

Financial Results for the First Quarter of 2021

Mexico City, April 30, 2021 - Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (“CIE,” the “Company” or the “Group”) (BMV: CIE) announced its financial results for the first quarter of 2021, which were prepared according to International Financial Reporting Standards (IFRS).

The COVID-19 pandemic had a significant impact on the Group’s operations in 2020, and during the first quarter of 2021. In compliance with the measures defined by the authorities to fight the pandemic, in-person events, as well as special and corporate events were suspended on March 16 of last year.

Currently six Mexican states are at level orange (high risk), twenty states are at level yellow (moderate risk), and six states are at level green (low risk). No states are at level red (maximum risk). The health authorities have defined these levels for restarting activities; many businesses therefore remain suspended, which is the case of the majority of the Group’s businesses.

Due to these circumstances, the Company is still unable to perform live, special, and corporate events. As of the date of this report, however, a significant number of cities and countries worldwide have begun communicating a gradual return to these types of activities beginning in the second quarter of this year, with a return to pre-pandemic operating levels in the third and fourth quarters of 2021.

During the first quarter of 2021, the Group’s consolidated sales decreased 66% to Ps.788, compared to Ps.2,339 in the first quarter of 2019.

During the first three months of 2021, a loss of Ps.24 was recorded before financing, taxes, depreciation and amortization, compared to income of Ps.423 in the same quarter of the prior year.

MEASURES TAKEN TO FIGHT THE COVID-19 PANDEMIC

Due to the measures defined by the authorities to face the pandemic, the Company has focused its efforts on mitigating the pandemic's impacts on its operations. Among the steps taken by the Group are the following operating and financial actions:

- Conversations were held with artists, seeking alternatives to postpone events that had been scheduled prior to the pandemic, to a date to be defined, or in some cases cancellation. When activities were suspended, the Group had tickets on sale to 283 in-person events, of which 235 have been or will be rescheduled to a new date and 48 were cancelled. At the same time, from October 2020 to now, new in-person events have been opened for ticket sales, including the Electric Daisy Carnival Festival, which is currently scheduled to take place in September 2021 at the Hermanos Rodríguez Racetrack in Mexico City, and the Pa'l Norte Festival, scheduled for the month of November at Parque Fundidora in Monterrey, Nuevo León. Note that at the end of the period, 91% of the public had kept their purchased tickets, with the expectation of attending the events in the future.
- On the fixed costs and expenses front, the Group reduced its operating structure by a significant 48%, which meant that the number of personnel working for the Group dropped from 2,160 people at the start of 2020, including executives and key personnel, to 1,130 people at the end of 2020. Additionally, and for the remaining structure that today forms part of the Group, a bilateral program was put into place to adjust the annual payments of each employee by an average of 28%. The foregoing measures resulted in savings equivalent to 48% in wages and salaries.
- Negotiations were held in regard to other fixed expenses, such as rents, payment for the operation of properties and maintenance, resulting in savings of 37% in those services.

In summary, the actions taken, as well as the rapid response to adapt operations in the current environment and make them more flexible, have allowed the Group to achieve annualized savings of Ps.1,524. At the same time, the Company has been able to maintain a sufficiently robust cash position to continue with its operations, with consolidated cash of Ps.3,026 in the first quarter. This position, together with the other asset positions in the working capital accounts, total current assets of Ps.6,427, which amount is sufficient for the Company to meet its payment commitments, operating costs and interest payments during the year.

The Company believes that its liquidity level, added to the future income that the revenues from the various activities that are currently being developed will generate, will

be sufficient to fund operations until in-person concerts and events start their gradual return in the second half of the year.

Although the disruption caused by the pandemic has had a significant negative impact on operations, the Company has managed to adapt to the challenges, and it believes that the actions it has taken have formed the basis for a gradual return to operations as usual.

Consolidated Key Figures

	1Q 2021	1Q 2020	% Var.
Revenues	788	2,339	-66%
EBITDA	(24)	423	N.A.
EBITDA Margin	N.A.	18.1%	
Operating Income	(133)	261	N.A.
Net Financial Revenues (Expenses)	(39)	177	N.A.
Net Income	(223)	343	N.A.
Interest-Bearing Debt	2,634	2,625	+0%

The numbers throughout this document for the first quarter of 2021 and 2020, are stated in millions of nominal Mexican pesos. Numbers may vary due to rounding. EBITDA means Earnings Before Other Net Revenues and (Expenses), plus Amortization and Depreciation. N.A. means Not Applicable.

ANALYSIS OF THE FIRST QUARTER (the “quarter” or the “period”)**CIE ENTERTAINMENT**

Due the authorities' decision to suspend concerts and live events attended by the public because of the pandemic, CIE Entertainment (OCESA) has been in conversations with artists, representatives, agents, venues and sponsors, looking for alternatives to postpone events to future dates, once it becomes possible to reschedule these events, or in extreme cases, mainly due to incompatible schedules, to cancel certain events. OCESA has been updating the specific status of each event through its different communication channels. Today the Company is still working closely with the federal, state, and municipal authorities, and it has been collaborating with and backing the efforts and the institutional decisions of those authorities, within the framework of the national effort to fight the Coronavirus (COVID-19).

At **CIE Entertainment**, revenues were Ps.195, compared to Ps.2,143 recorded in the same quarter of the prior year. During the period, the Company continued innovating with live events streaming across various digital platforms, sales were derived from notably shows by Enrique Bunbury and Gloria Trevi, and royalties earned from streaming events by artists such as Miguel Bosé, María José, Edith Márquez, Sebastián Yatra, Karol Sevilla and Los Ángeles Azules, among many others.

The aforementioned revenues at CIE Entertainment and their marginal contribution were lower in proportion to fixed costs and expenses during the quarter, resulting in a loss before financing, taxes, depreciation and amortization of Ps.97, compared with income of Ps.416 recorded in the same period of the prior year.

CIE SPECIAL EVENTS

At **CIE Special Events**, revenues were Ps.562, in comparison with Ps.167 recorded in the same period of the prior year. The growth in revenues during the quarter is due to installation of Temporary Medical Units set up for the Mexican Social Security Institute (IMSS) at the Hermanos Rodríguez Racetrack, and in the suburbs of Lindavista, and Naucalpan, where the division works as an integrator of solutions.

Likewise, during the quarter the Company presented several events on digital platforms, such as Tianguis Turístico Digital 2021, the Banco Inmobiliario Mexicano Forum, as well as for clients such as General Motors, Canal 11, and Herbalife, among others.

During the period, EBITDA was Ps.64, compared with Ps.9 recorded in the same period of the previous year. This increase is a consequence of the higher revenues mentioned above.

OTHER BUSINESS (El Salitre Park, Bogotá, Colombia)

Revenues at **Parque El Salitre** were Ps.31, which is 8% higher than revenues during the same quarter of the prior year. The increase in revenues is due to higher attendance to the amusement park during the period, as well as higher per capita spending per visitor.

The park's EBITDA was Ps.9, compared with a loss of Ps. 2 recorded during the same quarter in the prior year. This increase is a consequence of the higher revenues mentioned previously, as well as the savings and efficiencies attained, as measures were put in place to handle the impacts from the pandemic.

NET FINANCIAL REVENUES (EXPENSES)

Net Financial Revenues (Expenses)	1Q 2021	1Q 2020	% Var.
Net interest earned (paid)	(28)	(15)	-85%
Interest on right-of-use assets	(44)	(56)	+21%
Exchange rate gain (loss), net	40	150	-73%
Loss in valuation – financial institutions	(7)	99	N.A.
Net Financial Revenues (Expenses)	(39)	177	N.A.

During the quarter, Net Financial Expenses were Ps.39, in comparison with net financial income of Ps.177 recorded during the same quarter of the previous year. This variation was mainly due to the following: 1) a net exchange rate gain recorded during the quarter of Ps.40, lower than the observed in the same period of the prior year of Ps. 150. The net exchange gain is due to depreciation of the Mexican peso against the US dollar, which went up to Ps.20.44 pesos per dollar on March 31, 2020, from Ps.19.91 at the close of 2020; 2) a loss in valuation of financial instruments of Ps.7, compared to a gain of Ps.99 in the same quarter of the prior year; and 3) an increase in net interest paid, which rose from Ps.15 recorded in the same period of the prior year, to Ps.28 recorded during the first quarter of 2021, as a consequence of the decrease in the active interest rate during the periods.

INCOME TAX

INCOME TAX	1Q 2021	1Q 2020	% Var.
Taxes incurred	96	152	-37%
Deferred tax	(93)	(71)	-30%
Income tax	3	81	-97%

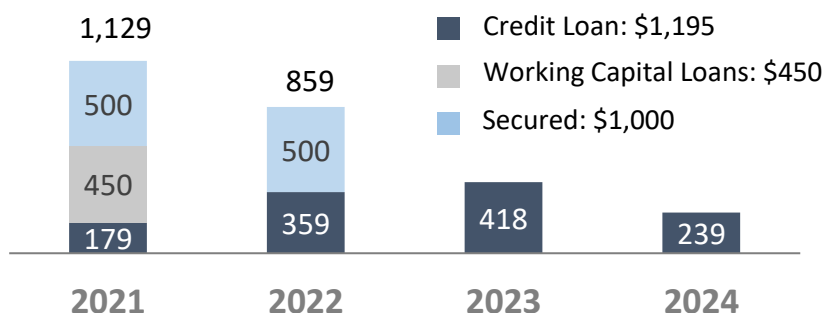
During the period, there was a tax provision of Ps.96, in comparison with a tax provision of Ps.152 seen in the same quarter of the previous year; meanwhile the provision in the deferred asset tax provision in the period was Ps.93, in comparison with a deferred liability tax of Ps.71 seen in the same period of the prior year.

NET INCOME

During the quarter there was a net loss of Ps.223, compared to net income of Ps.343 recorded in the same period of the prior year. This loss is mainly due to the operating loss seen during the period, as well as the increase in net financial expenses mentioned above.

TOTAL INTEREST-BEARING DEBT

As of March 31, 2021, the Group's loans and secured debt totaled Ps.2,634, expressed as an amortized cost. This is denominated in Mexican pesos, with the exception of a loan in Colombian pesos, whose balance at the end of March 2021 was equivalent to Ps.0.1. That loan was paid in accordance with the payment calendar during April 2021. The following graph shows the maturity schedule per year for the Group's total nominal debt in the amount of Ps.2,645:



In April, the Group reached an agreement with its lenders HSBC and Banco Santander, as well as with the Securitised Note Holders of CIE 17-2 and CIE 20, regarding an exception with respect to the covenants and financial obligations related to the maximum level of indebtedness, the minimum level of interest coverage, and the minimum level of shareholders’ equity. In addition, a grace period until December 31, 2021 was granted.

During February and April 2021, a portion of bank debt came due in the amount of Ps.400, which was extended as follows: 1) Banco Sabadell for Ps.100 was extended until June 2021; 2) BBVA for Ps.200 was extended until July 2021; and 2) Banco del Bajío for Ps.100, was extended to September 2021.

As in 2020, we are currently in discussions with the financial groups with which we have a relationship, in order to reprofile the debt maturity dates during the year, in an effort to have a maturity schedule that will allow us to administer our resources during the year, and to adapt the aforementioned covenants to the operating reality of the business.

ABOUT CIE

Established in 1990, the Company is one of the most important companies in the out-of-home entertainment market in Latin America and worldwide.

It offers a wide gamut of entertainment options to a variety of audiences and budgets in large- and medium-sized cities with high economic potential and population growth in the Mexican market, as well as in Colombia. That gamut of options includes concerts, theatrical productions, sporting events, family events and cultural events, among others. The Company also operates an amusement park, El Salitre, in Bogotá, Colombia.

The Company operates the Citibanamex Center in Mexico City, which is one of the largest and most important international exposition and convention centers. It is also the best-

known producer and organizer of special and corporate events in the Mexican market. CIE also promotes and markets the Formula 1 Grand Prix in Mexico City.

Corporación Interamericana de Entretenimiento is a publicly traded company whose shares have been listed on the Mexican Stock Exchange since 1995 under the ticker symbol "CIE."

LEGAL DISCLAIMER

As a precautionary note to the investing public, except for the historical information provided herein, certain matters discussed in this document constitute forward-looking statements. These statements assume there are risks and uncertainties, including the economic conditions in Mexico and other countries where CIE operates, as well as fluctuations in the value of the Mexican peso against the United States dollar.

The use of registered trademarks or commercial trademarks in this document is exclusively for illustrative purposes and is not intended to violate copyrights and/or intellectual property laws applicable in the countries where CIE, its subsidiaries, and those companies with which CIE maintains commercial or business relationships, operate.

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CONSOLIDATED INCOME STATEMENT:

	1Q 2021	1Q 2020	% Var.
Revenues	788	2,339	-66%
Cost of sales	759	1,844	-59%
Gross Income	29	495	-94%
Operating expenses	162	234	-31%
Operating Income	(133)	261	N.A.
Net Financial Revenues (Expenses)			
Net interest earned (paid)	(28)	(15)	-85%
Interest on right-of-use assets	(44)	(56)	+21%
Net exchange rate gain (loss)	40	150	-73%
Gain (loss) in financial instrument valuation	(7)	99	N.A.
Net Financial Revenues (Expenses)	(39)	177	N.A.
Stake in the results of associated companies	(48)	(15)	+220%
Earnings (Loss) before Taxes	(220)	423	N.A.
Income Tax	3	81	-97%
Taxes Incurred	96	152	-37%
Deferred Tax	(93)	(71)	-30%
Net Income (Loss)	(223)	343	N.A.
Non-parent company stake	(105)	285	N.A.
Parent Company Stake	(117)	58	N.A.
Depreciation and amortization	109	162	-33%
EBITDA	(24)	423	N.A.

BALANCE SHEET AS OF:

	Mar. 31	Dec. 31	%
	2021	2020	Var.
Current Assets	6,427	6,170	+4%
Cash	3,026	3,333	-9%
Clients receivable, net	857	372	+130%
Other accounts receivable, net	217	229	-5%
Inventory	28	28	-1%
Other current assets	2,300	2,209	+4%
Non-Current Assets	4,988	5,112	-2%
Other accounts receivable, net	87	125	-30%
Investments in associated companies and joint ventures	764	807	-5%
Property, plant and equipment, net	937	978	-4%
Right-of-use assets, net	1,464	1,558	-6%
Intangible assets	123	124	-1%
Assets from deferred taxes	1,534	1,441	+6%
Other non-current assets	80	80	+0%
Total Assets	11,415	11,283	+1%
Current Liabilities	7,169	6,748	+6%
Suppliers	1,048	896	+17%
Short-term interest-bearing debt	1,127	1,128	-0%
Short-term leases	299	288	+4%
Other current liabilities	4,694	4,436	+6%
Non-Current Liabilities	3,400	3,446	-1%
Long-term interest-bearing debt	1,506	1,505	+0%
Long-term leases	1,415	1,479	-4%
Deferred tax liabilities	17	18	-5%
Other non-current liabilities	462	444	+4%
Total Liabilities	10,569	10,195	+4%
Shareholders' Equity	846	1,088	-22%
Non-Parent company stake	(2)	115	-102%
Parent company stake	848	973	-13%
Paid-in capital	3,489	3,489	+0%
Capital gains (losses)	(2,640)	(2,515)	+5%
Total Liabilities plus Shareholders' Equity	11,415	11,283	+1%