



Value creation in cinema business

Capital Markets Day
Lomme, 22 April 2024



Agenda

Capital Markets Day

1. Intro - Kinopolis at a glance
2. State of the industry
 - Hollywood & content market
 - Exhibition market
3. Kinopolis' core strategy
4. Kinopolis' expansion strategy
5. What's next...?



Management present today

-
- Eddy Duquenne, CEO Kinopolis Group (*speaker*)
 - Joost Bert, President Kinopolis Group
 - Jeroen Mouton, CFO Kinopolis Group
 - Eric Meyniel, Chief Box Office Officer (*speaker*)
 - Tom De Vos, Chief HR Officer (*speaker*)
 - Wim Willems, CIO
 - Erik Vanden Berghe, General Manager Real Estate Construction & Maintenance (*speaker*)
 - Melody Eskandarian, General Manager Real Estate Management & Development
 - Anneleen Van Troos, Corporate Communication Manager (*speaker*)
 - Bob Claeys, R&D Director (*demo tour*)
 - Anne-Sophie Le Guiader, Country Manager BO, S&M France
 - François Minnebois, Theatre Manager Kinopolis Lomme
 - Tine Duyck, IR Coordinator

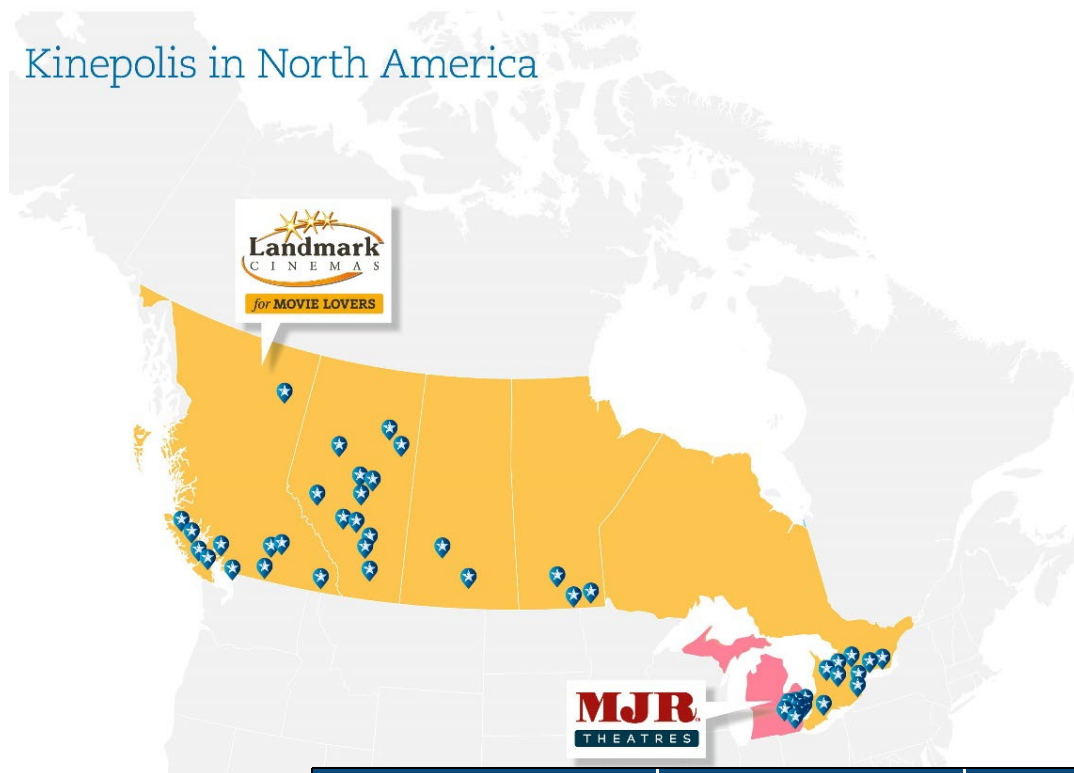


Intro Kinepolis at a glance

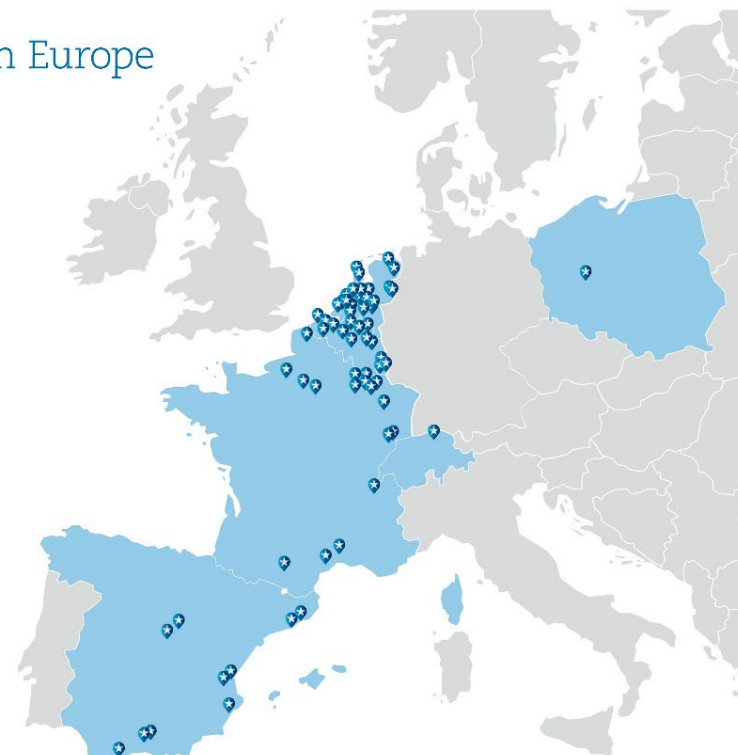
Eddy Duquenne, CEO



Kinepolis in North America



Kinepolis in Europe



Countries	Complexes ***		Screens ***		Market Share	Complexes in Ownership	
						#	% Visitors
Belgium	11		138			10	98%
France	18	+2	199	+23	4%	11	78%
Canada	36	-2	299	-13	13%	3	1%
Spain	10		157		6%	3	29%
The Netherlands	19	-1	144	-3	11%	13	67%
United States	10		164		0%	7	72%
Luxembourg	3		22		82%	1	65%
Switzerland	1		8		1%	1	100%
Poland*	1		18			1	n/a
Total	109		1 149			50	53%**

* 1 complex in Poland operated by Cineworld

** 53% of YTD 2023 visitors

*** Complex and screen additions are compared to 31 December 2022



Summary financial results

FY 2023

❑ Record year 2023:

- Record-high **revenue**: +21,1% vs 2022
- Record-high **EBITDAL**: +32,8% vs 2022
- Record-high **net result**: +103,7% vs 2022

❑ Visitors: +20,6% vs 2022 (+16,9% like-for-like); 73,5% vs 2019 like-for-like

❑ Record-high **sales per visitor**, resulting from higher demand for & investments in **premium moviegoing experiences**

❑ Strong results vs. industry thanks to Entrepreneurship Plan and Star Plans

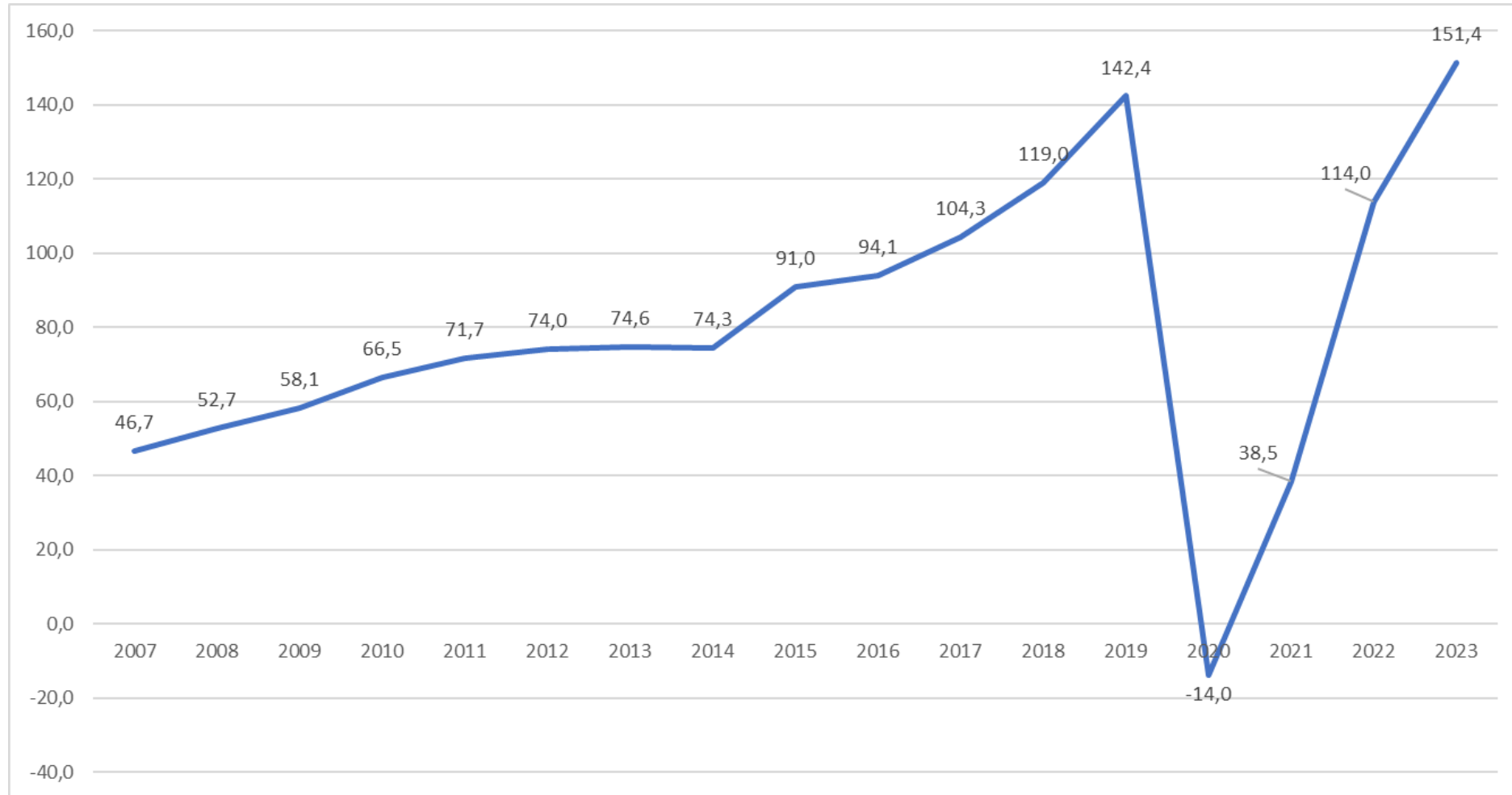


Visitors & revenue per market

Kinepolis Group, 2023 vs 2019 like-for-like

Country	2023 Visitors	2019 Visitors	Variance	2023 BO+ITS+B2B Sales	2019 BO+ITS+B2B Sales	Variance
Belgium	6.389.424	8.116.847	-21,3%	137.030.674	135.680.595	1,0%
France	5.499.128	7.319.759	-24,9%	69.820.848	72.120.198	-3,2%
Switzerland	101.860	108.395	-6,0%	2.900.498	2.830.413	2,5%
Luxembourg	817.176	979.321	-16,6%	16.488.871	14.341.688	15,0%
Spain	3.137.468	4.679.406	-33,0%	38.370.529	45.683.553	-16,0%
The Netherlands	2.888.935	4.449.112	-35,1%	54.002.105	62.295.495	-13,3%
Canada	8.038.453	10.820.997	-25,7%	175.492.834	180.926.209	-3,0%

Evolution adjusted EBITDAL



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Leverage	2,97	2,45	1,54	1,01	1,07	1,22	1,18	1,60	1,78	1,80	2,15	2,33	2,93	-36,71	12,32	3,72	2,50



EPS

Evolution 2007-2023





State of the industry

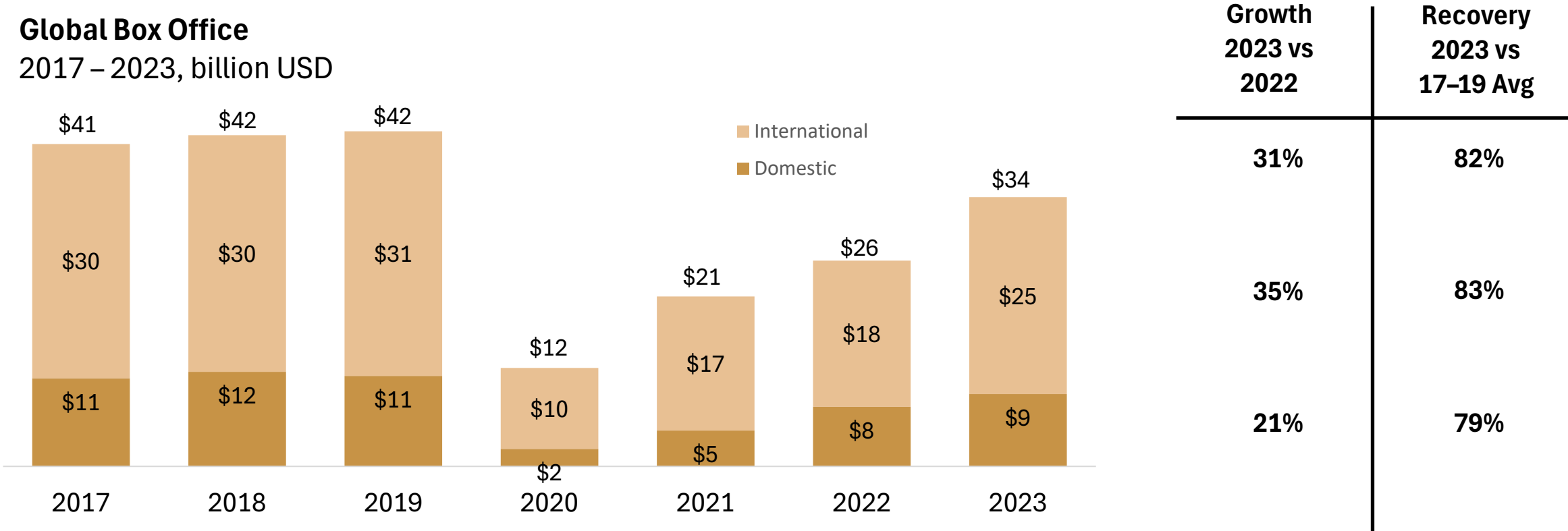
Source: Global Cinema Federation, April 2024

Eric Meyniel, Chief Box Office Officer

THE GLOBAL CINEMA INDUSTRY SHOWED AN IMPORTANT RECOVERY IN 2023, WITH MORE MOVIES RELEASED

GLOBAL CINEMA FEDERATION

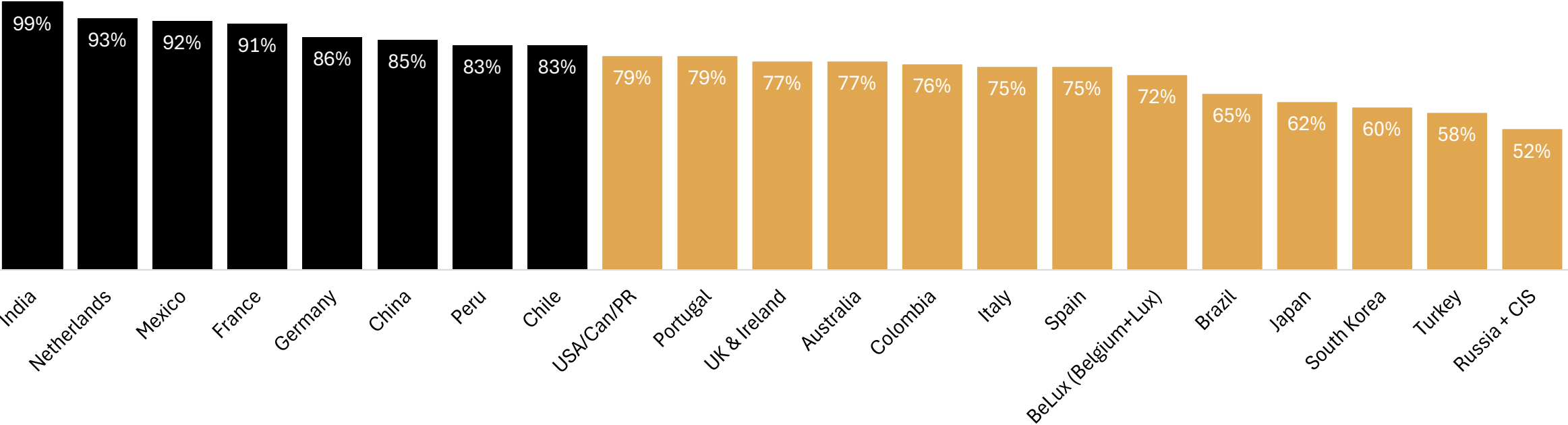
Global Box Office
2017 – 2023, billion USD



International Box Office represents 73% of Global Box Office

8 COUNTRIES ACHIEVED REVENUE > 80% OF 2019

Box Office in 2023 vs 2019 level
%, USD, selected countries



2023 BOX OFFICE HAD INCREASED VARIETY, VOLUME AND QUALITY OF BLOCKBUSTER FILMS

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

JULY

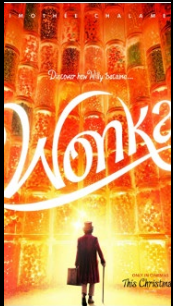
AUGUST

SEPTEMBER

OCTOBER

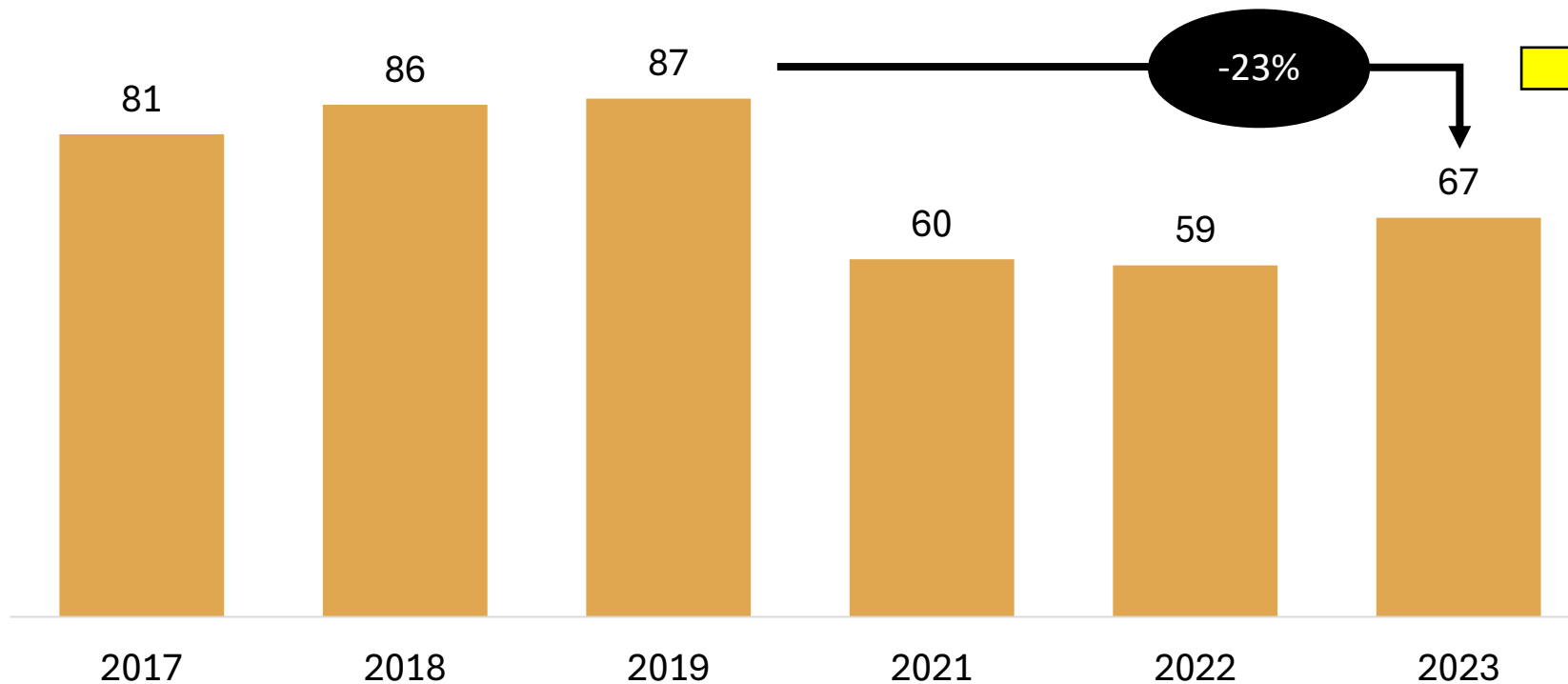
NOVEMBER

DECEMBER



HOWEVER, THE NUMBER OF WIDE RELEASES HAS NOT YET RECOVERED TO PRE-PANDEMIC LEVELS...

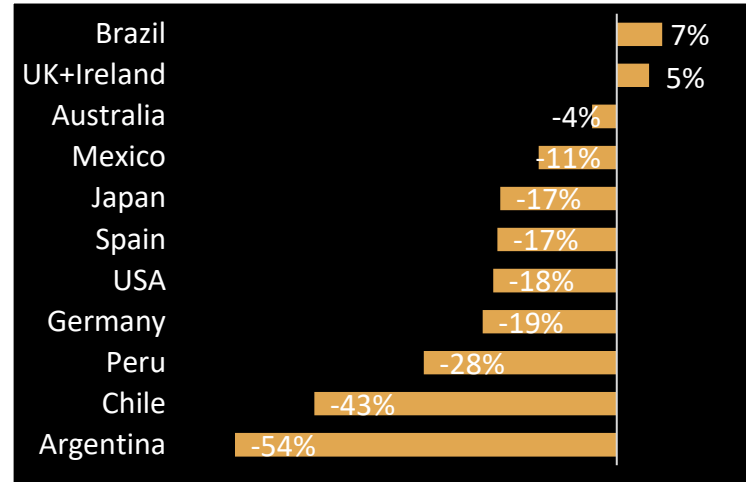
Number of Studio wide releases by year
2019 – 2023, North America



Box Office
2023 vs 2019

-21%

...AND NOW DUE TO STRIKES, RECOVERY IS DELAYED BEYOND THE 2024 YEAR...



IMPACT OF THE DUAL STRIKES

- Delays in development
- Delays in production
- Bottlenecks in post-production

LACK OF BLOCKBUSTERS IN FIRST 2 MONTHS

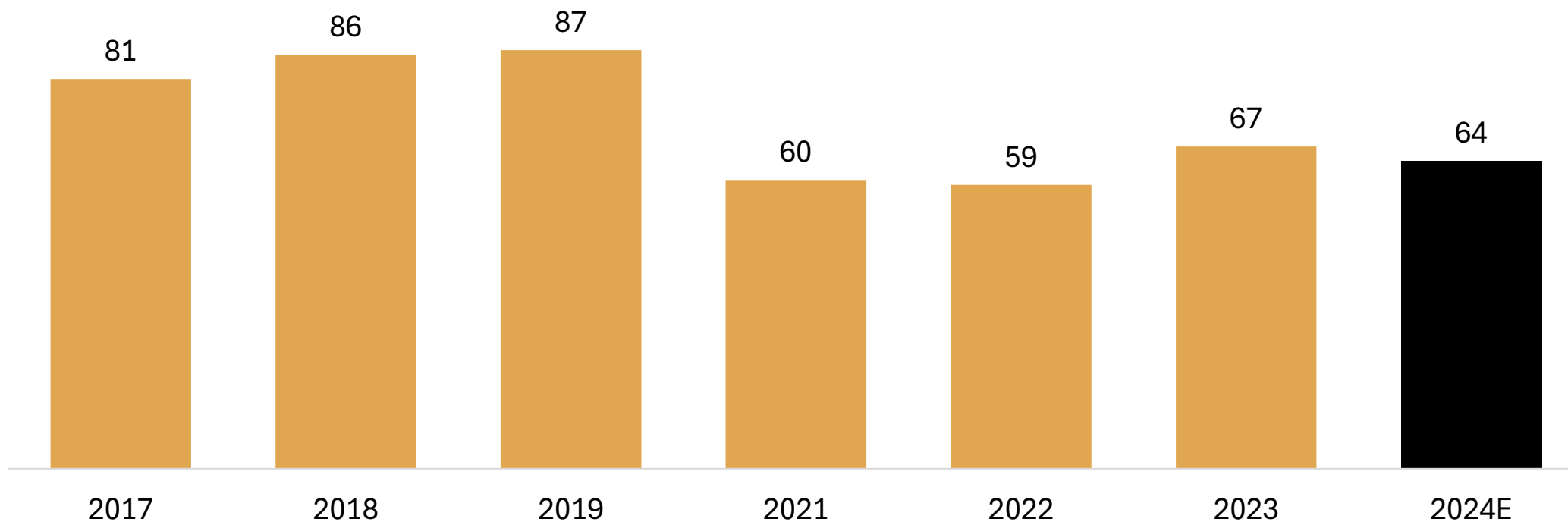
FILMS PUSHED FROM 2024 TO 2025

- | | |
|-------------------------------------|---|
| 1. Elio | 5. Mickey 17 |
| 2. Snow White | 6. Spiderman Beyond the Spiderverse |
| 3. Captain America: New World order | 7. Mission Impossible Dead Reckoning Part 2 |
| 4. Thunderbolts | 8. Ballerina |

...MAINLY DUE TO A WEAKER RELEASE CALENDAR IN 2024, WHICH PRESENTS A CHALLENGING YEAR AHEAD

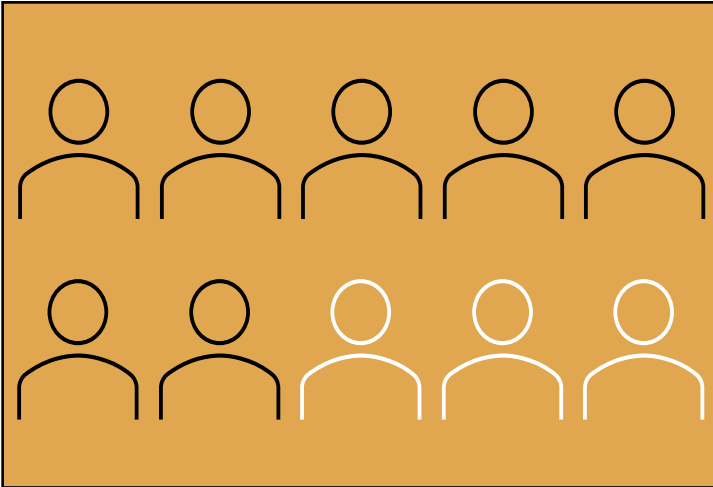
Number of Studio wide releases by year

2019 – 2023, 2024 Est., North America



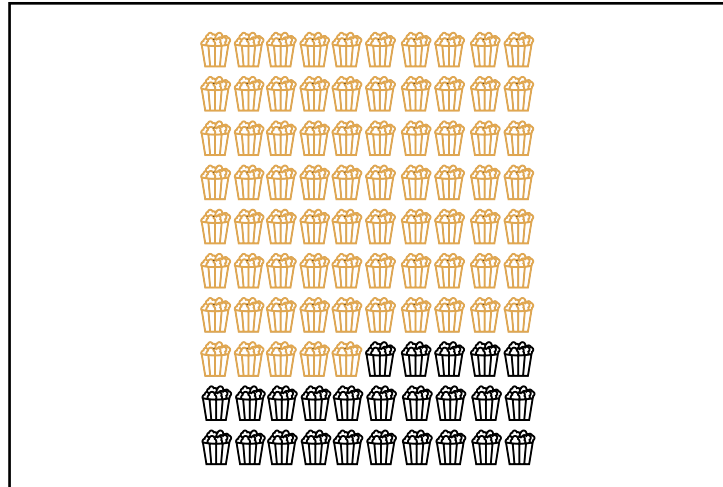
Source: The Numbers

RESEARCH SHOWS THAT CUSTOMERS WANT TO SEE FILMS IN THEATERS...



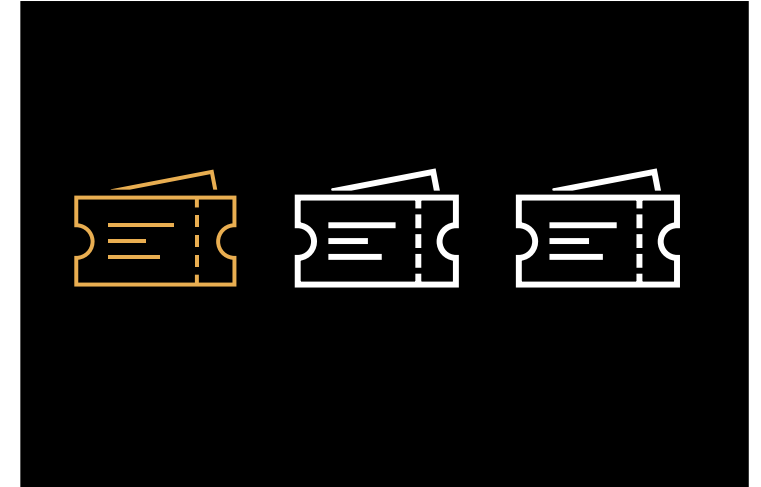
7 in 10

U.S. consumers enjoy the experience of going to the movie theater



75%

of U.S. consumers intended to go to movie theaters more often than they did in 2022



1 in 3

U.S. consumers say they would go to the movies more if theaters offered a wider variety of films

... DATA IS ALSO PROVING THE RETURN OF ALL SEGMENTS WHEN THERE IS A FILM THEY WANT TO SEE

What customers are SAYING

98%

believe movies can only be brought alive on the **big screen**

90%

pick movies as their go-to option when it comes to out-of-home experiences amongst other leisure activities

74%

opt to watch a film in the theater for the **immersive larger screen, high quality audio** experience

63%

respondents have movies on their mind at least once **every fortnight**

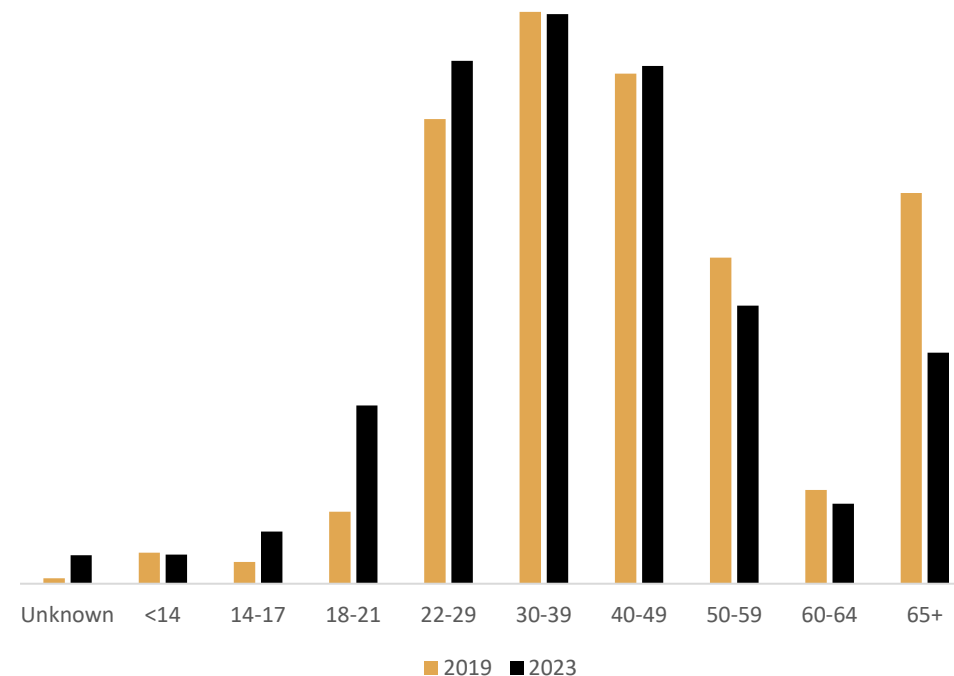
38%

GenZs & Millennials resort to movies as a **stressbuster** from day-to-day life. An immersive big screen experience is their go-to escapism from real life to reel life.

*Big screen cinema magic is still thriving in **India**, says a new survey by ticketing platform BookMyShow, which spoke to moviegoers in 650 towns and cities across the country to understand their preferred entertainment mode*

What customers are DOING

Attended Cinema by Age (2019 v 2023)



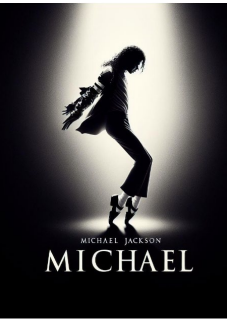
The decrease in senior market is consistent with the decrease in films that appeal to this market.
Source: Cinebuzz member data. Visitation calendar year 2019 v 2023 (**Australia**)

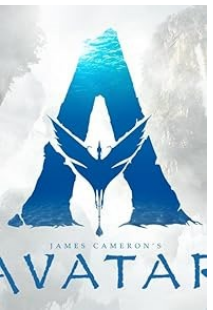
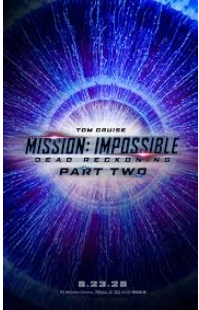
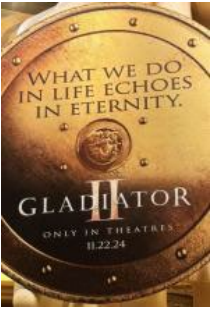
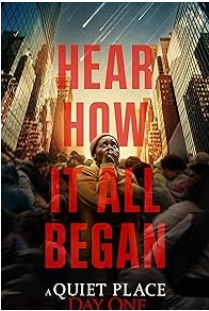
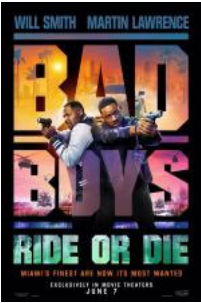


What's happening in Hollywood



New entrants







On top of the line-up

- Importance of 'experience' - quality & comfort / success of premium formats
- Emerging success of World Cinema
- Event cinema - exclusive events/ direct distribution
- Loyalty subscription programs





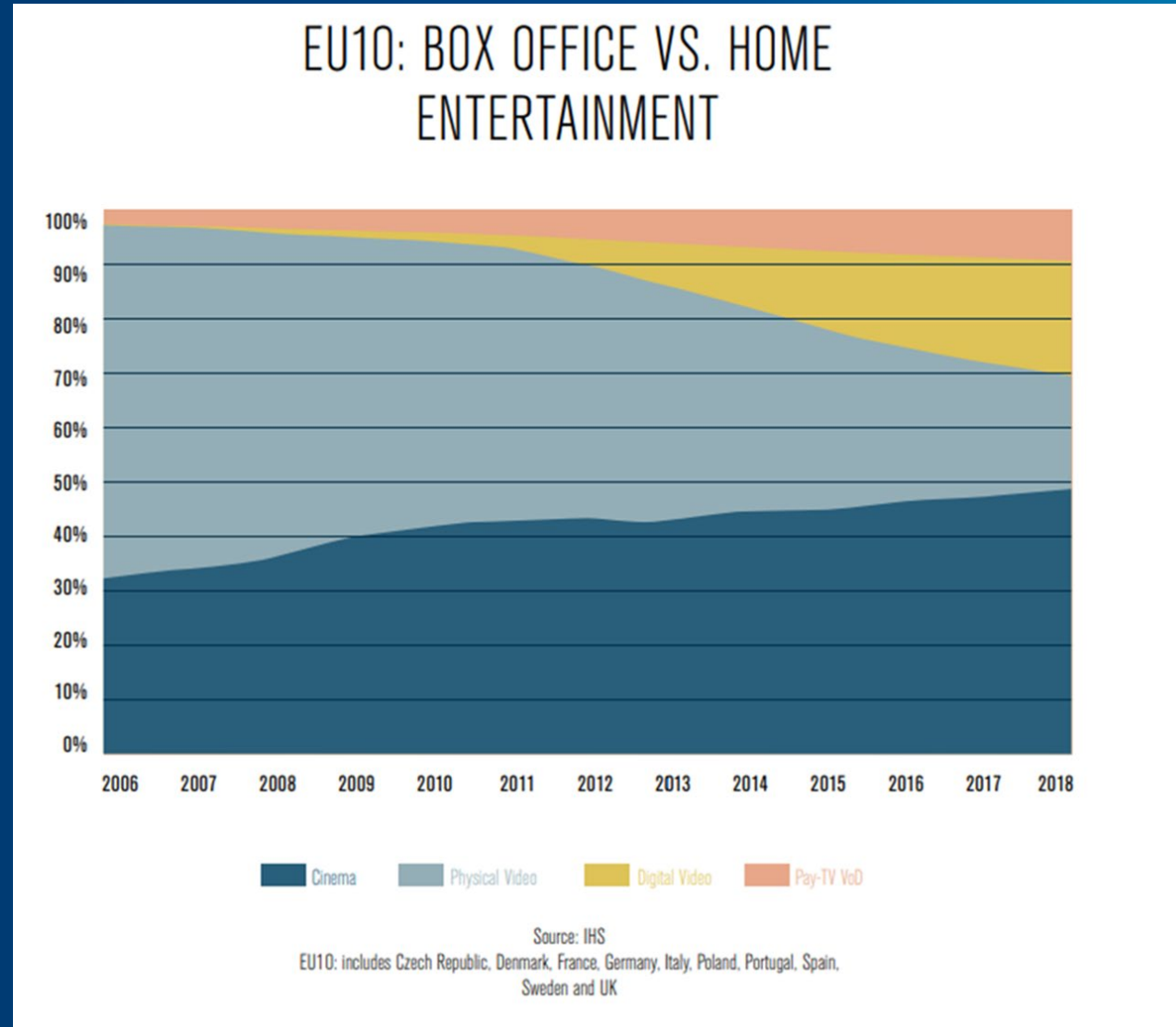
No evidence of cannibalisation between cinema and streaming

(source: Market update BNP Paribas Fortis, June 2023)

- Recent market analyses demonstrated limited cannibalisation between streaming and cinema
- Frequent moviegoers are largely exposed to and high consumers of streaming opportunities
- Heavy adopters of streaming also tend to be the most frequent moviegoers
- Streaming has forced cinemas to raise their standards in terms of experience, boosting revenue generation

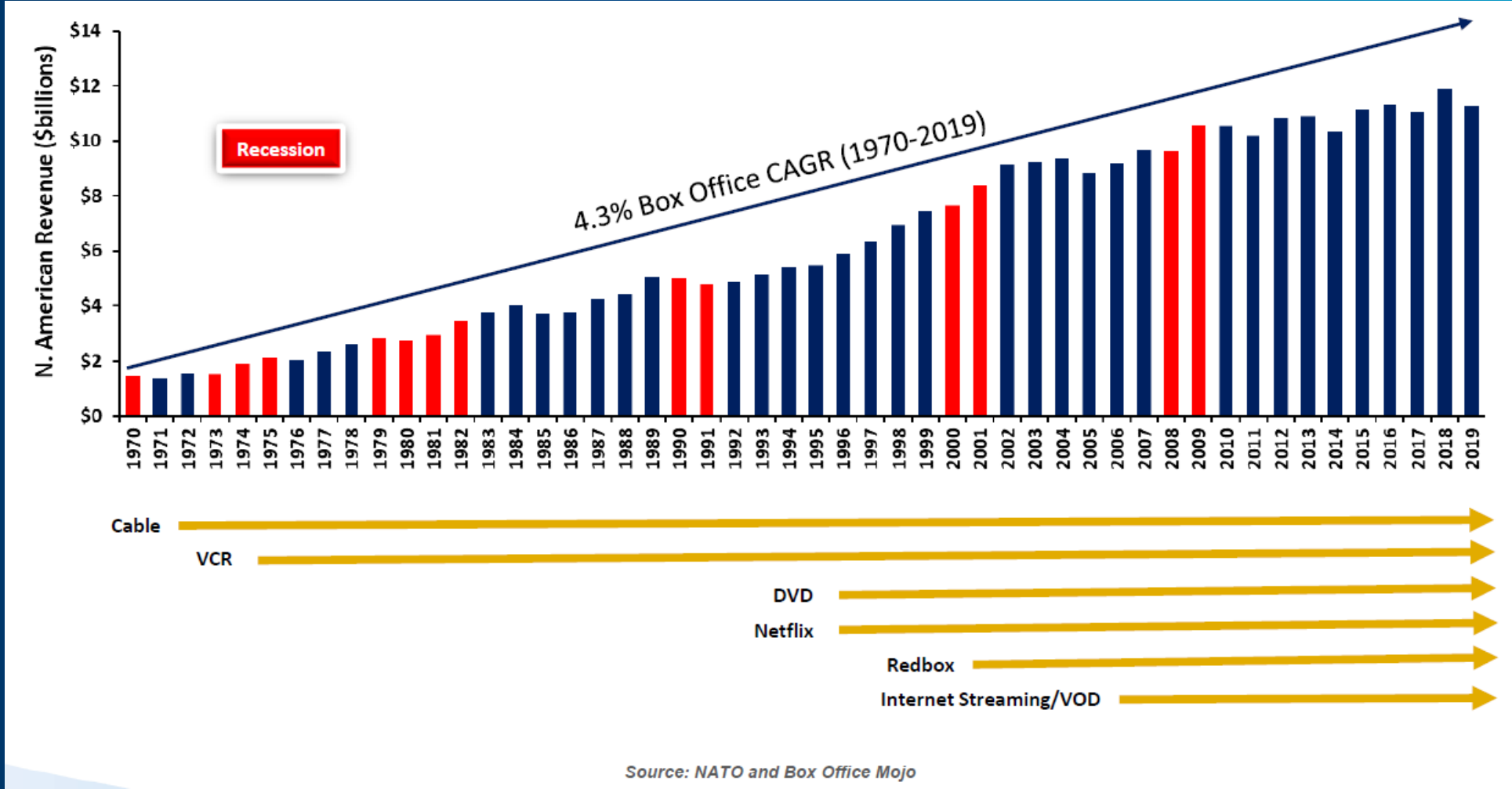


Theatrical release remains the driver for ROI of a movie





Exhibition industry demonstrated stable long-term growth





Exhibition landscape

Kinepolis vs peers



Exhibition landscape per market - Europe

France

Circuit	# Locations	Market Share
Pathé Cinémas	78	21,9%
Independent: FR	578	15,6%
Cgr	73	11,9%
Ugc-france	51	11,4%
Kinepolis	18	4,0%
VEO	230	3,9%
Megarama	27	3,4%
Cineville	17	2,9%
Cinédiffusion	93	2,4%
Gpci	92	2,4%

Belgium

Circuit	Marketshare
Kinepolis	41,48%
Pathé	15,86%
UGC	14,24%
Imagix	6,75%
Les Grignoux	2,44%
Lumière	1,99%
Other	17,19%
Total	100%

Luxembourg

Circuit	Marketshare
Kinepolis	82,55%
CDAC	16,33%
Caramba	1,13%
Total	100%



Exhibition landscape per market - Europe

Netherlands

Circuit	Marketshare
Pathé	44,88%
Vue	12,33%
Kinepolis	11,04%
Movie Unlimited	0,60%
Other	31,15%
Total	100%

Spain

Circuit	Marketshare
Cinesa	7,54%
Kinepolis	6,40%
Yelmo	3,00%
Ocine	2,65%
Pechuan	1,57%
Independents	1,28%
Mk2	1,08%
Odeon	0,94%
ACEC	0,56%
Neocine	0,40%
Espadas	0,26%
Megarama	0,24%
Villegas	0,12%
Super 8	0,09%



Canada	2023 Gross Box Office (\$MM)	Market Share
Cineplex	652	74,5%
Landmark Cinemas	114	13,1%
Cinema Guzzo	16	1,8%
Cinema RGFM	11	1,3%
Cinema Le Clap	5	0,6%
Total - Top 5	799	91,2%
Total Canada	876	100,0%

Exhibition landscape per market Canada/US

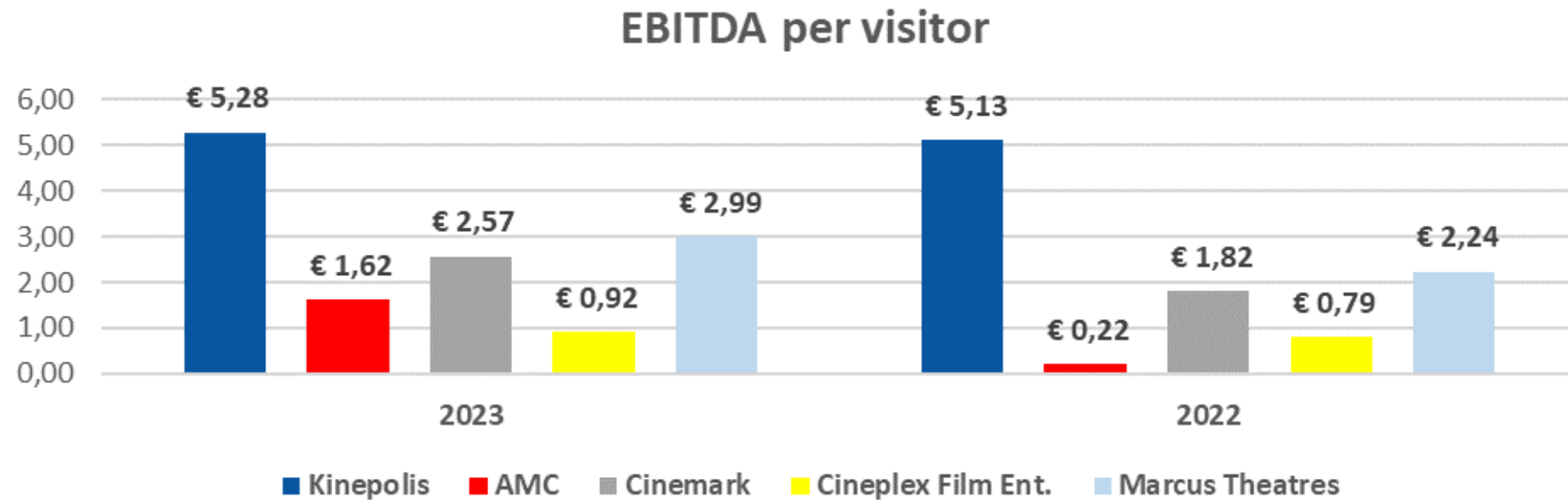
Source: Comscore

United States	2023 Gross Box Office (\$MM)	Market Share
AMC Theatres	2.124	26,9%
Regal Cinemas	1.409	17,8%
Cinemark Theatres	1.319	16,7%
Marcus Theatres	244	3,1%
Harkins Theatres	161	2,0%
Alamo Drafthouse	134	1,7%
National Amusements	98	1,2%
Santikos Theaters	97	1,2%
Emagine Entertainment	80	1,0%
Cinepolis	78	1,0%
CMX Cinemas	76	1,0%
B&B Theatres	71	0,9%
Malco Theatres	69	0,9%
Elevate Entertainment Group	60	0,8%
Galaxy Theatres	55	0,7%
Megaplex Theatres	54	0,7%
Studio Movie Grill	52	0,7%
iPic Entertainment	45	0,6%
NCG Cinemas	43	0,5%
Georgia Theatre Company	38	0,5%
MJR Theatres	34	0,4%
Premiere Cinemas	32	0,4%
Kerasotes Theatres	31	0,4%
Epic Theatres	31	0,4%
Landmark Theatres	29	0,4%
Total - Top 25	6.463	81,8%
Total United States	7.897	100,0%



EBITDA per visitor

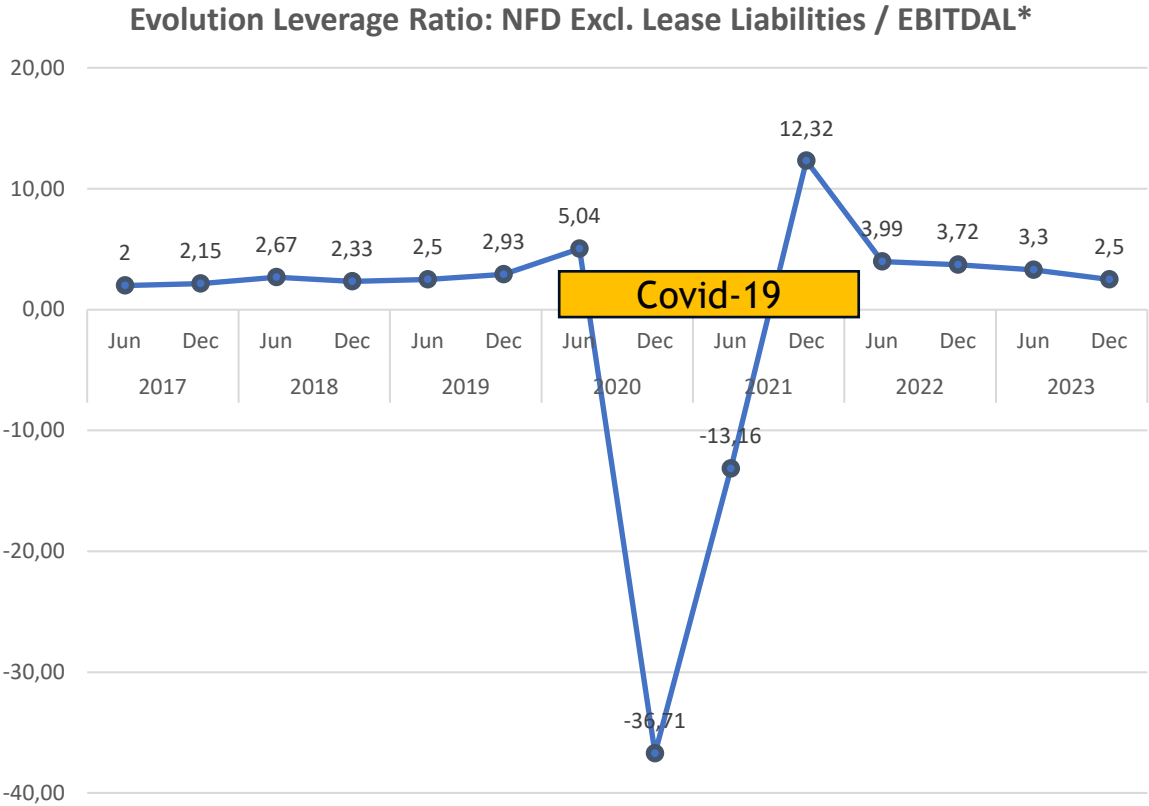
Kinepolis vs peers



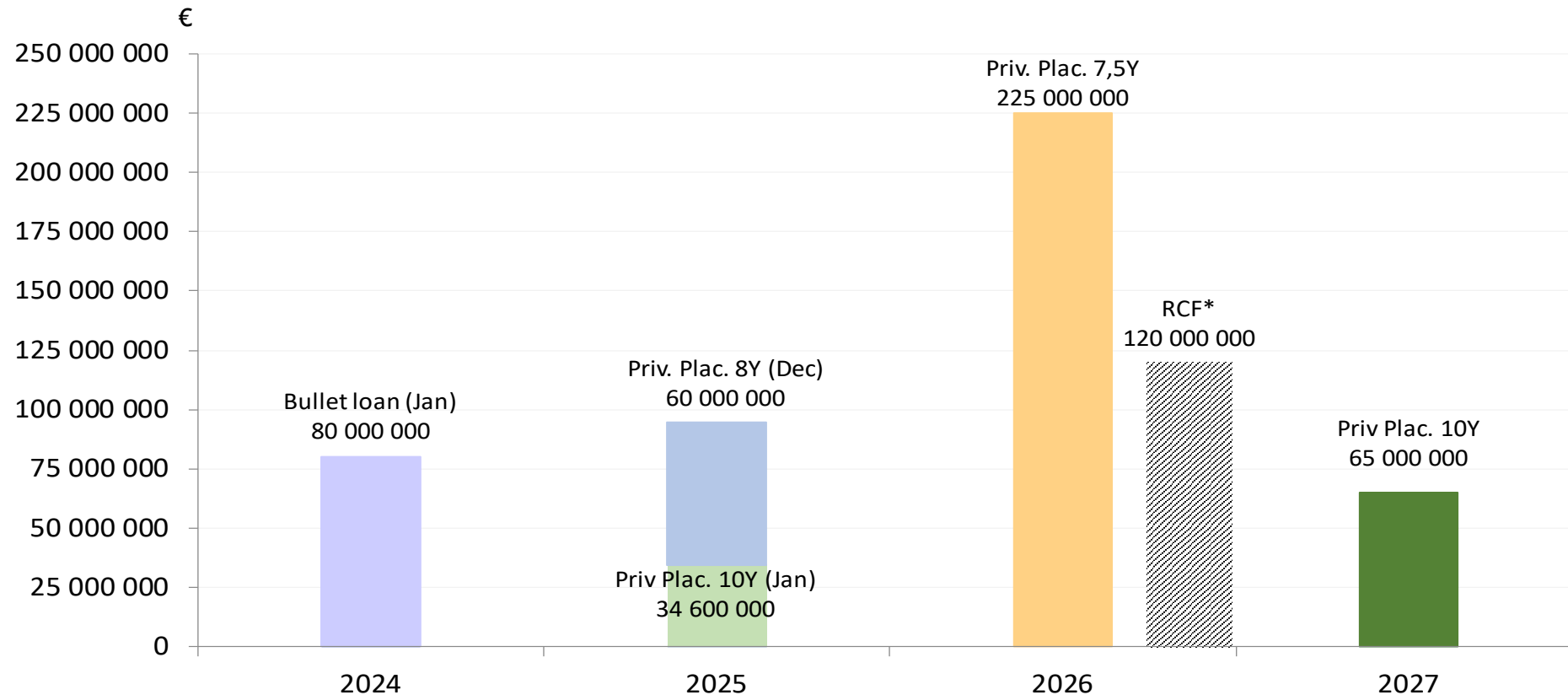


Leverage ratio

Evolution 2017-2023



Maturity profile financial debt**



* Commercial paper drawn for 16 million per 18/12/2023 - 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 31/12/2023: 2,3 years



Kinepolis versus peers

Competitive advantage

- Facts & figures-driven management style
- Continuous optimisation of break-even point (5% exercise since 2008)
- Entrepreneurship & Star plans
- Improvement potential in M&A
- Real Estate position / no backlog in maintenance
- Debt ratio
- Investment capacity (premium formats)



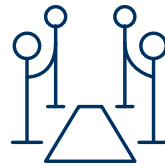
Kinepolis' core strategy



Historical decline in
Cinema attendance

**Market growth
Trend**

But year-over-year
Box Office Growth



Premium
moviegoing
experiences



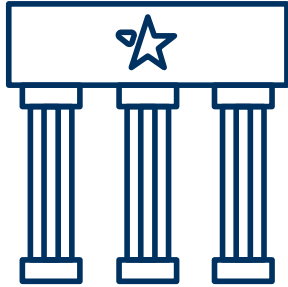
Higher average
ticket prices



More consumption
of food
and beverages



3 pillar
strategy



Best cinema operator

1



Best marketer

2



Best real estate manager

3

core strategy

3 pillar
strategy



Best cinema operator

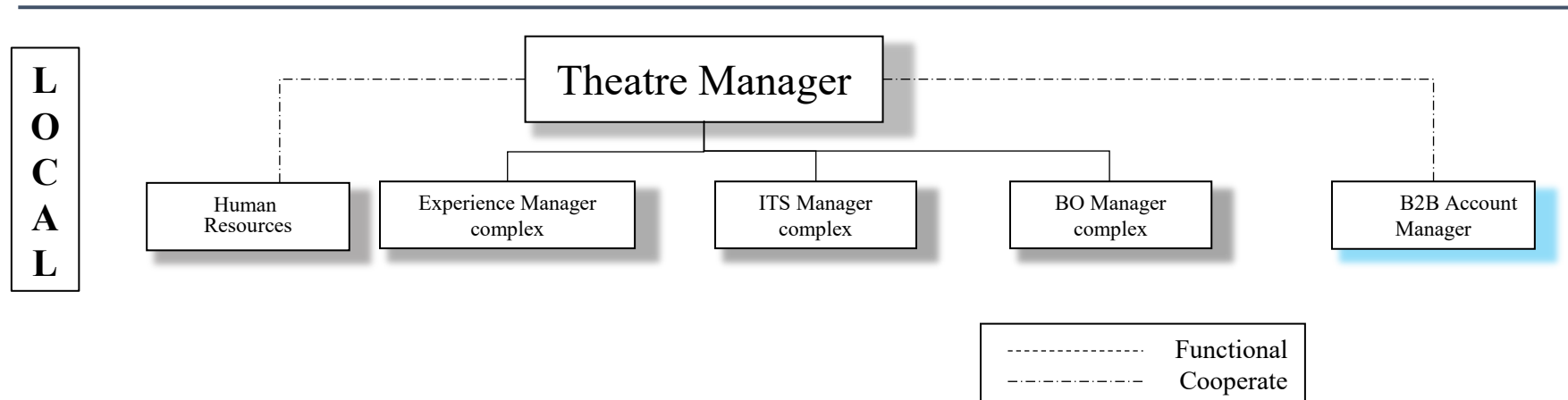
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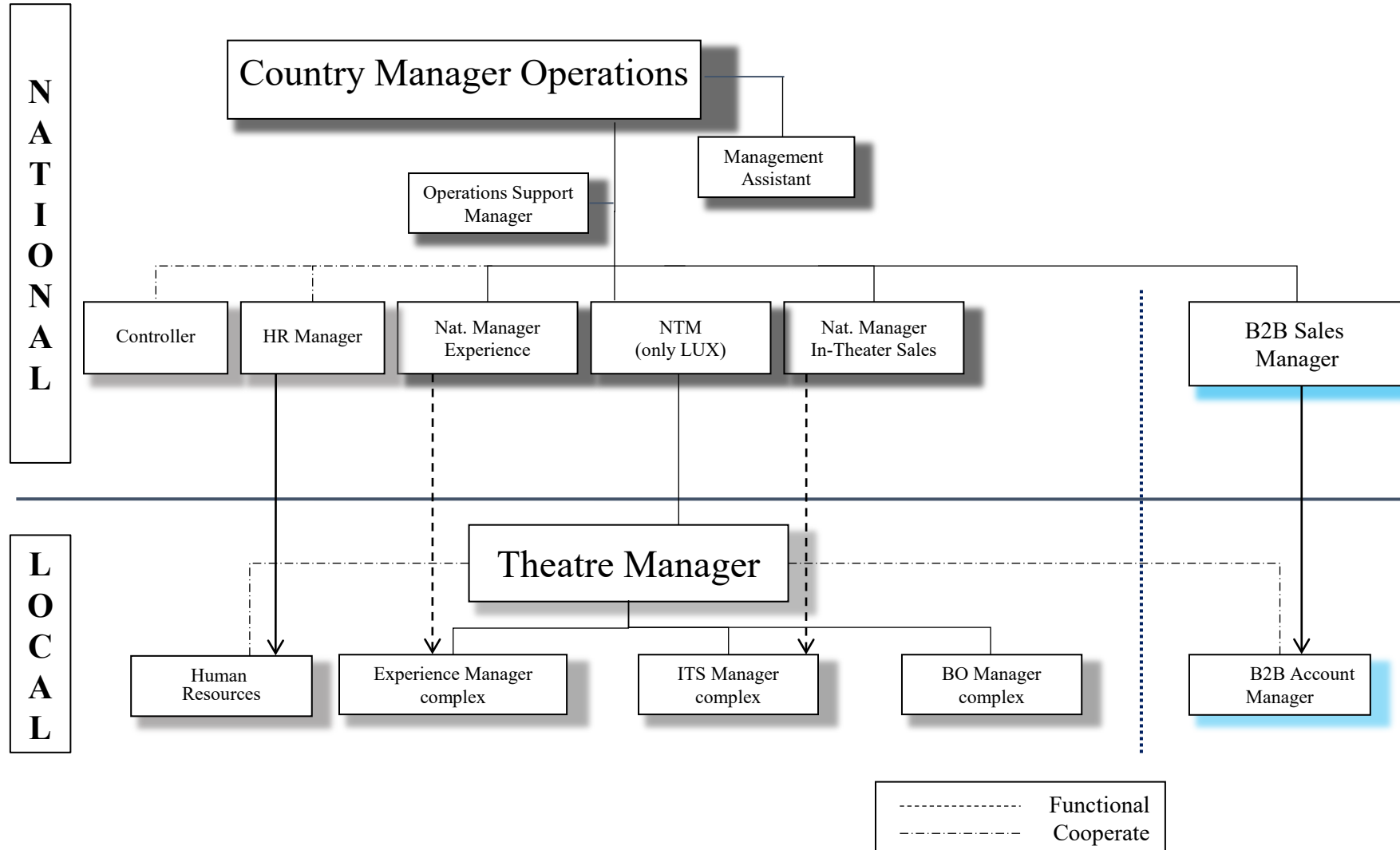
Self-learning organisation based on Business ownership



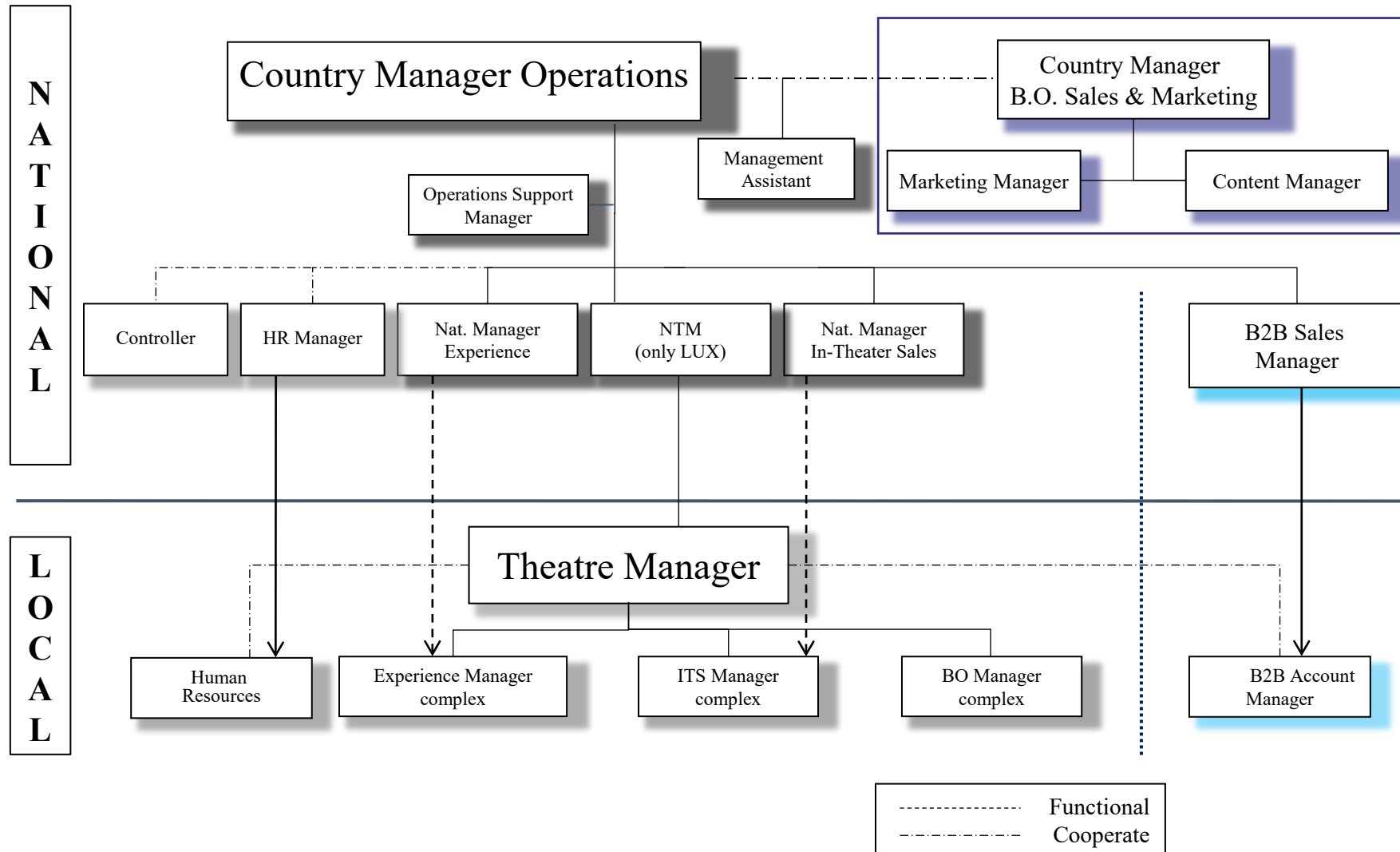
Organigram local/national cinema



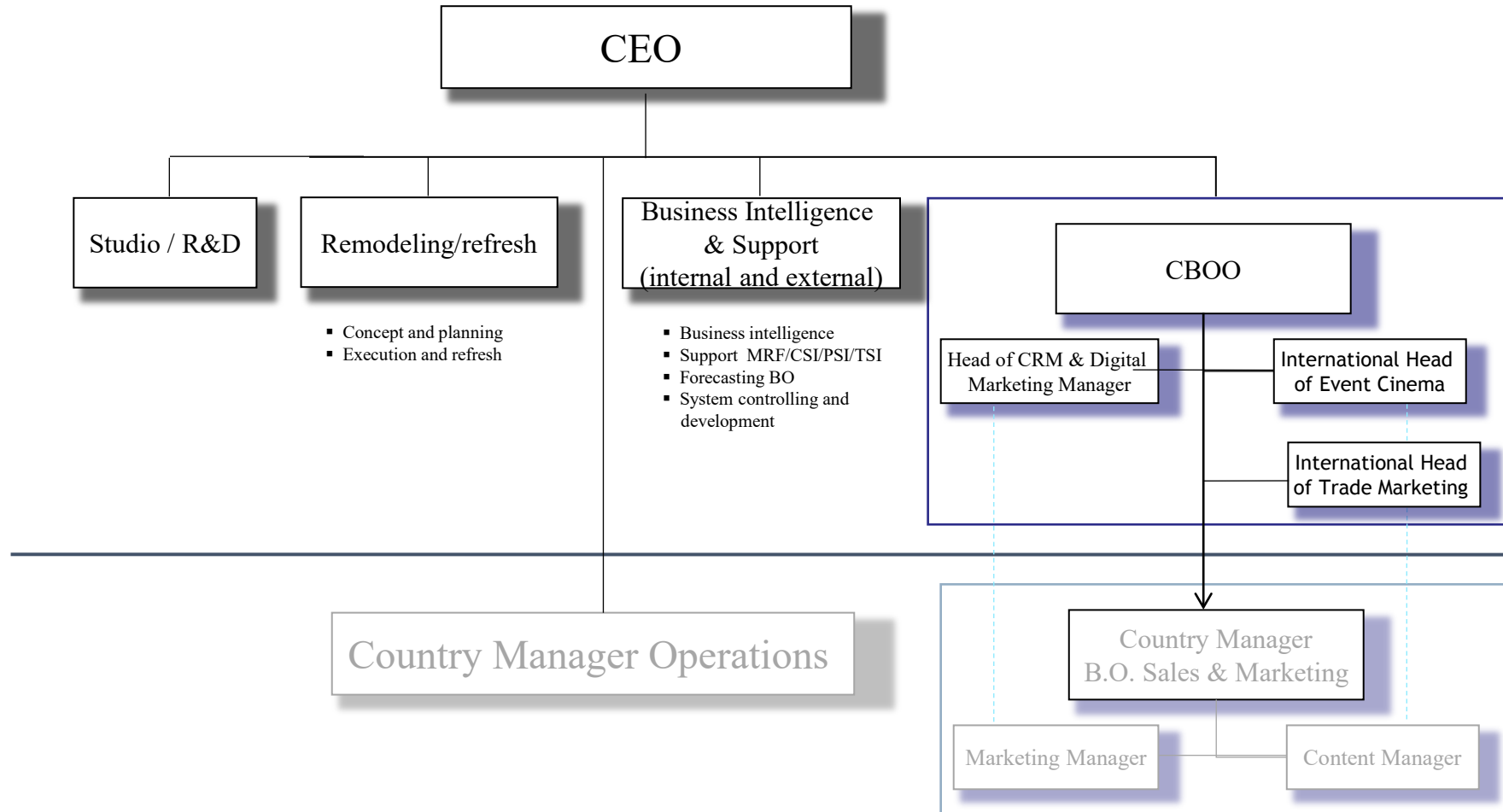
Organigram local/national cinema



Organigram local/national cinema

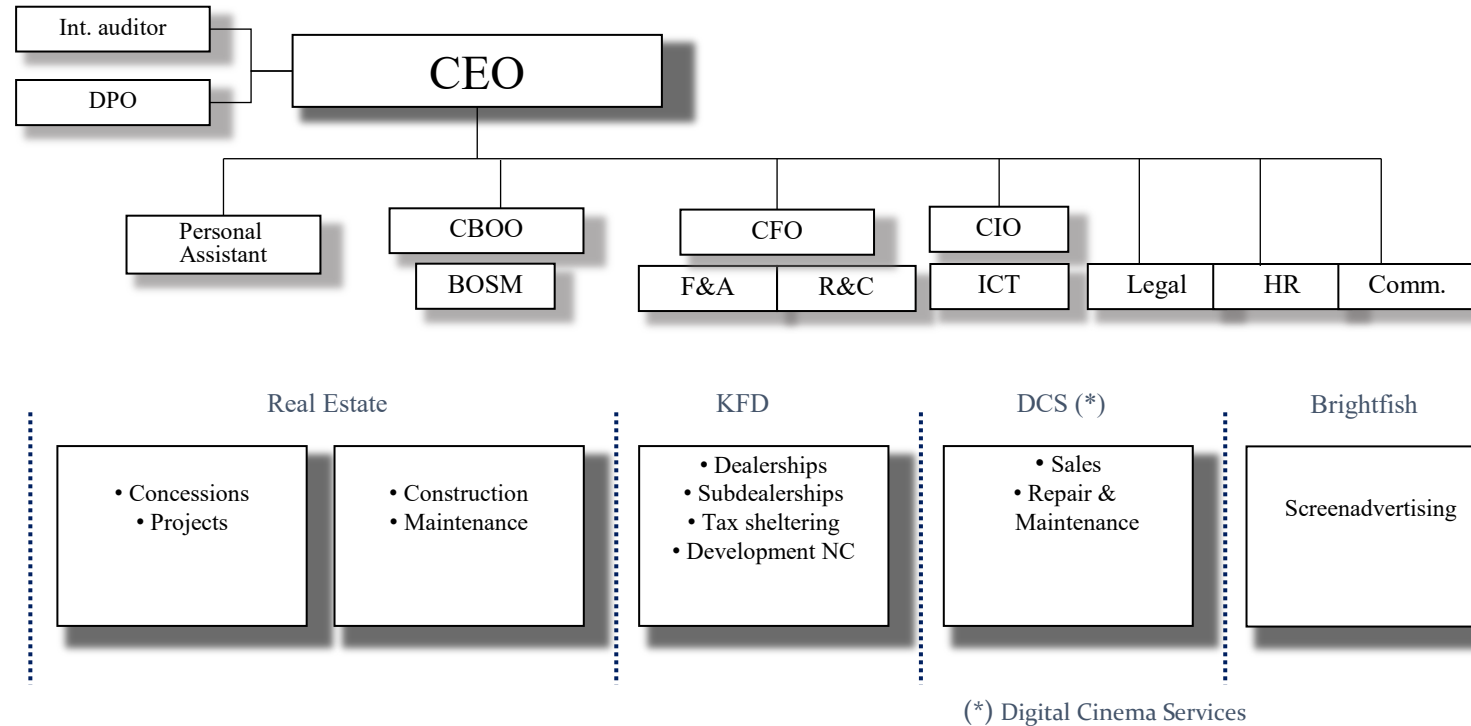


Organigram corporate cinema



Group structure - Cinema Support Centre

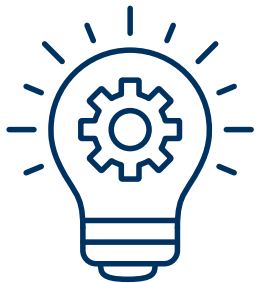
Cinema
operations





Lowering the break-even point proportionate to (a hypothetical) -5% visitors

Yearly improvement
exercise



more customer
experience



revenue-boosting
innovations



efficiency
measures



Human capital self-learning company culture

Tom De Vos, CHRO

Empowering employees

to actively contribute to the
development of the company
and its results

Business ownership

stimulates
entrepreneurship

Innovation Lab

all employees are encouraged to
think out of the box and come
up with new ideas

Talent factory

high internal
mobility rate
(1 in 3 vacancies
filled internally in 2023)

Yearly Employee survey

PSI

Yearly performance cycle

for 100% of employees



People Satisfaction Index (PSI)

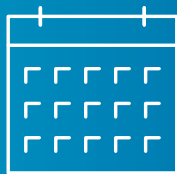
Results 2023

- Response rate was never higher: 87%

Highest PSI scores	Lowest PSI scores
<p>“I’m able to provide friendly customer service” (90,86)</p> <p>“I know what is expected of me” (88,19)</p> <p>“My manager is supportive and available to provide assistance” (86,91)</p>	<p>“My suggestions are taken into account for purposes of improving customer service and/or the organisation” (74,69)</p> <p>“I am satisfied with the safety and cleanliness in/around my workplace” (77,27)</p>



“Continuously investing in the relationship with our visitors to provide an offer that meets their wishes and needs.”



Active
programming



Digital
marketing



Experience



Multi-year Star Plan

To boost attendance & Box Office



Content



Push blockbusters



Enlarge

(value seekers - world cinema -
alternative content)



Preshow



Centralized preshow



Gamification



Movie Now



Loyalty



Loyalty program



Movie card



Digital marketing



Renew website



Retention



“Committed to continuing the optimal management, use and management of our unique real estate portfolio.

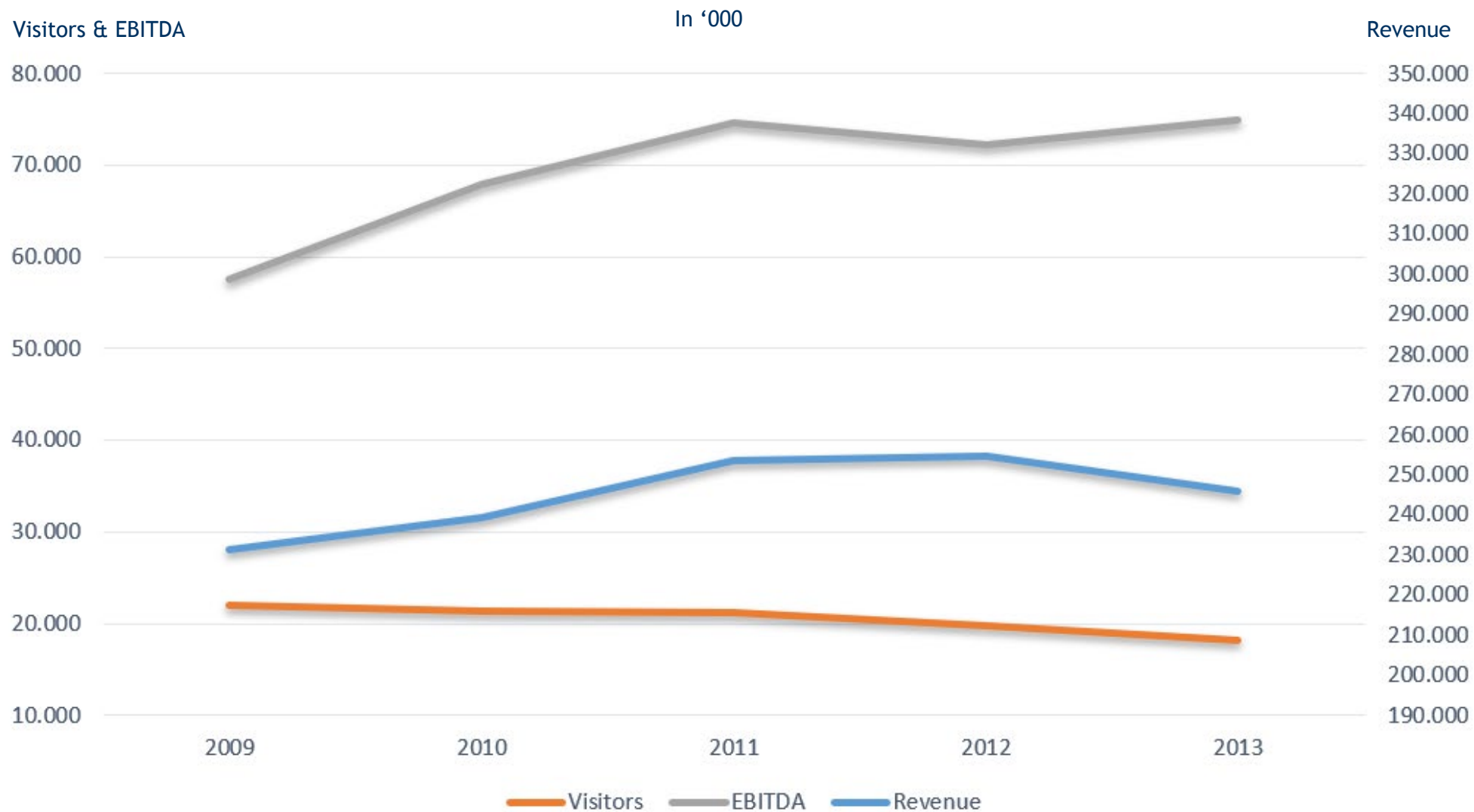


Long-term real estate strategy

- Real estate value going concern
- Real estate value non-going concern
- Real estate optimisation
 - Capacity 'intra-muros' and 'extra-muros'
 - Capital underemployed or unemployed
 - New concepts and traffic generators
 - Real estate development



Impact of 3 pillar strategy - before expansion





Kinepolis' expansion strategy

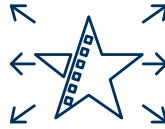
Successful execution of expansion strategy since 2014



Based on

Improvement potential

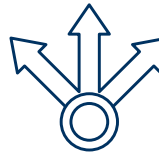
Derived from core strategy



Integration of

Kinepolis' way

of working and management structure



From 23 to 109

Cinemas to date
(Europe and North-America)



Successful execution of expansion strategy since 2014



Main target

Without excluding a once in a lifetime opportunity

1

Family-held, mid-size
businesses

in macro-
economically healthy
regions

2

Preference to have
real estate
on board

3

Sufficient
improvement
potential



Timeline 2014-2023

Covid-19



2015

Takeover Utopolis
cinemas in The
Netherlands, Lux
& France
Entrance Lux
market

2016

Reopening
IMAX
Brussel
(BE)

2016

Opening of 5 new-
build cinemas
(Dordrecht, Breda,
Granada, Fenouillet,
Utrecht)

2019

Takeover MJR
Digital
Cinemas (US)
10 multi- and
megaplexes

2020-2022

Opening of
5 new-
builds (FR
(2), NL (2),
CA(1))

2014

Takeover of two
Spanish
cinemas
(Madrid &
Alicante)

2014

Takeover Wolff
Bioscopen cinema
group
Entrance Dutch
market



2015

Takeover
cinema
Mégaroyal
(Bourgoin,
FR)

2016

Takeover
cinema in
Rouen
(FR)

2017

Takeover
NH
Bioscopen
(NL)

2017

Takeover of
Landmark
Cinemas
(Canada)
45 Canadian
complexes



2018

Takeover El
Punt (ES)
Opening
various
new-builds
(FR, NL,
CA)

2022

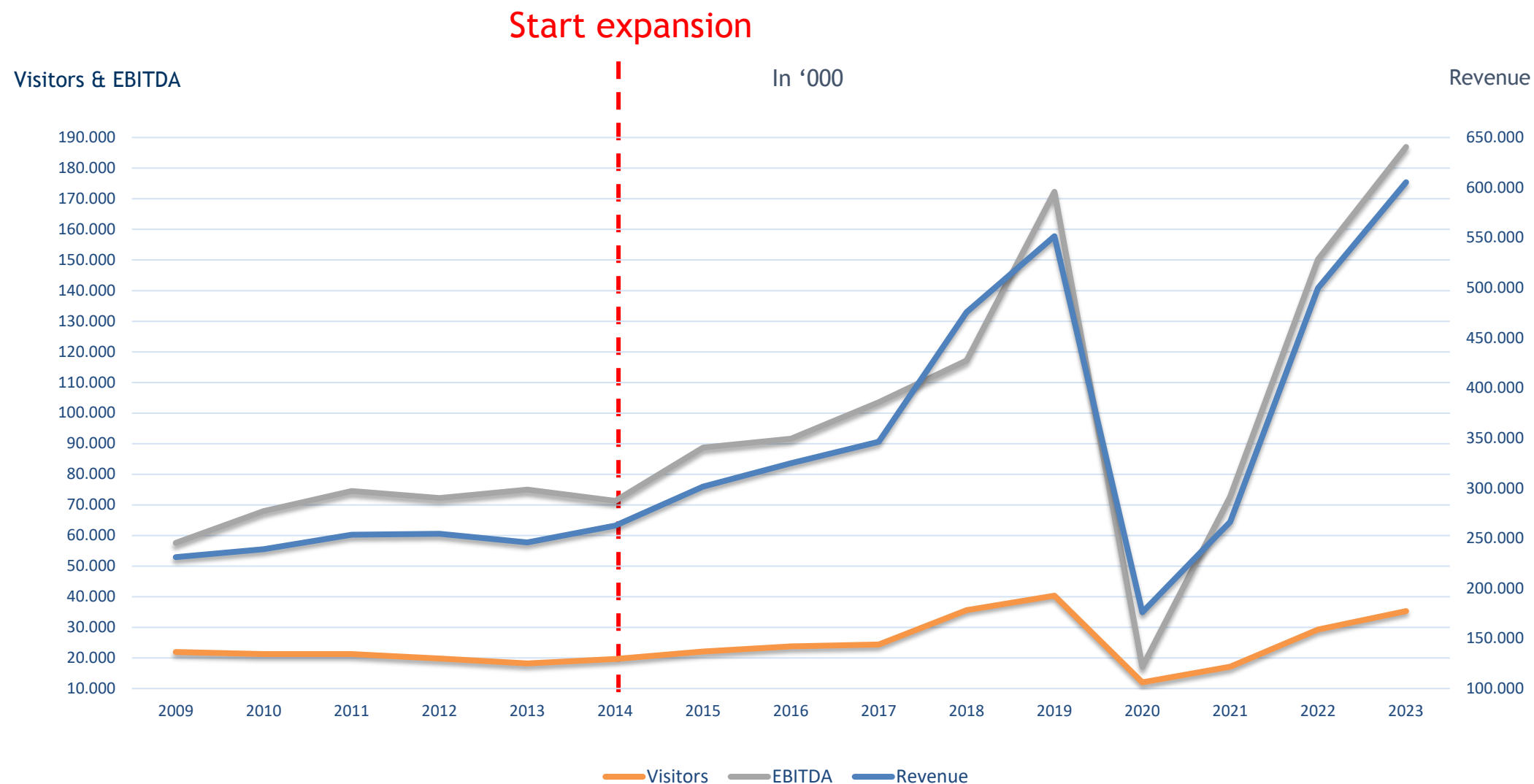
Takeover of
2 Spanish
cinemas
(Barcelona/
Marbella)
And 1
French
cinema
(Amnéville)

2023

Takeover
2 French
cinemas
(Belfort,
Béziers)



Impact of 3 pillar strategy - after expansion





What's next...?

Key elements for future growth



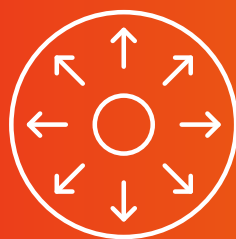
Internal expansion



Internal expansion

premium formats & products

Supported by market demand
for more experience



Roll-out of premium formats

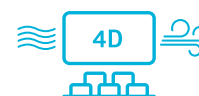
and new product development

For a state-of-the-art experience
Supported by the newest cinema technologies

Premium formats & products



IMAX



4DX



Laser Ultra



3D



Screenx



Cosy seats



Vip seats



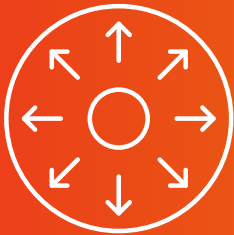
Premiere seats



Internal expansion

premium formats & products

Supported by market demand
for more experience



Roll-out of premium formats

and new product development

Two-fold strategy



Adding premium
product capacity
in Europe



Roll out Kinopolis
concepts in
Canada & US



ScreenX, 270° viewing experience



Laser ULTRA combines the unique image quality of Barco's 4K laser projector with immersive Dolby Atmos sound





4DX - 4D movie experience with moving seats, weather simulations and scent effects, perfectly synchronised with the on-screen action.



Premiere Seats, Landmark Waterloo



EXPERIENCE IT IN

Premiere/Seats

Heated Seats | Power Headrests | Side Tables
Coat Hooks | Storage Space | Private Enclosure



GET TICKETS



for MOVIE LOVERS

VIP SEATS

UNSEAT YOUR EXPECTATIONS

- Enjoy more personal space • Heated reclining seats
- Side tables • Coat hooks • Storage space

ALL WITHIN A PRIVACY ENCLOSURE



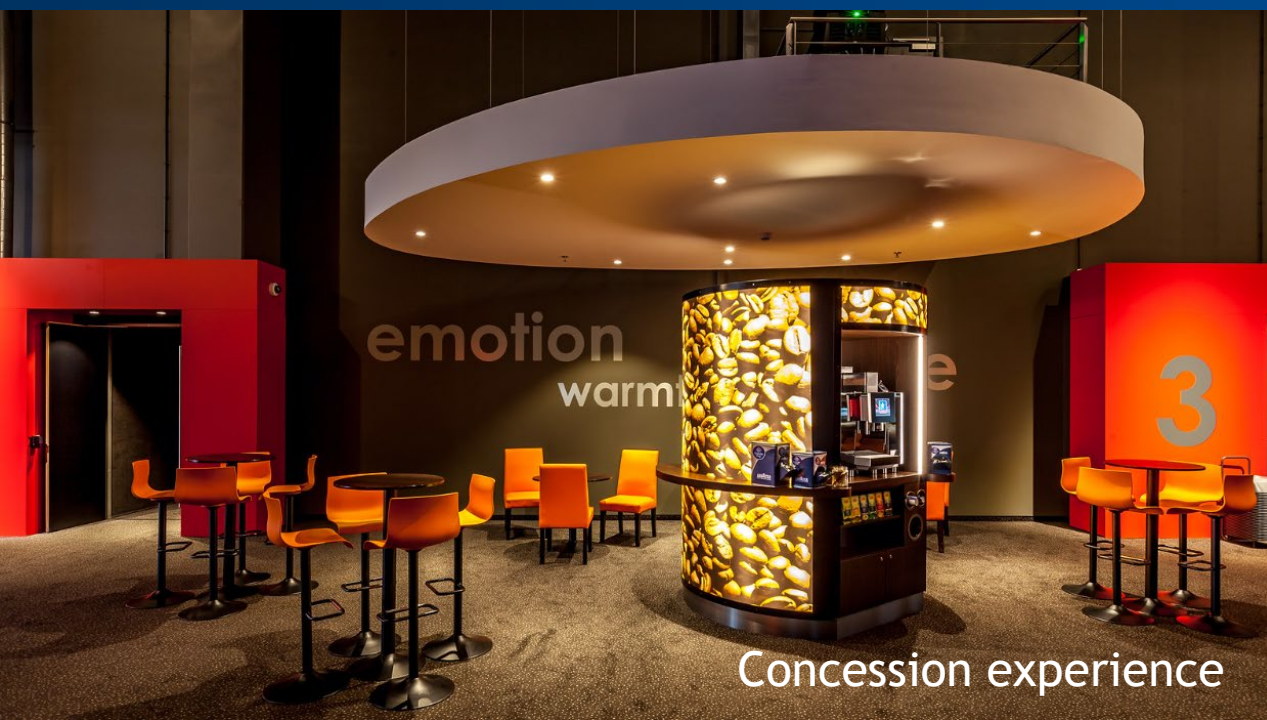
Reserve Now at Select Locations



Cosy Seats Plus, Kinopolis Leidschendam (NL)



Pilot testing LUX Loungers, MJR Theatres (US)





CONTENT

DRIVES ATTENDANCE

EXPERIENCE

DRIVES REVENUE



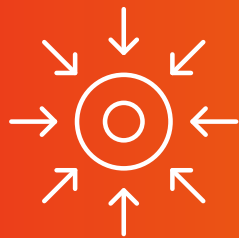
External expansion



Mergers and acquisitions

Smaller, family-held businesses

Supported by Kinopolis
outperforming the market



“We combine a lower
than average risk
profile, with a higher
than average return.”



Mergers and acquisitions

Supported by Kinopolis
outperforming the market



Value creation as driver for M&A

Targetting family-held mid-size businesses

M&A opportunities will derive from different
market scenarios, depending on market recovery



Break-even
point lower
than that of
peers



200% EBITDA in case of
attendance recovery,
outperforming market



M&A at attractive
conditions if
attendance keeps
lagging behind



Further recovery visitor numbers driven by Hollywood offering expected to be fully recovered by 2025/2026

Internal expansion (premium concepts)

External expansion

Key elements
for future growth



Proposal to appoint 2 new directors

BOD Kinepolis Group NV



Jo De Wolf
CEO Montea NV

Extensive Real Estate
expertise



Els De Keukelaere
CFO Ekopak NV, Experienced corporate auditor

Particular interest in ESG domain



ESG update

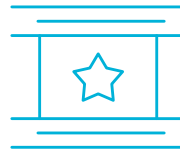
Anneleen Van Troos, Corporate Communication Mgr
Erik Vanden Berghe, General Manager Real Estate



ESG Focus areas



Best cinema operator



Best marketer



Best real estate manager



Development & empowerment of employees



Employee well-being, diversity and inclusion



Customer Experience excellence



Green and resilient building & infrastructure



Responsible waste management

CSRD-aligned reporting as from 2024



Preparation ongoing

- ESG governance
- Double materiality analysis
- Overview ESRS data requirements
- Data collection processes & reporting





	2021* (atypical year)	2022	2023
Absolute value (tCO2e)	19 867.77	27 485.14	25 442.88
tCO2e/M EUR turnover	74.58	54.98	42.02

Carbon footprint

Scope 1&2- 2023

Scope 3 excercise almost completed -
reporting as from 2024



Roll out of intelligent building management systems

save up
to 50% energy
consumption

led by International
Efficiency Engineer for
technical installations



Ongoing investments in transition to laser projection

77% of Kinepolis' European screens
laser per
end of 2023

60% at
Group level

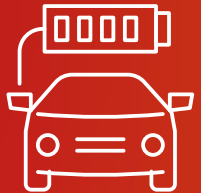
Towards net zero emissions by 2050



Roll out of intelligent building management systems



Ongoing investments in transition to laser projection



Reduce emissions from car fleet



Step up waste management practices

**Towards
net zero
emissions
by 2050**



Creating value for employees,
customers, shareholders and partners
as well as the environment and
communities Kinepolis is part of.



READY

FOR THE FUTURE





Thank you