 years



BALANCE SHEET

€m	31/12/2022	% of Total	31/12/2021	% of Total
Intangible assets	11,4	1,0%	11,1	0,9%
Goodwill	174,9	15,0%	169,5	14,2%
Property, plant & equipment	482,5	41,3%	498,1	41,7%
Right-of-use assets	333,5	28,5%	353,3	29,6%
Investment property	15,9	1,4%	17,4	1,5%
Deferred tax assets	21,1	1,8%	23,8	2,0%
Non-current tax assets	1,7	0,1%		
Derivative financial instruments	0,3	0,0%		
Other receivables	4,9	0,4%	6,4	0,5%
Non-current assets	1 046,2	89,5%	1 079,6	90,3%
Inventories	7,7	0,7%	5,0	0,4%
Trade & other receivables	41,0	3,5%	33,8	2,8%
Current tax assets	6,8	0,6%	1,4	0,1%
Cash & cash equivalents	67,8	5,8%	75,3	6,3%
Current assets	123,3	10,5%	115,4	9,7%
TOTAL ASSETS	1 169,5	100,0%	1 195,1	100,0%

	31/12/2022	31/12/2021
Gearing ratio*	2,69	3,93
Current ratio**	0,63	0,52
Solvency ratio***	13,5%	10,1%
ROCE****	9,2%	-1,9%

*: Gearing ratio (excluding IFRS 16): Net Financial Debt excl. lease liabilities / Equity

** : Current ratio (including IFRS 16): Current Assets / Current Liabilities

***: Solvency ratio (including IFRS 16): Total Equity / Total Equity & Liabilities

****: ROCE (excluding IFRS 16): Adjusted operating result excl. lease payments / Capital employed excl. lease liabilities and deferred tax impact

€m	31/12/2022	% of Total	31/12/2021	% of Total
Share capital & share premium	20,1	1,7%	20,1	1,7%
Consolidated reserves	130,0	11,1%	100,7	8,4%
Translation reserve	7,6	0,7%	-0,1	0,0%
Equity attributable to the owners of the Company	157,7	13,5%	120,7	10,1%
Non-controlling interests	-0,09	0,0%	-0,08	0,0%
Total Equity	157,6	13,5%	120,6	10,1%
Loans and borrowings	463,2	39,6%	478,5	40,0%
Lease liabilities	335,4	28,7%	354,3	29,6%
Provisions and provisions for employee benefits	2,9	0,2%	3,4	0,3%
Deferred tax liabilities	11,1	1,0%	12,2	1,0%
Derivative financial instruments			0,0	0,0%
Other payables	5,0	0,4%	5,4	0,5%
Non-current liabilities	817,6	69,9%	853,8	71,4%
Loans and borrowings	28,4	2,4%	71,6	6,0%
Lease liabilities	35,0	3,0%	36,3	3,0%
Trade and other payables	127,7	10,9%	111,5	9,3%
Provisions	0,2	0,0%	0,4	0,0%
Current tax liabilities	3,0	0,3%	0,9	0,1%
Current liabilities	194,2	16,6%	220,7	18,5%
TOTAL EQUITY AND LIABILITIES	1 169,5	100,0%	1 195,1	100,0%



SHAREHOLDERS

	13/02/2023		25/10/2022	
	# Shares	%	# Shares	%
Total shares outstanding	27 365 197	100%	27 365 197	100%
Reference Shareholders & Free Float	# Shares	%	# Shares	%
Kinehold Bis, Pentascoop and Mr. Joost Bert	13 092 268	47,84%	13 092 268	47,84%
Treasury shares	397 396	1,45%	397 396	1,45%
Free Float	13 875 533	50,71%	13 875 533	50,71%
Other*	# Shares	%	# Shares	%
BNP Paribas Investment Partners SA	1 366 585	4,99%	1 366 585	4,99%

* Resulting from transparency notices received



FINANCIAL CALENDAR

Thursday	27/04/2023	Business update Q1 2023
Wednesday	10/05/2023	Annual Shareholders' Meeting Kinopolis Group
Thursday	17/08/2023	Semestrial results 2023 Press & Analyst Meeting
Thursday	26/10/2023	Business update Q3 2023



