



**CINEMARK®**

**CENTURY**  
THEATRES.

**CinéArts**

*Tinseltown*

**rave**  
cinemas

# Investor Presentation

May 7, 2021

# Forward Looking Statements

## **FORWARD LOOKING STATEMENTS:**

Certain matters within this presentation include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The “forward-looking statements” may include our current expectations, assumptions, estimates and projections about our business and our industry. They may include statements relating to the proposed offering, the anticipated use of proceeds, future revenues, expenses and profitability, the future development and expected growth of our business, projected capital expenditures, attendance at movies generally or in any of the markets in which we operate, the number or diversity of popular movies released and our ability to successfully license and exhibit popular films, national and international growth in our industry, competition from other exhibitors and alternative forms of entertainment and determinations in lawsuits in which we are defendants. Forward-looking statements can be identified by the use of words such as “may,” “should,” “could,” “estimates,” “predicts,” “potential,” “continue,” “anticipates,” “believes,” “plans,” “expects,” “future” and “intends” and similar expressions. Forward-looking statements may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict, including, among others, the impacts of COVID-19. Such risks and uncertainties could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. For a description of the risk factors, please review the “Risk Factors” section or other sections in the Company’s Annual Report on Form 10-K filed February 26, 2021. All forward-looking statements are expressly qualified in their entirety by these cautionary statements and such risk factors. We undertake no obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Except as otherwise specified or indicated by the context references in this presentation to “we,” “us,” “our,” “Cinemark” or the “Company” are to the combined business of Cinemark Holdings, Inc. and its consolidated subsidiaries.

## **NON-GAAP FINANCIAL MEASURES:**

Certain non-GAAP financial measures included in this presentation, including Free Cash Flow, Adjusted EBITDA and other financial measures utilizing Adjusted EBITDA, may not comply with the guidelines adopted by the Commission regarding the use of financial measures that are not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our measurement of Adjusted EBITDA and other financial measures may not be comparable to those of other companies, and may not be comparable to similar measures used in our various debt agreements, including Cinemark USA’s Credit Agreement and the indentures governing Cinemark USA’s senior notes. Please see the Appendix for definitions of our non-GAAP financial measures and a reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.



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# Cinemark Overview

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- **One of the largest and most influential movie theatre companies in the world**

- 523 theatres with 5,872 screens in 16 countries <sup>(1)</sup>

- **U.S. Operations** <sup>(2)</sup>

- Third largest exhibitor in terms of market share
- 42 states, 104 DMAs
- Historically #1 or #2 in box office revenues in 80% of our top 25 markets
- Highest attendance per screen among leading exhibitors
- Surpassed North American industry box office growth for 10 out of the past 11 years
- U.S. operations funded the debt, domestic growth opportunities and dividend

- **International Operations** <sup>(2)</sup>

- First modern theatre experience throughout Latin America
- More than 26 years of operating experience
- 15 countries
- Approximately 30% market share in key countries
- Presence in 15 of top 20 metropolitan cities in the region

**325 Theatres 4,436 Screens<sup>(1)</sup>**



**198 Theatres 1,436 Screens<sup>(1)</sup>**



1) As of 3/31/2021

2) As of 12/31/2020

# Highly Experienced Management Team



**Lee Roy Mitchell**

*Founder & Executive Chairman*

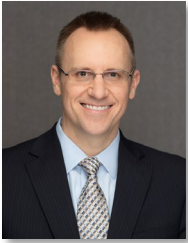
Founded Cinemark in 1987, served as CEO through 2006 and has served as Executive Chairman since 1996



**Mark Zoradi**

*CEO & Board Director*

Served as Cinemark's CEO since 2015. Spent 30+ years at Walt Disney Company, most recently serving as President of the Walt Disney Studios Motion Picture Group



**Sean Gamble**

*CFO & COO*

10+ years of industry experience. Joined as Cinemark's CFO in 2014 after spending 5+ years as CFO/Executive Vice President of Universal Pictures within NBCUniversal



**Valmir Fernandes**

*President, International*

20+ years of Cinemark experience includes the past 10 years as President of International following 10 years as the General Manager of Cinemark Brazil



**Mike Cavalier**

*EVP General Counsel*

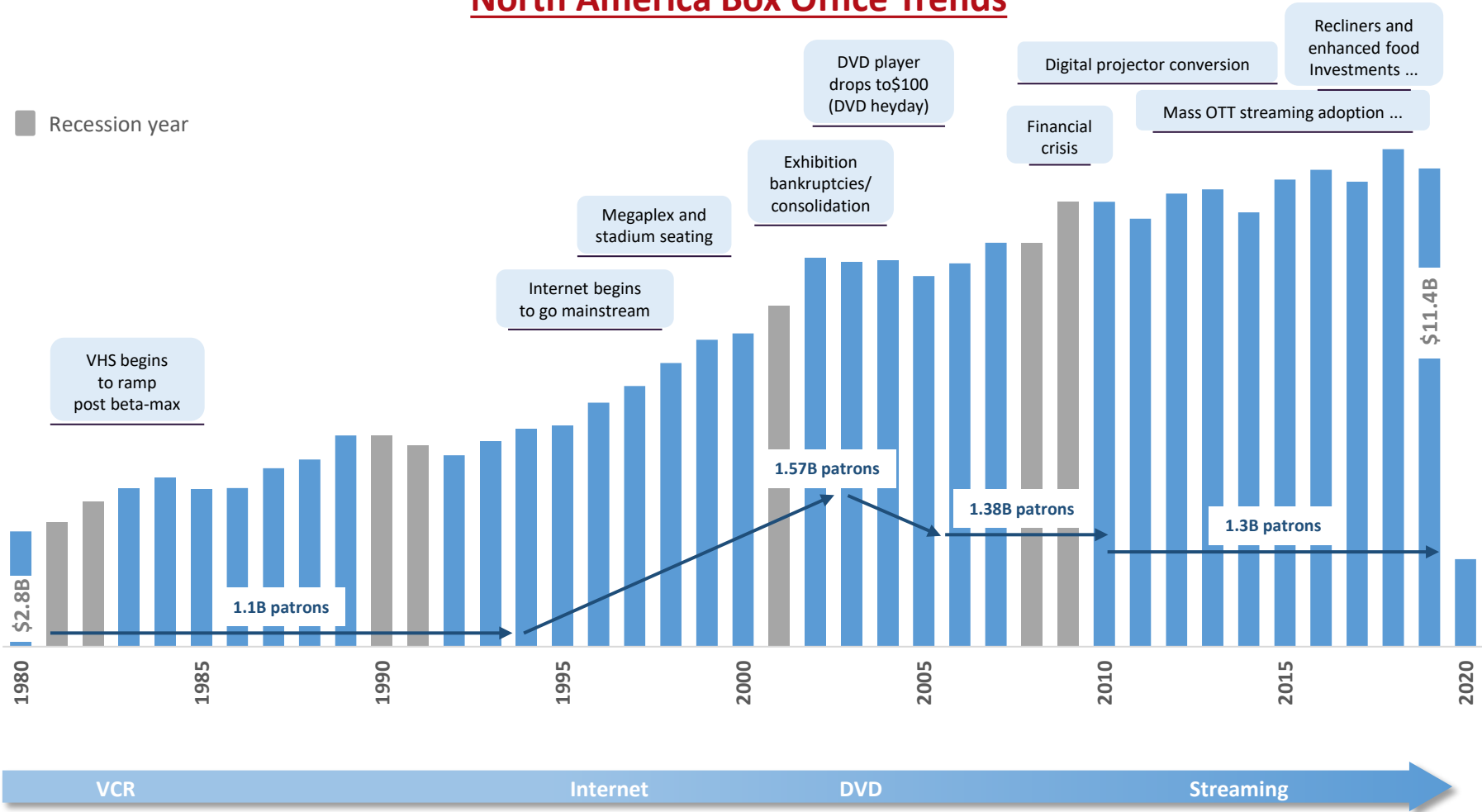
Served as General Counsel since 1997. Helped guide company through various transactions including M&A, IPO and numerous lending agreements

**Additional key leaders with 20+ years of industry/Cinemark experience in the US and internationally**

# Exhibition Industry Trends

Stable, long-term industry growth trends across technology innovations and economic cycles

## North America Box Office Trends



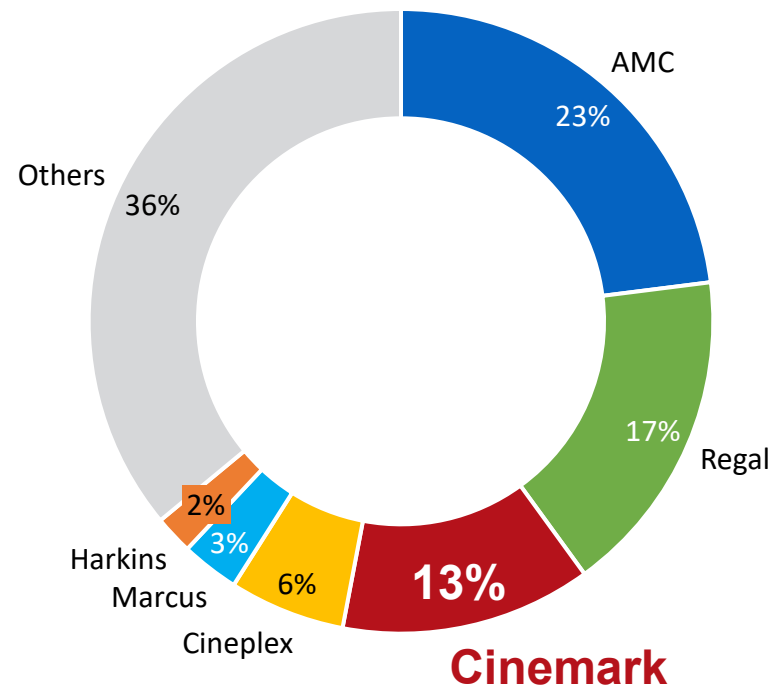
Sources: North America: ComScore; NATO.



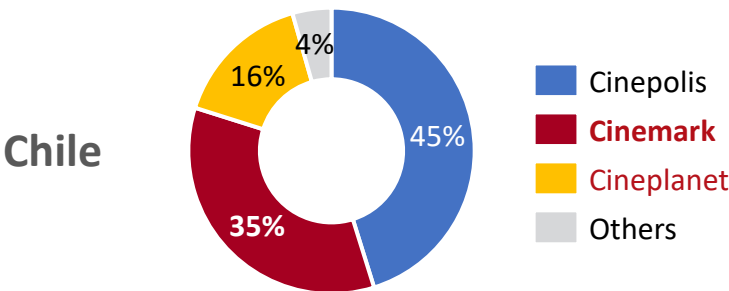
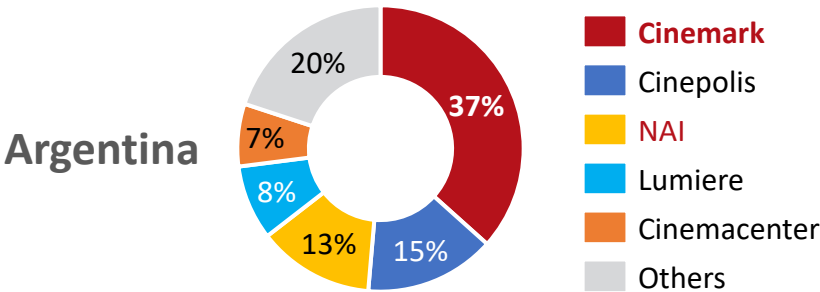
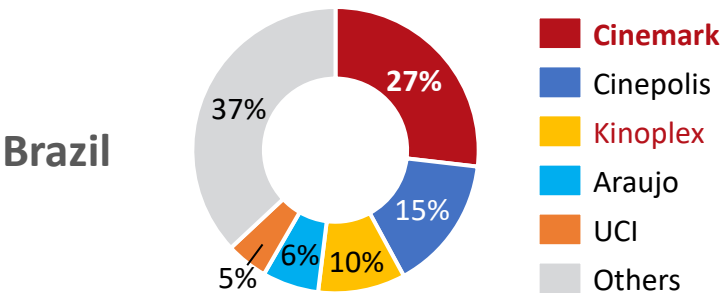
# Broad and Leading Presence in the Americas

Strong presence across the U.S. and Latin America that is strategically important to film distributors as well as promotional partners

## Market Share - North America<sup>1</sup>



## Market Share - Key Latin American Markets<sup>1</sup>



1) Based on FY 2019 box office.



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## **Pre-COVID Summary & Financials**

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# Initiatives to Drive Growth and Outperformance

Cinemark's strategic initiatives drove growth and consistent outperformance leading into the crisis. While the initiatives are currently being reprioritized, we expect these to be a focus over the long-term.

- 1** Create an extraordinary in-theatre guest experience
- 2** Deepen and extend the overall guest engagement
- 3** Actively pursue organic and synergistic growth opportunities

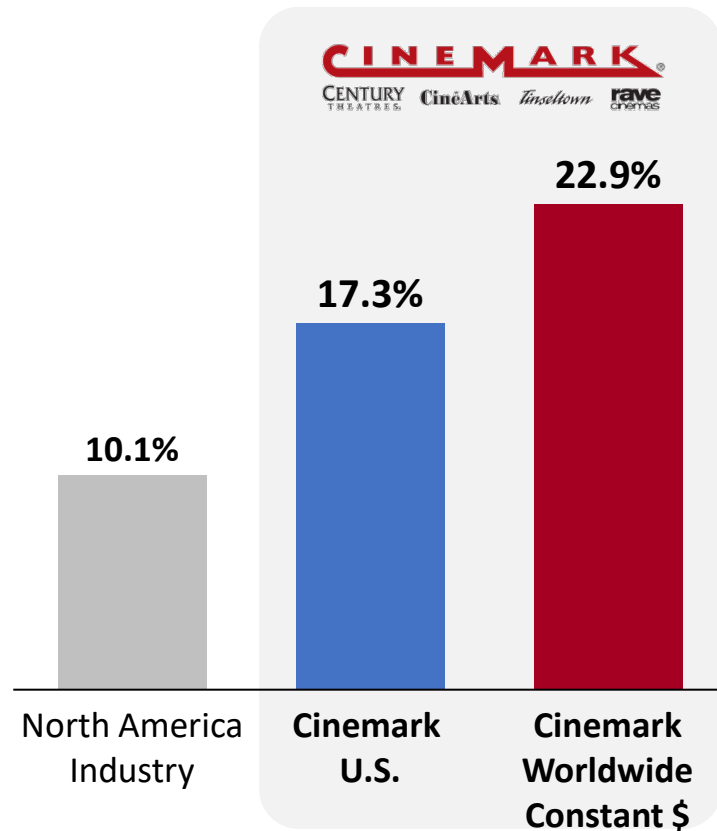


Invested in strategic initiatives while maintaining the strength and flexibility of our balance sheet.  
Going forward, re-fortifying the balance sheet will be our primary focus.

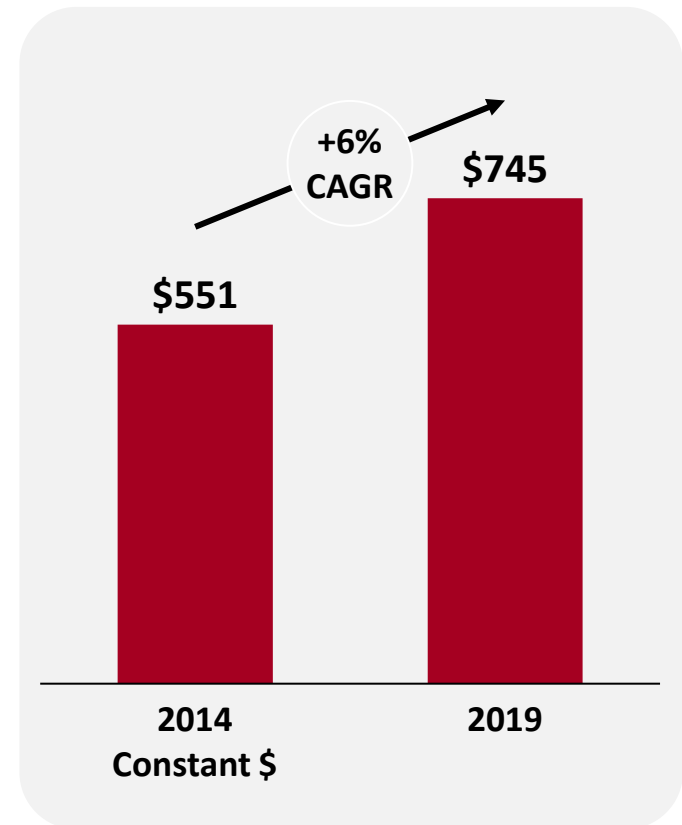
# Consistent Industry Outperformance

Cinemark has surpassed North American industry box office growth 45 out of the past 49 quarters and has consistently led the industry in profitability

## 2014 - 2019 Admission Revenue Growth<sup>1</sup>



## CNK WW Adjusted EBITDA Growth<sup>1, 2</sup>



Source: MPAA and Public Filings.

- 1) As of December 31, 2019. 10% WW growth in USD as reported. Constant currency is a non-GAAP measurement calculated using the average exchange rates for the corresponding months for 2019. We translate results of our international operating segment from local currencies into U.S. dollars using currency rates for respective reporting periods. Significant changes in foreign exchange rates from one period to the next can result in meaningful variations in reported results. We provide constant currency amounts to compare performance without the impact of foreign currency fluctuations. See schedule of non-GAAP measures and financial metrics at [investors.Cinemark.com](http://investors.Cinemark.com)
- 2) Adjusted EBITDA has been presented including all cash distributions from equity investees for all years presented. See Appendix page 28 for reconciliation of Adjusted EBITDA to the most directly comparable GAAP measures.

# 2019 Financial Summary

Amounts in millions

## 2019 Worldwide Results

	<u>2019</u>	<u>5-Year CAGR</u>
Attendance	280	1.2%
Revenue	\$3,283	4.6%
Adj. EBITDA <sup>(1)</sup>	\$745	3.9%
Adj. EBITDA % <sup>(1)</sup>	22.7%	
Free Cash Flow <sup>(1)</sup>	\$258	4.2%
End Cash Balance	\$488	
Net Leverage	2x	

## Highlights

- Served ~280 million patrons globally
- Achieved 5<sup>th</sup> consecutive year of record revenue with top-line growth in U.S. and International<sup>2</sup> segments
- Exceeded North America industry box office growth by 200 bps, outperforming in 10 of the past 11 years
- Grew global concession per caps 8.7% in constant \$, extending growth trend to 13 consecutive years
- Generated over 20% free cash flow growth vs. 2018
- Maintained balance sheet strength with almost \$0.5B in cash and ~2x net leverage, consistent with results for past 10 years
- Strengthened circuit and customer experience by reclining another 200 screens, representing 60% of U.S. circuit at year-end
- Expanded highly successful Movie Club subscription program to 950K members

1) See Appendix page 25 for reconciliation of Adjusted EBITDA and Free Cash Flow to the most directly comparable GAAP measures

2) Intl segment growth in constant \$



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# COVID-19 Update

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# 2020 Financial Summary

Amounts in millions

## FY 2020 Worldwide Results

	<u>FY20</u>	<u>FY19</u>
Attendance	54	280
Revenue	\$686	\$3,283
Adj. EBITDA <sup>(1)</sup>	\$(277)	\$745
Adj. EBITDA % <sup>(1)</sup>	N/A	22.7%
Free Cash Flow <sup>(1)</sup>	\$(414)	\$258
End Cash Balance	\$655	\$488
Net Leverage	N/A	2x

## Highlights

- Ahead of the crisis, through QTD Feb 2020, on relatively flat attendance, revenue was up 5%, Adj. EBITDA had increased 16% and Adj. EBITDA margin expanded ~200 bps compared to 1Q19
- The impact of COVID-19, including being shutdown for last two weeks of March, throughout 2Q and most of 3Q, with limited film content materially distorted FY20 reported results and yielded a net loss of \$(617)MM
- We have taken significant actions to preserve cash and bolster liquidity, which limited our monthly cash burn and secured cash runway into 2022 if the current environment continues
- **Our history of favoring a strong balance sheet with low leverage has positioned us well to withstand the COVID-19 pandemic;** cash management will remain a central focus as we emerge from crisis
  - Full-year CapEx reduced to ~\$84MM vs. \$300MM budget
  - Negotiated \$75M in rent deferrals, along with payment extensions of varied other obligations

1) See Appendix page 25 for reconciliation of Adjusted EBITDA and Free Cash Flow to the most directly comparable GAAP measures.

We have been working aggressively to preserve cash and bolster liquidity to effectively navigate through the crisis; we have limited cash burn and secured a runway into 2022 if the current operating environment continues

## Eliminated Non-Essential Expenses

### Cash Preservation & Liquidity Actions

## Reduced Payroll

## Delayed Payments

## Suspended Dividend

## Secured Additional Financing

## Pursuing CARES Act Opportunities

## Restructured Operations

- Significantly limited non-essential operating/capital expenditures
- Board of Directors and CEO elected to take no salary for 5 months during the shutdown; numerous executives voluntarily reduced to 20% salary
- Additional payroll reductions included laying-off hourly workers during the shutdown and temporarily reducing salaries for corporate employees, both domestically and internationally
- Negotiated payment deferrals and modifications across a wide range of lease-related and other contractual obligations (ex: deferred ~\$85MM of facility lease payments to 2021 and 2022)
- Temporarily suspended quarterly dividend of ~\$42MM per quarter
- Secured \$745MM of new debt and extended debt maturity of \$405MM Senior Notes into 2026
- \$124MM CARES Act received during 2020 associated with QIP and net loss deductions with an incremental \$137MM received in April 2021
- As part of restructuring plan, permanently closed lower performing theatres and reduced corporate workforce
- Re-engineering business processes to be more streamlined and efficient

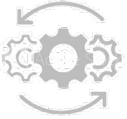


# Streamline & Business Efficiency Actions

Have enacted, and are continuing to pursue, varied productivity and efficiency initiatives to achieve our strategic cash management and profitability objectives, including aligning expenses with near-term demand.



Optimizing operating hours and showtime schedules through **utilization of enhanced data management analytics**



**Simplifying and streamlining numerous theatre practices**, such as ticket issuance, inventory procedures and ushering routines, to be leaner and more efficient



**Refining the degree of staffing required** to operate theatres, including enhanced planning and management controls



**Concentrating food and beverage offerings to core categories**, which are less labor intensive (will ramp up offerings once attendance warrants)



Continuing to drive **company-wide Continuous Improvement** and margin expansion projects



**Delaying certain capital and resource-intensive initiatives** that are not critical in the near-term, and rationalizing theatre and corporate headcount accordingly

# Enhanced Cleaning, Safety and Efficiency Measures

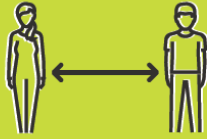
A range of enhanced cleaning and distancing protocols implemented to ensure guest and employee safety

## THE CINEMARK STANDARD

WE'VE ENHANCED OUR CLEANLINESS & SAFETY MEASURES  
TO SET THE MARK FOR THE MOVIE-GOING EXPERIENCE.



HIGH-TOUCH &  
CONCESSION AREAS  
CLEANED FREQUENTLY  
& THOROUGHLY



PHYSICAL DISTANCING +  
REDUCED CAPACITIES\* &  
STAGGERED SHOWTIMES  
\*As required by local/state mandates.



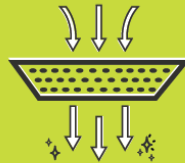
HAND SANITIZER  
& SEAT WIPES ADDED  
THROUGHOUT



AUDITORIUM SEATS  
CAREFULLY CLEANED  
BEFORE EVERY MOVIE



ON DUTY CHIEF  
CLEAN & SAFETY  
MONITOR



RIGOROUS AIR QUALITY  
STANDARDS + MERV 13  
FILTERS IN EACH  
AUDITORIUM



EMPLOYEE PRE-SHIFT  
WELLNESS CHECK-INS



RESTROOMS SANITIZED  
EVERY 30 MINUTES



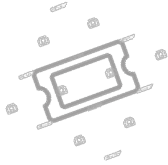
EMPLOYEE MASKS  
+ FREQUENT  
HANDWASHING

VISIT [CINEMARK.COM/CINEMARK-STANDARD](https://cinemark.com/cinemark-standard) TO LEARN MORE

- **Staggering show times** to minimize crowds and implementing **seat buffering technology** within our point-of-sale system that will ensure physical distancing between parties
- **Mandatory face masks** for employees and guests
- **Advanced 3-point air quality standard**
  - **Increased fresh air rate** with constant utilization of supply fans to increase volume of fresh, outside air
  - **Smart flow air circulation design** with each auditorium having its own HVAC system with air flow from the ceiling down to the floor and then returned to filtration equipment
  - **Elimination of pollutants** through use of MERV13 filters in HVAC systems
- **Frequently disinfecting** with products approved by EPA to combat COVID-19
- **Screening employee well-being** before each shift
- Assigning a **Chief Clean & Safety Monitor** for each theatre shift for a heightened level of accountability
- **Minimizing physical contact** at the box office and concession stand
- Implementing **contactless transactions** protocols

# Domestic Theatre Results

The results of our test-and-learn theatres were instrumental in the phased reopening of our global circuit with key learnings on training, communication, implementation and execution of our clean and safety protocols in this new operating environment.



## Box Office

- 1Q21 box office of \$48.5M resulted in 20% market share despite accounting for only 11% of the total screens operating
- Private Watch Parties generated 20% of the 1Q21 box office; 235K sold to-date



## Food & Beverage

- Food & beverage per cap was a record high in 1Q21 as pent-up demand drove customer indulgence, despite limited concession offerings and discounted 'welcome back' pricing



## Occupancy

- Occupancy during 1Q21 was 8%+ with reduced capacity and library content relative to 25 – 30% averages historically; 1Q21 occupancy increased 1.2% vs 4Q20



## Movie Club

- Movie Club members representing approximately 20% of attendance
- Maintained 950K+ members, consistent with pre-COVID



## Operating Costs

- Improving variable cash flow trends (theatres operating are more than covering Variable costs, including film rental, COGS, hourly labor, utilities, janitorial, etc.)
- Reducing monthly cash burn to \$50MM/month (previously estimates \$65MM/month)



## Guest Satisfaction

- Guest satisfaction in the mid-to-high 90<sup>th</sup> percentile with Cinemark protecting their health and safety
- Vast majority of guests intend to visit again and will recommend Cinemark to family and friends

Highly optimistic regarding resurgence of theatrical moviegoing considering the rapid pace of the vaccine rollout, improving consumer sentiment about returning to movie theatres, recent box office successes and confirmation of consistent content supply.

## Recovery Considerations

- 1 Current status of the virus**
- 2 Evolving restrictions imposed by governmental authorities**
- 3 Consumer confidence and willingness to return to theatres**
- 4 New health and safety protocols**
- 5 Availability of new film content**

## Reopening Update

- Highly encouraged with rapid pace of vaccine rollout in the U.S.
- Government restrictions easing
  - 90% of U.S. theatres operating with 50%+ capacity
- Consumer sentiment rising with 64% of moviegoers reporting they are comfortable returning to the cinema (NRG data)
  - 86% of respondents comfortable returning once vaccinated
  - Expect sentiment will continue to rise with CDC revised guidance last month explicitly indicating it is safe for fully vaccinated individuals to return to indoor movie theatres
- ~98% U.S. theatres open as of early May
  - Operating in all 42 states, a first since the pandemic
- ~50% of Latin America open as of early May
  - Brazil 65%; Argentina 25%; Colombia 40%; Chile 25%; Central America 100%
  - Remain optimistic that, like the U.S., these countries will quickly recover as lockdowns reign in the virus and vaccines are more widely disseminated



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## A Look Ahead

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# Theatre Industry – A Look Ahead

- Maintaining active communication with 15M+ addressable customers, including 950K+ Movie Club subscription members
- Innovating and evolving the movie-going experience with Private Watch Parties and reparatory content as the industry reignites
- Pent-up demand for out-of-home entertainment has led to recent box offices successes that set new COVID-era records
- All-time high food & beverage per caps demonstrates pent-up demand for the full movie-going experience
- Studio and talent support is strong with multiple marketing campaigns to help rekindle theatrical exhibition and welcome guests back to the immersive, cinematic experience, including *Back to the Big Screen* and *Cinema Week*
- 2021 remains a transitional year with the industry recovery kicking into gear in the second half of the year, which is loaded with blockbusters
- 2022 will be a more normalized year with mega-movies from giant franchises, fresh remakes and spin-offs that will have massive consumer appeal

THE  
BIG SCREEN  
IS BACK





# 2021 Notable Film Titles

## Q2



Warner Bros.



Warner Bros.



Funimation



Disney



Paramount



Warner Bros.



Universal

## Q3



Disney



Sony



Disney



Warner Bros.



Universal

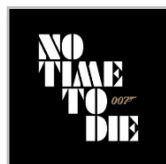


Disney



Sony

## Q4



United Artist



Disney



Sony



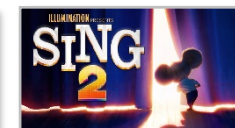
"Top Gun"  
Paramount



Sony



Warner Bros.



Universal

# 2022 Film Slate





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# Appendix

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# 1Q 2021 Non-GAAP Measure Reconciliations

\$'s in thousands

## Reconciliation of Net Loss to Adjusted EBITDA

	1Q 2021	1Q 2020
<b>Net Loss</b>	<b>(\$208,843)</b>	<b>(\$59,422)</b>
Add (deduct):		
Income taxes	(14,643)	(3,108)
Interest expense <sup>(1)</sup>	36,553	24,666
Other expense, net <sup>(2)</sup>	14,971	169
Cash distributions from DCIP <sup>(3)</sup>	0	5,161
Cash distributions from other equity investees <sup>(4)</sup>	156	11,445
Depreciation and amortization	68,160	65,256
Impairment of long-lived and other assets	0	16,619
Restructuring costs	(208)	0
Loss on disposal of assets and other	4,505	1,905
Loss on extinguishment of debt	2,603	0
Non-cash rent expense	128	(591)
Share based awards compensation expense	4,668	4,111
<b>Adjusted EBITDA</b>	<b>(\$91,950)</b>	<b>\$66,211</b>

## Reconciliation of Cash Flows Used for Operating Activities to Free Cash Flow

	1Q 2021	1Q 2020
<b>Cash flows used for operating activities</b>	<b>(\$124,079)</b>	<b>(\$15,561)</b>
Deduct:		
Capital Expenditures	17,680	34,143
<b>Free Cash Flow</b>	<b>(\$141,759)</b>	<b>(\$49,704)</b>
	<b>1Q 2021</b>	<b>1Q 2020</b>
<b>Total Revenues</b>	<b>\$114,361</b>	<b>\$543,616</b>
Adjusted EBITDA	(91,950)	66,211
<b>Adjusted EBITDA Margin</b>	<b>N/A</b>	<b>12.2%</b>

1) Includes amortization of debt discount and debt issue costs and amortization of accumulated losses for amended swap agreements.

2) Includes interest income, foreign currency exchange gain (loss), interest expense – NCM and equity in income of affiliates and excludes distributions from NCM.

3) Includes cash distributions from DCIP, which were recorded as a reduction of the Company's investment in DCIP. These distributions are reported entirely within the U.S. operating segment.

4) Includes cash distributions received from equity investees, other than those from DCIP noted above, that were recorded as a reduction of the respective investment balances. These distributions are reported entirely within the U.S. operating segment.

# FY 2020 Non-GAAP Measure Reconciliations

\$'s in thousands

## Reconciliation of Net Income/(Loss) to Adjusted EBITDA

	FY 2020	FY 2019
<b>Net Income/(Loss)</b>	<b>(\$617,948)</b>	<b>\$193,848</b>
Add (deduct):		
Income taxes	(309,376)	79,912
Interest expense <sup>(1)</sup>	129,871	99,941
Other (income) expense, net <sup>(2)</sup>	62,369	(22,441)
Cash distributions from DCIP <sup>(3)</sup>	10,383	23,696
Cash distributions from other equity investees <sup>(4)</sup>	15,047	29,670
Non-cash distribution from equity investee <sup>(5)</sup>	(12,915)	0
Depreciation and amortization	259,776	261,155
Impairment of long-lived and other assets	152,706	57,001
Restructuring costs	20,369	0
(Gain)/Loss on disposal of assets and other	(8,923)	12,008
Non-cash rent expense	2,357	(4,360)
Share based awards compensation expense	19,404	14,615
<b>Adjusted EBITDA</b>	<b>(\$276,880)</b>	<b>\$745,045</b>

## Reconciliation of Cash Flows (Used for) Provided by Operating Activities to Free Cash Flow

	FY 2020	FY 2019
<b>Cash flows (used for) provided by operating activities</b>	<b>(\$330,098)</b>	<b>\$561,995</b>
Deduct:		
Capital Expenditures	83,930	303,627
<b>Free Cash Flow</b>	<b>(\$414,028)</b>	<b>\$258,368</b>
	<b>FY 2020</b>	<b>FY 2019</b>
<b>Total Revenues</b>	<b>\$686,310</b>	<b>\$3,283,099</b>
Adjusted EBITDA	(276,880)	745,045
<b>Adjusted EBITDA Margin</b>	<b>N/A</b>	<b>22.7%</b>

1) Includes amortization of debt discount and debt issue costs.

2) Includes interest income, foreign currency exchange gain (loss), interest expense – NCM and equity in income of affiliates and excludes distributions from NCM.

3) See discussion of cash distributions from DCIP, which were recorded as a reduction of the Company's investment in DCIP in the notes to the consolidated financial statements included in our Annual Report on Form 10-K filed February 26, 2021. These distributions are reported entirely within the U.S. operating segment.

4) Reflects cash distributions received from equity investees, other than those from DCIP noted above, that were recorded as a reduction of the respective investment balances. These distributions are reported entirely within the U.S. operating segment.

5) Reflects non-cash distribution from DCIP. These distributions are reported entirely within the U.S. operating segment.





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# Thank You

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Chanda Brashears  
SVP Investor Relations  
[cbrashears@cinemark.com](mailto:cbrashears@cinemark.com)  
972-665-1671