

## Second Quarter 2023 Earnings Release

**Mexico City, July 28, 2023 - Corporación Interamericana de Entretenimiento, S.A.B. de C.V.** (“CIE,” the “Company” or the “Group”) (BMV: CIE) announced its financial results for the second quarter of 2023, which were prepared according to International Financial Reporting Standards (IFRS).

### Consolidated Key Figures

	2Q 2023	2Q 2022	% Var.	6M 2023	6M 2022	% Var.
<b>Revenues</b>	<b>266</b>	<b>370</b>	<b>-28%</b>	<b>608</b>	<b>744</b>	<b>-18%</b>
<b>Adjusted EBITDA*</b>	<b>39</b>	<b>36</b>	<b>+9%</b>	<b>116</b>	<b>111</b>	<b>+5%</b>
<i>Margin</i>	<i>15%</i>	<i>10%</i>		<i>19%</i>	<i>15%</i>	
Participation in Joint Ventures	256	114	N.A.	384	307	+25%
Net financial revenues (expenses)	(97)	53	N.A.	(165)	19	N.A.
<b>Net Income</b>	<b>13</b>	<b>108</b>	<b>N.A.</b>	<b>30</b>	<b>174</b>	<b>N.A.</b>
<b>Cash</b>				<b>2,363</b>	<b>2,970</b>	<b>-20%</b>
<b>Bank and Securitized Debt</b>				<b>2,003</b>	<b>9</b>	<b>N.A.</b>

*\*EBITDA before Participation in Joint Ventures*

*The numbers throughout this document for the first quarter of 2023 and 2022, are stated in millions of nominal Mexican pesos. Numbers may vary due to rounding. EBITDA means Earnings before Financing, Taxes, Depreciation and Amortization. N.A. means not applicable.*

**ANALYSIS OF THE SECOND QUARTER (the “quarter” or the “period”)**

During the second quarter of 2023, the Group’s consolidated revenues were Ps.266, compared to Ps.370 in the quarter of the previous year.

In the second quarter of 2023, Adjusted EBITDA (EBITDA before Participation in Joint Ventures) was Ps.39, compared to Ps.36 in the same quarter of 2022.

In the second quarter of 2023, the 49% stake in the Net Income of the Joint Venture was Ps.256, in comparison with Ps. 114 reported in the same quarter of the prior year.

**SPECIAL EVENTS**

In **Special Events**, revenues in the second quarter of 2023 were Ps.207, which is 35% lower than revenues of Ps.319 in the same period of the prior year. The lower revenues are due to less activity during the quarter in healthcare services provided to the Temporary Medical Units serving patients with COVID-19, compared to the level of services provided during the same quarter of last year. During the period, the division carried out special events for several government entities, like the Secretary of Public Education, the Institute of the National Housing Fund for Workers, the Federal Telecommunications Institute, and the National Women’s Institute, among others. The Company also sold spaces for Mexico pavilions at the tourism fairs of WTM Latin America expo in Sao Paulo, Brazil, and FIE expo Latin America, in Panama City, Panama. During the first six months of the year, revenues in the division were Ps.512, compared to Ps.650 in the same period of 2022.

Due to the revenues mentioned above, EBITDA in the division was Ps.15, which is 39% lower than the Ps.24 reported in the same quarter of the prior year. In the first six months of 2023, EBITDA was Ps.85, 5% lower than EBITDA of Ps.89 reported in the same period of the prior year.

**OTHER BUSINESS (El Salitre Park, Bogotá, Colombia)**

Revenues at **El Salitre Park** were Ps.59 during the period, which is 16% higher than revenues of Ps.51 in the same quarter of the previous year. The revenue growth is a result of a 17% increase in park attendance compared to the attendees observed in the same period of last year. During the first half, revenues were Ps.96, compared to Ps.94 in the same period of the prior year.

During the second quarter of 2023, EBITDA for the park was Ps.24, compared to Ps.12 recorded during the same period in the prior year. This increase is a consequence of the higher revenues mentioned above. During the first six months of the year, EBITDA for the division was Ps.32, compared to Ps.21 in the same period of the prior year.

**PARTICIPATION IN JOINT VENTURES**

During the period, CIE’s stake in the Net Income of the Joint Venture with Live Nation in OCESA was Ps.256, compared to Ps.114 in the same period of the previous year. During the period, OCESA carried out festivals like Tecate Pa’l Norte, held in the city of Monterrey, Tecate Emblema in Mexico City, and the Corona Capital Guadalajara, held in the city of Guadalajara. There were also other noteworthy shows performed by international artists such as Blackpink, The Killers, Imagine Dragons, Rufus du Sol, Rod Stewart, and Rauw Alejandro, among many others.

In the first six months, CIE’s participation in those businesses was Ps.384, which is 25% higher than the Ps.307 reported in the same period of last year.

**NET FINANCIAL REVENUES (EXPENSES)**

	2Q 2023	2Q 2022	% Var.	6M 2023	6M 2022	% Var.
Net interest earned (paid)	(25)	39	N.A.	18	51	-64%
Interest on Assets for right of use	(8)	(4)	N.A.	(10)	(8)	-32%
Exchange rate gain (loss), net	(65)	18	N.A.	(173)	(24)	N.A.
<b>Net Financial Revenues (Expenses)</b>	<b>(97)</b>	<b>53</b>	<b>N.A.</b>	<b>(165)</b>	<b>19</b>	<b>N.A.</b>

During the quarter, net financial expenses were Ps.97, in comparison with net financial income of Ps.53 recorded during the same quarter of the previous year. The change to expenses is mainly a consequence of: 1) during the second quarter of 2023, an exchange rate loss of Ps.65 was recorded, compared to exchange rate income of Ps.18 in the same period of the prior year. The exchange rate loss during the quarter is a consequence of appreciation of the Mexican peso against the US dollar, which fell from Ps.19.47 per dollar in December 2022, to Ps.17.13 in June 2023, impacting the valuation of the Company’s monetary asset positions in foreign currency; and 2) during the second quarter of 2023, net interest paid of Ps.25 was recorded, compared to net interest earned of Ps.39 in the same period of the previous year. The net interest paid is a consequence of indebtedness of Ps.2 billion, which the Group acquired in March of this year.

**INCOME TAX**

	2Q 2023	2Q 2022	% Var.	6M 2023	6M 2022	% Var.
Taxes Incurred	1	11	N.A.	103	155	-34%
Deferred tax	78	52	+51%	61	41	+48%
<b>Income tax</b>	<b>79</b>	<b>62</b>	<b>+26%</b>	<b>164</b>	<b>196</b>	<b>-17%</b>

During the period, the provision for taxes incurred was Ps.1, compared to Ps.11 in the same quarter of the prior year, while the provision for the deferred tax liability in the period was Ps.78, compared to a deferred tax liability of Ps.52 in the same period of the prior year.

**NET INCOME**

Net income during the quarter was Ps.13, compared to net income of Ps.108 recorded in the same period of the prior year. For the first six months of 2023, net income was Ps.30, in comparison with income of Ps.174 in the same half of the prior year.

**TOTAL INTEREST-BEARING DEBT**

As at June 30, 2023, the Group's bank and securitized debt was Ps. 2.003 billion. During the first quarter of 2023, the Group improved its capital structure by acquiring a six-month unsecured loan in Mexico pesos with Banco Inbursa for Ps. 2.0 billion, with interest at the TIIE rate + 200 basis points. The Company is working to refinance that loan to a long-term loan.

The remaining debt of Ps.3 is a Colombian peso-denominated bank loan, with monthly payments, maturing in April 2024.

## **ABOUT CIE**

Created in 1990, Corporación Interamericana de Entretenimiento, S.A.B. de C.V. (“CIE”) (BMV: CIE) is a prominent player in the out-of-home entertainment industry in Latin America and has contributed to making Mexico a world-class entertainment destination. The Company promotes and markets the Formula 1 Mexico Grand Prix in Mexico City, produces events for the public sector, and operates the El Salitre Mágico amusement park in Colombia.

Through its strategic partnership with Live Nation Entertainment, Inc. (NYSE: LYV) in OCESA, it produces and promotes concerts, music festivals, Broadway-type theater productions, urban content, and sporting, family, and corporate events. It represents artistic talent, markets advertising and sponsorship rights, operates entertainment venues, the Citibanamex exposition, congress and convention center, sells tickets through its Ticketmaster and Eticket platforms, and it offers digital marketing and advertising services.

## **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**

	2Q 2023	2Q 2022	% Var.	6M 2023	6M 2022	% Var.
Revenues	266	370	-28%	608	744	-18%
Cost of sales	196	300	-35%	419	570	-26%
<b>Gross Income</b>	<b>69</b>	<b>70</b>	<b>-1%</b>	<b>189</b>	<b>174</b>	<b>+8%</b>
Operating expenses	50	44	+13%	94	86	+9%
Other Income (expenses)	4	0	N.A.	(3)	0	N.A.
Participation in Joint Ventures	256	114	N.A.	384	307	+25%
<b>Operating Income</b>	<b>279</b>	<b>140</b>	<b>N.A.</b>	<b>476</b>	<b>395</b>	<b>+21%</b>
<b>Net Financial Revenues (Expenses)</b>						
Net interest earned (paid)	(25)	39	N.A.	18	51	-64%
Interest on right-of-use assets	(8)	(4)	N.A.	(10)	(8)	-32%
Net exchange rate gain (loss)	(65)	18	N.A.	(173)	(24)	N.A.
<b>Net Financial Revenues (Expenses)</b>	<b>(97)</b>	<b>53</b>	<b>N.A.</b>	<b>(165)</b>	<b>19</b>	<b>N.A.</b>
Stake in the results of associated companies	(90)	(23)	N.A.	(117)	(44)	N.A.
<b>Earnings (Loss) before Taxes</b>	<b>92</b>	<b>170</b>	<b>-46%</b>	<b>193</b>	<b>370</b>	<b>-48%</b>
<b>Income Tax</b>	<b>79</b>	<b>62</b>	<b>+26%</b>	<b>164</b>	<b>196</b>	<b>-17%</b>
Taxes Incurred	1	11	-93%	103	155	-34%
Deferred Tax	78	52	+51%	61	41	+48%
<b>Net Income (Loss)</b>	<b>13</b>	<b>108</b>	<b>-88%</b>	<b>30</b>	<b>174</b>	<b>-83%</b>
Non-parent company stake	(5)	(5)	-1%	(18)	(7)	N.A.
<b>Parent Company Stake</b>	<b>18</b>	<b>112</b>	<b>-84%</b>	<b>48</b>	<b>181</b>	<b>-74%</b>
Depreciation and amortization	15	10	+51%	24	22	+9%
<b>Adjusted EBITDA</b>	<b>39</b>	<b>36</b>	<b>+9%</b>	<b>116</b>	<b>111</b>	<b>+5%</b>

**BALANCE SHEET AS OF**

	<b>Jun. 30,</b>	<b>Dec. 31,</b>	<b>%</b>
	<b>2023</b>	<b>2022</b>	<b>Var.</b>
<b>Current Assets</b>	<b>3,601</b>	<b>3,996</b>	<b>-10%</b>
Cash	2,363	2,498	-5%
Clients receivable, net	293	128	N.A.
Other accounts receivable, net	159	713	-78%
Inventory	23	13	+69%
Other current assets	764	643	+19%
<b>Non-Current Assets</b>	<b>9,441</b>	<b>9,710</b>	<b>-3%</b>
Investments in associated companies and joint ventures	8,212	8,562	-4%
Property, plant and equipment, net	319	244	+31%
Right-of-use assets, net	188	112	+68%
Assets from deferred taxes	722	792	-9%
<b>Total Assets</b>	<b>13,042</b>	<b>13,705</b>	<b>-5%</b>
<b>Current Liabilities</b>	<b>5,810</b>	<b>3,306</b>	<b>+76%</b>
Suppliers	148	316	-53%
Short-term interest-bearing debt	2,003	4	N.A.
Short-term leases	37	24	+53%
Other current liabilities	3,622	2,961	+22%
<b>Non-Current Liabilities</b>	<b>2,332</b>	<b>2,568</b>	<b>-9%</b>
Long-term interest-bearing debt	0	1	-100%
Long-term leases	189	122	+55%
Deferred tax liabilities	1,561	1,570	-1%
Other non-current liabilities	582	875	-34%
<b>Total Liabilities</b>	<b>8,142</b>	<b>5,874</b>	<b>+39%</b>
<b>Shareholders' Equity</b>	<b>4,900</b>	<b>7,832</b>	<b>-37%</b>
Non-Parent company stake	(271)	(323)	+16%
<b>Parent company stake</b>	<b>5,171</b>	<b>8,155</b>	<b>-37%</b>
<b>Total Liabilities plus Shareholders' Equity</b>	<b>13,042</b>	<b>13,705</b>	<b>-5%</b>