



The Marcus Corporation



INVESTOR PRESENTATION | NOVEMBER 2024

Forward Looking Statement

Certain matters discussed in this presentation are “forward-looking statements” intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may generally be identified as such because the context of such statements include words such as we “believe,” “anticipate,” “expect” or words of similar import. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which may cause results to differ materially from those expected, including, but not limited to, the following: (1) the adverse effects future pandemics or epidemics may have on our theatre and hotels and resorts businesses, results of operations, liquidity, cash flows, financial condition, access to credit markets and ability to service our existing and future indebtedness; (2) the availability, in terms of both quantity and audience appeal, of motion pictures for our theatre division (including disruptions in the production of films due to events such as a strike by actors, writers or directors or future pandemics); (3) the effects of theatre industry dynamics such as the maintenance of a suitable window between the date such motion pictures are released in theatres and the date they are released to other distribution channels; (4) the effects of adverse economic conditions in our markets; (5) the effects of adverse economic conditions on our ability to obtain financing on reasonable and acceptable terms, if at all; (6) the effects on our occupancy and room rates caused by the relative industry supply of available rooms at comparable lodging facilities in our markets; (7) the effects of competitive conditions in our markets; (8) our ability to achieve expected benefits and performance from our strategic initiatives and acquisitions; (9) the effects of increasing depreciation expenses, reduced operating profits during major property renovations, impairment losses, and preopening and start-up costs due to the capital intensive nature of our business; (10) the effects of changes in the availability of and cost of labor and other supplies essential to the operation of our business; (11) the effects of weather conditions, particularly during the winter in the Midwest and in our other markets; (12) our ability to identify properties to acquire, develop and/or manage and the continuing availability of funds for such development; (13) the adverse impact on business and consumer spending on travel, leisure and entertainment resulting from terrorist attacks in the United States, other incidents of violence in public venues such as hotels and movie theatres; and (14) a disruption in our business and reputational and economic risks associated with civil securities claims brought by shareholders. 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 and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Our forward-looking statements are based upon our assumptions, which are based upon currently available information. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are made only as of the date of this presentation and we undertake no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.



Non-GAAP Financial Measures

Adjusted EBITDA has been presented in this presentation as a supplemental measure of financial performance that is not required by, or presented in accordance with, GAAP. The company defines Adjusted EBITDA as net earnings (loss) attributable to The Marcus Corporation before investment income or loss, interest expense, other expense, gain or loss on disposition of property, equipment and other assets, equity earnings or losses from unconsolidated joint ventures, net earnings or losses attributable to noncontrolling interests, income taxes, depreciation and amortization and non-cash share-based compensation expense, adjusted to eliminate the impact of certain items that the company does not consider indicative of its core operating performance. A reconciliation of this measure to the equivalent measure under GAAP, along with reconciliations of this measure for each of our operating segments, are set forth in the attached table.

Adjusted EBITDA is a key measure used by management and the company's board of directors to assess the company's financial performance and enterprise value. The company believes that Adjusted EBITDA is a useful measure, as it eliminates certain expenses and gains that are not indicative of the company's core operating performance and facilitates a comparison of the company's core operating performance on a consistent basis from period to period. The company also uses Adjusted EBITDA as a basis to determine certain annual cash bonuses and long-term incentive awards, to supplement GAAP measures of performance to evaluate the effectiveness of its business strategies, to make budgeting decisions, and to compare its performance against that of other peer companies using similar measures. Adjusted EBITDA is also used by analysts, investors and other interested parties as a performance measure to evaluate industry competitors.

Adjusted EBITDA is a non-GAAP measure of the company's financial performance and should not be considered as an alternative to net earnings (loss) as a measure of financial performance, or any other performance measure derived in accordance with GAAP and it should not be construed as an inference that the company's future results will be unaffected by unusual or non-recurring items. Additionally, Adjusted EBITDA is not intended to be a measure of liquidity or free cash flow for management's discretionary use. In addition, this non-GAAP measure excludes certain non-recurring and other charges and has its limitations as an analytical tool. You should not consider Adjusted EBITDA in isolation or as a substitute for analysis of the company's results as reported under GAAP. In evaluating Adjusted EBITDA, you should be aware that in the future the company will incur expenses that are the same as or similar to some of the items eliminated in the adjustments made to determine Adjusted EBITDA, such as acquisition expenses, preopening expenses, accelerated depreciation, impairment charges and other adjustments. The company's presentation of Adjusted EBITDA should not be construed to imply that the company's future results will be unaffected by any such adjustments. Definitions and calculations of Adjusted EBITDA differ among companies in our industries, and therefore Adjusted EBITDA disclosed by the company may not be comparable to the measures disclosed by other companies.

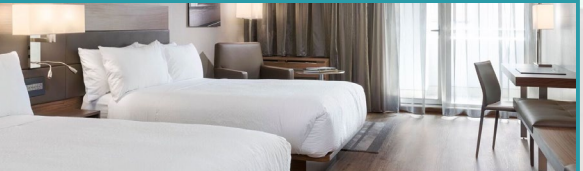


A Leader in Lodging and Entertainment

Founded in 1935 and headquartered in Milwaukee, Wisconsin

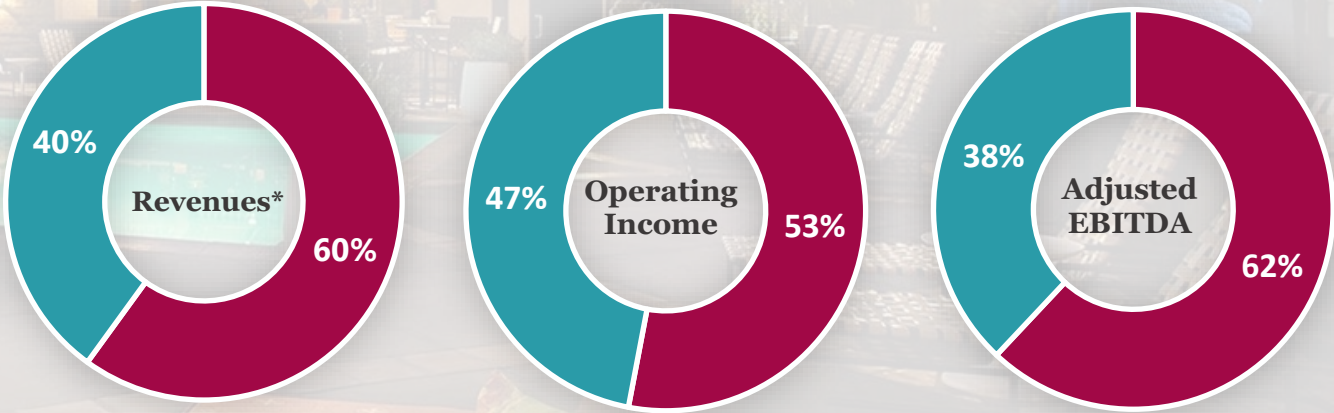


- Fourth largest U.S. exhibitor
- 995 screens at 79 locations in 17 states



- Portfolio of 16 distinctive properties
- Manage ~4,650 rooms in eight states

LTM by Division



* Revenues exclude Corporate of 0.1%



Company Overview

LTM
Revenues:

\$708.8M

LTM Adjusted
EBITDA:

\$94.8M⁽¹⁾

Market Cap:

~\$685M

(as of 11/11/2024)

LTM Adj.
EBITDA Margin:

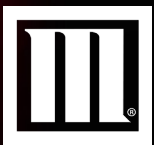
14.1%⁽¹⁾

**MCS
LISTED
NYSE**

**Since
1993**

(1) Adjusted EBITDA is a Non-GAAP measurement equal to operating income plus depreciation and amortization, impairment charges, non-cash share-based compensation and certain non-recurring expenses. Adjusted EBITDA Margin excludes revenue from cost reimbursements. Refer to non-GAAP reconciliation in the appendix for further information.





Strong, Stable Senior Management Team



Gregory S. Marcus
Chairman,
President and Chief
Executive Officer
Joined March 1992



Thomas F. Kissinger
Senior Executive Vice
President, General
Counsel and Secretary
Joined August 1993



Chad Paris
Chief Financial Officer &
Treasurer
Joined October 2021



Mark A. Gramz
President, Marcus
Theatres Corporation
Joined April 1971



Michael R. Evans
President, Marcus
Hotels & Resorts
Joined January 2020



Kim M. Lueck
Chief Information
Officer
Joined February 1997



Steve V. Martin
Chief Human
Resources Officer
Joined April 2000



88-Year History of Prudent Balance Sheet and Liquidity Management

- Approach has been and will remain thoughtful, opportunistic and focused long-term
 - Match our debt portfolio to our asset base
 - Assets primarily of fixed and long-lived assets
 - Strive to have a significant portion of our debt portfolio fixed and long



Strong Balance Sheet and Access to Capital

- Historically strong and consistent cash flow

- \$102.6 million of net cash flow from operations in fiscal year 2023

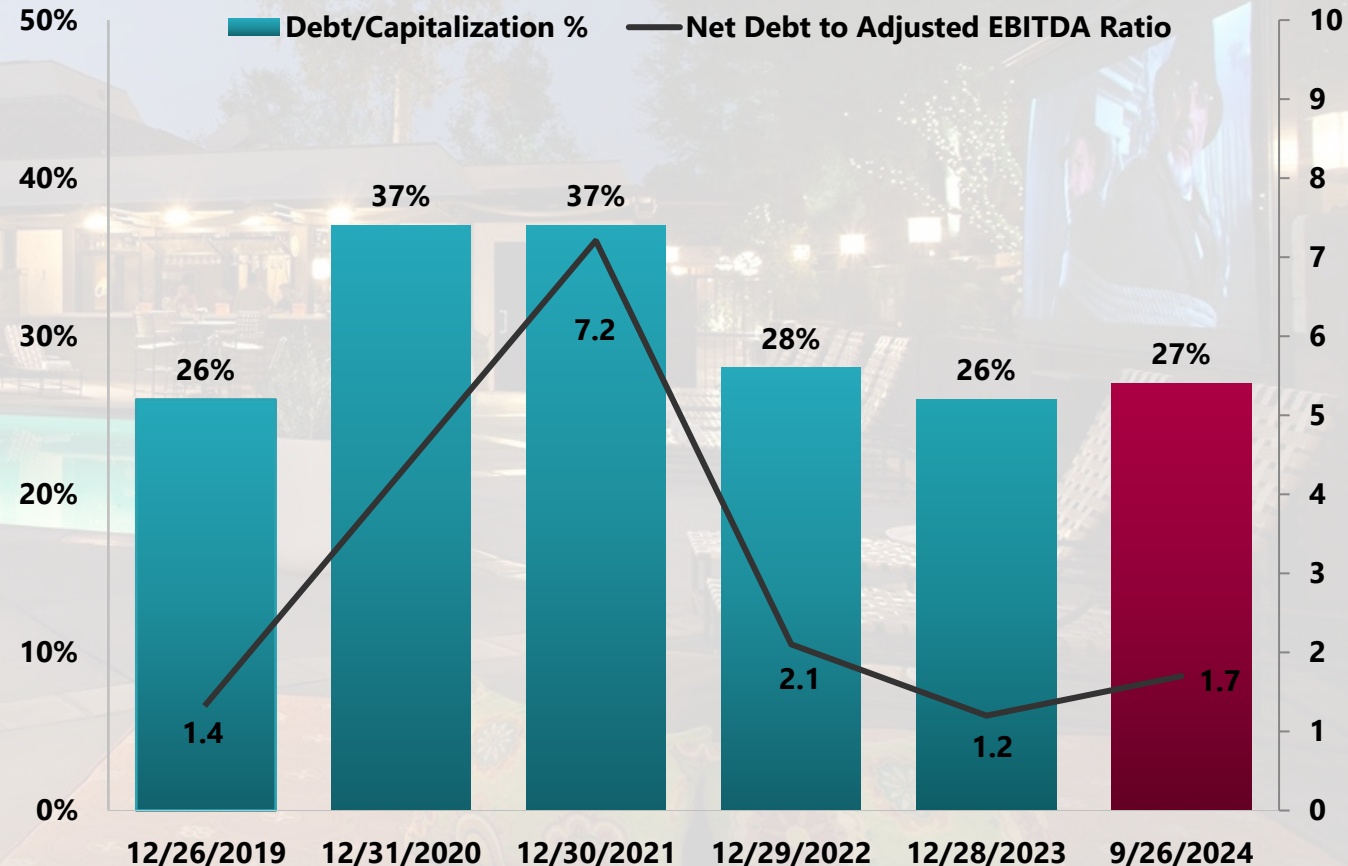
- \$248.6 million in cash and revolving credit availability (as of 9/26/2024)

- Repurchased and retired \$100 million of Convertible Senior Notes for \$103 million cash

- Completed private placement offering of \$100 million 6.9% - 7.0% senior notes used to refinance the convertible notes

- Significant liquidity and financial flexibility to invest in our long-term future growth

Debt Ratios



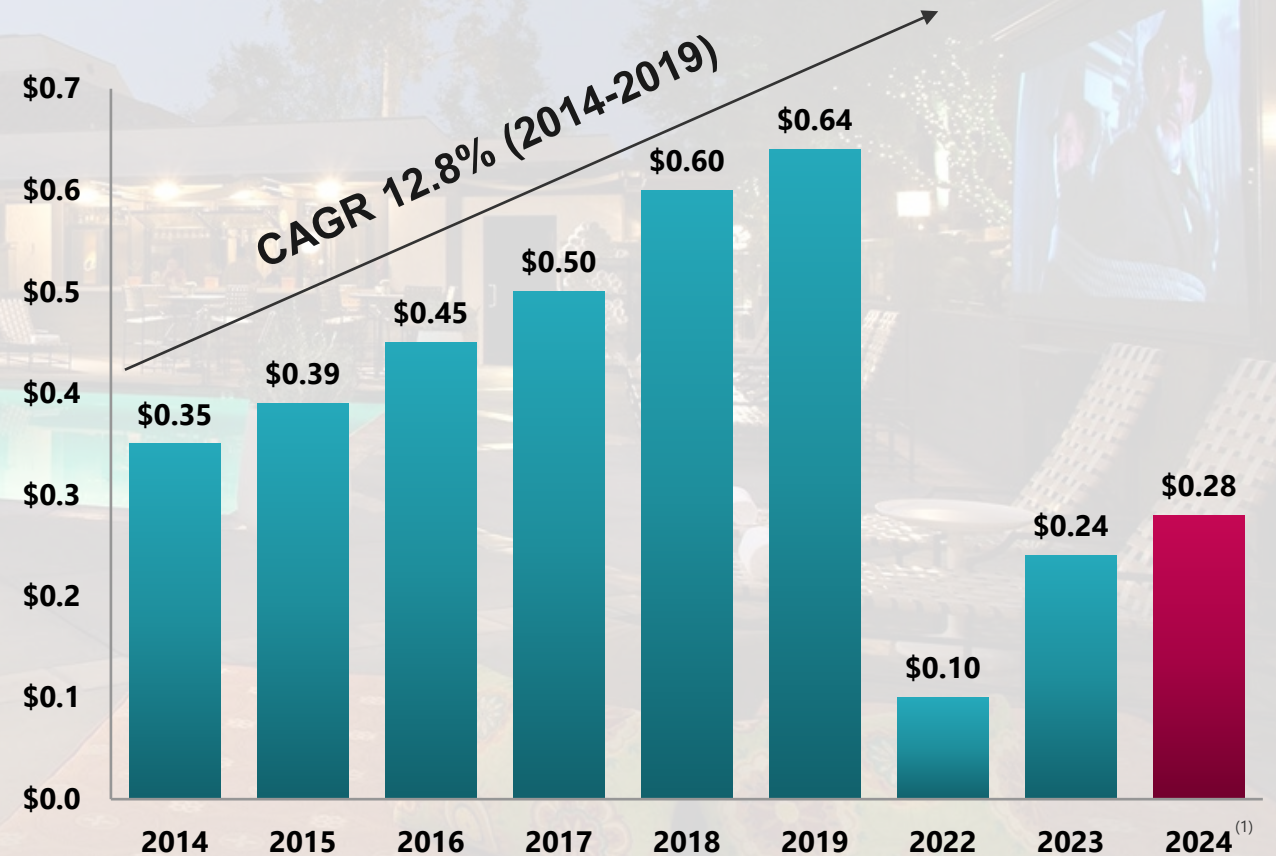
Note: Adjusted EBITDA is a non-GAAP measurement equal to operating income plus depreciation/amortization, impairment charges and certain nonrecurring expenses. Net debt is a non-GAAP measurement equal to short-term borrowings plus long-term debt net of debt issuance costs, plus finance lease obligations minus cash and cash equivalents. Refer to non-GAAP reconciliation in the appendix for further information.



Increasing Dividend; Long History of Returning Capital to Shareholders

- Increased quarterly cash dividend to \$0.07 in Q3 2023
- Annual cash dividend was \$0.68 prior to suspension on 4/29/20 (3-year average yield of 1.7%)
- 45 years of consecutive dividends pre-COVID
- Special dividends in 2006 (\$7.00) and 2012 (\$1.00)
- Repurchased over 3.9 million shares between 2012 and 2016 at an average price of approximately \$12
- Repurchased 0.7 million shares in 2024 for \$9.7 million

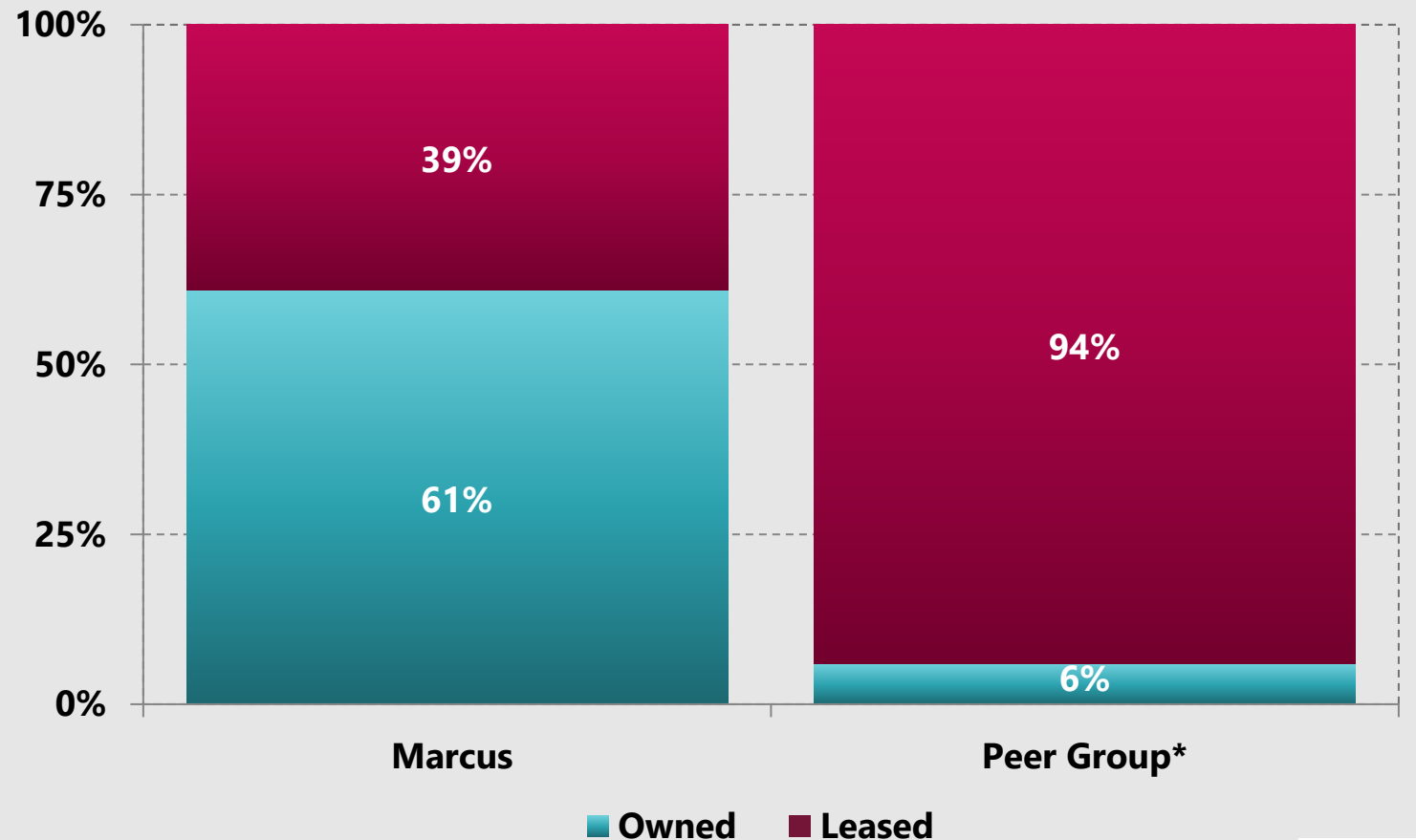
Annual Cash Dividends



Unique Real Estate Ownership Profile

In addition to our owned hotels, unlike most of our peers, we own the underlying real estate for the majority of our theatres

- Real estate ownership enables us to quickly react to changing theatre trends
- Reduces our monthly fixed lease payments and enhances free cash flow
- Provides significant underlying credit support
- Surplus real estate may be monetized if opportunities arise
 - \$31 million of asset sales proceeds in fiscal 2021-2023
 - Potential for \$3-5 million of additional sales of surplus and non-core real estate during fiscal 2024



*Represents an estimate of AMC and Cinemark combined, based upon available public filings.

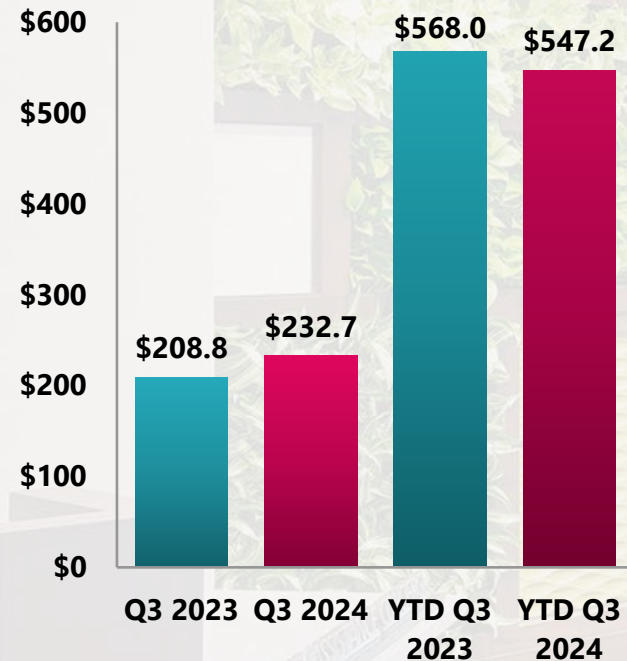
Note: Marcus percentages based upon number of screens as of 9/26/2024.



Third Quarter and First Three Months of 2024 Results

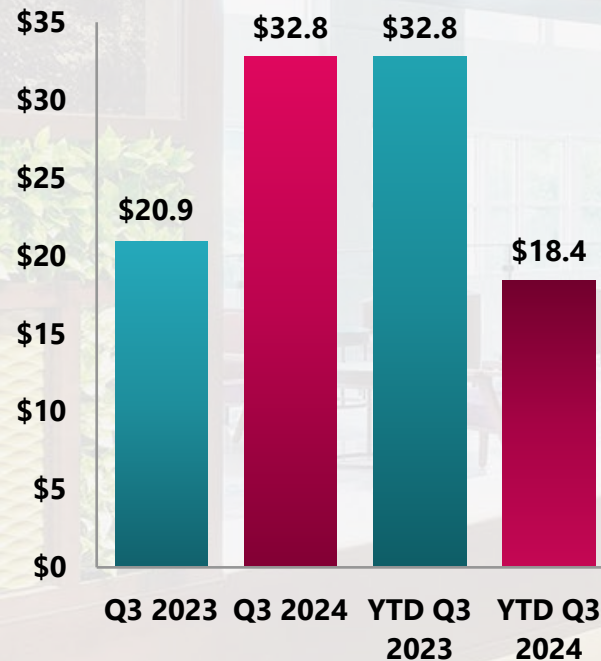
Revenues

(in millions)



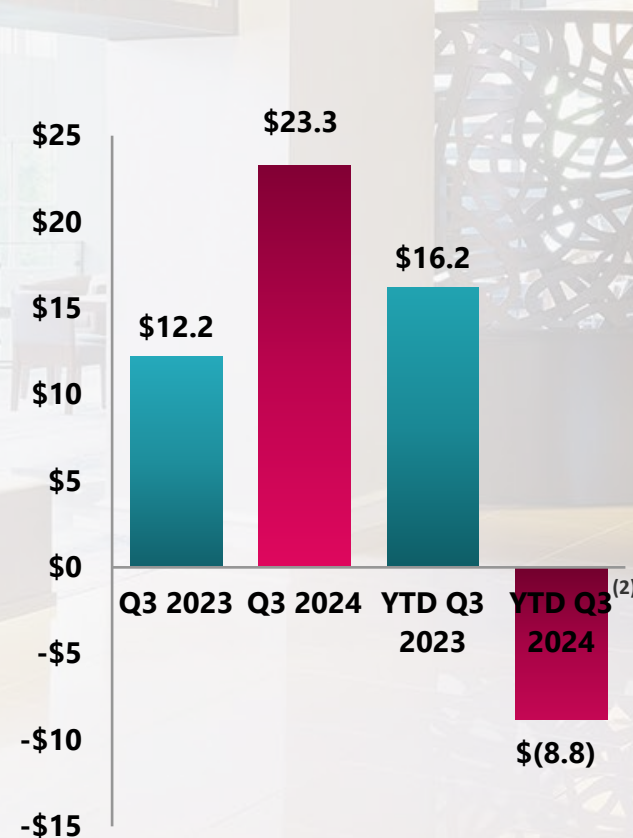
Operating Income (Loss)

(in millions)



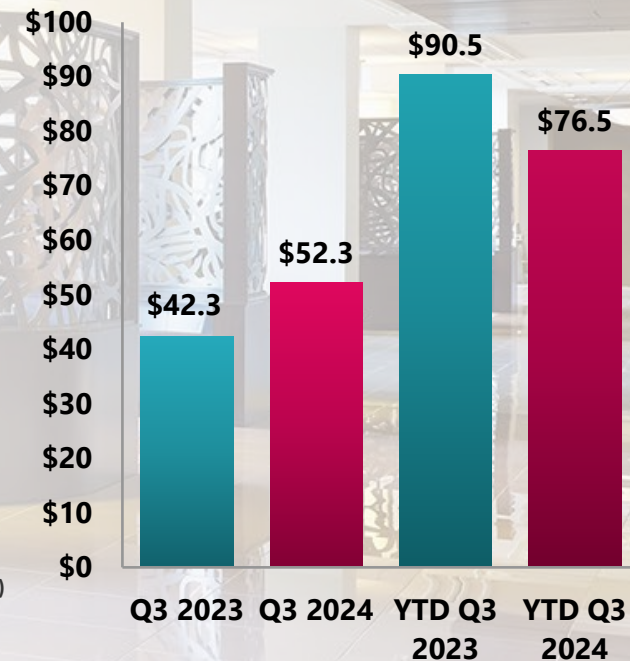
Net Earnings (Loss)

(in millions)



Adjusted EBITDA⁽¹⁾

(in millions)



(1) See appendix for non-GAAP reconciliation.

(2) Net loss for the three quarters ended September 26, 2024, was negatively impacted by \$16.5 million of debt conversion expense and related tax impacts of the convertible notes repurchases.





Marcus Theatres



Leading U.S. Theatre Exhibitor

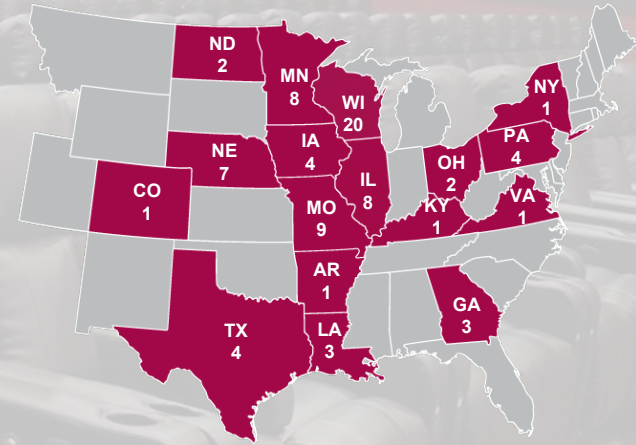
Fourth largest
U.S. exhibitor

995 screens at
79 locations in
17 states⁽¹⁾

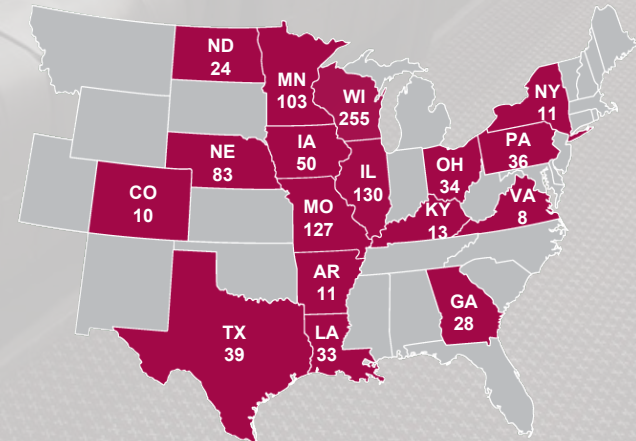
Added **37**
theatres, 439
screens and **10**
states during the
past **decade**

Acquisition of Movie
Tavern on February 1, 2019
added **208 screens**
in **9 states** in the
South/East
Increased screen
count by 23%

Marcus Theatres by Location⁽¹⁾



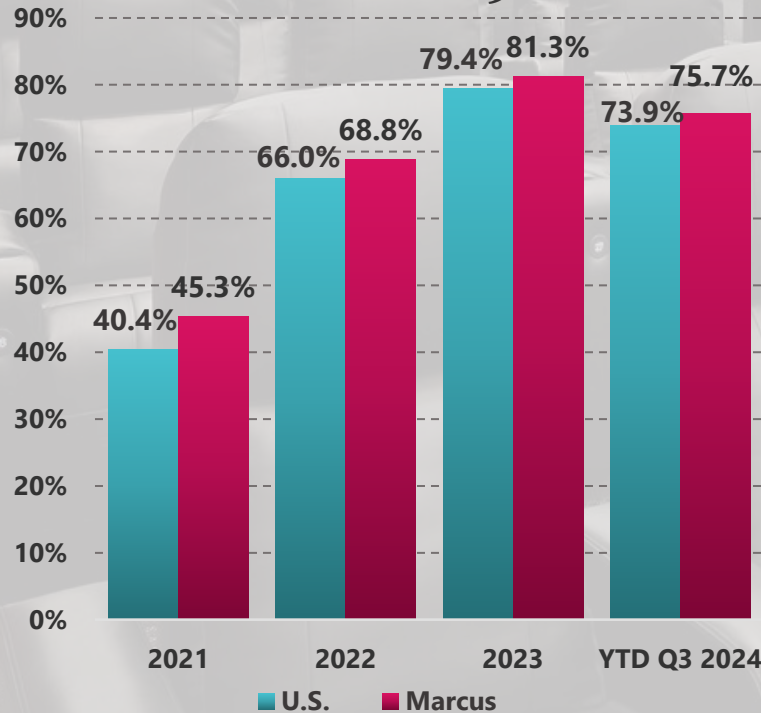
Marcus Theatres by Screen⁽¹⁾



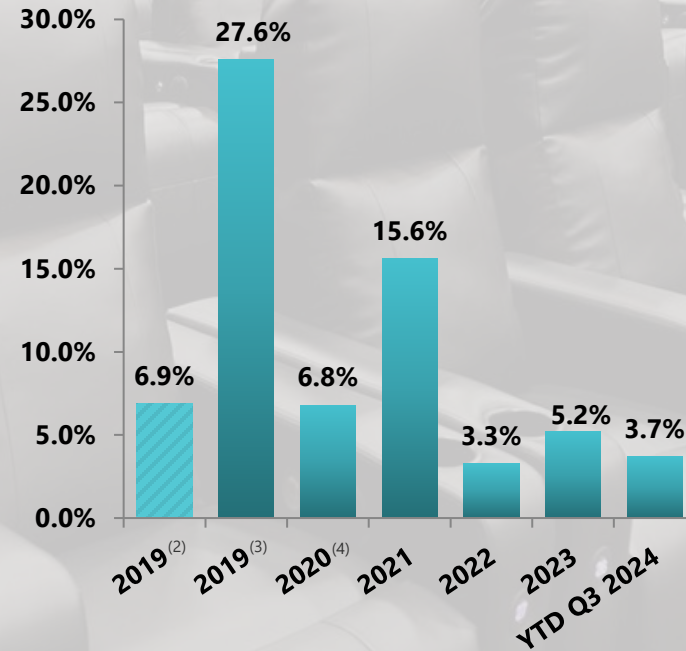
Long History of Growth and Outperformance

Our investments in amenities and implementation of innovative operating and marketing strategies resulted in historically strong performance

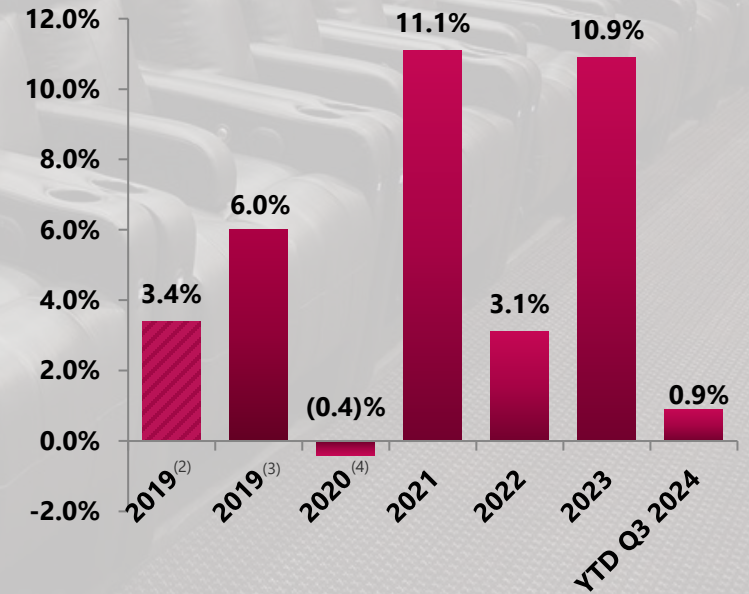
Box Office Recovery vs. 2019⁽¹⁾



Concessions Revenue per person YoY Growth



Ticket Revenue per person YoY Growth



(1) Represents change in comparable theatres admission revenues in each period compared to 2019 on a pro forma basis for the Movie Tavern acquisition as of the first day of fiscal 2019. Source for U.S. numbers: Comscore. Comparisons data for U.S. market was not available for 2020.

(2) Excludes Movie Tavern theatres.

(3) Includes Movie Tavern theatres.

(4) All theatres were closed during most of Q2 and Q3 of 2020.

Created Industry-Leading Theatre Guest Experience

Invested ~\$594 Million in New and Existing Assets Over the Last Decade

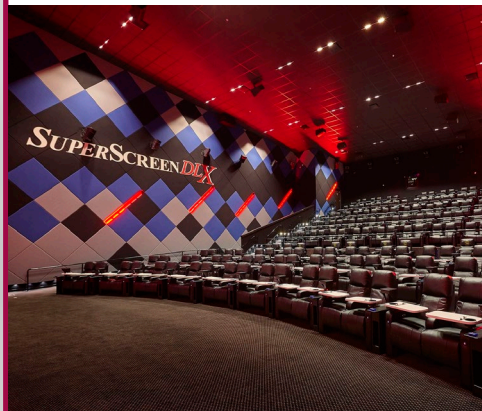
Recliner Seating

- 85% of company-owned theatres
- 88% of screens
- Highest percentage among the top chains



PLF Screens

- 83% of company-owned theatres
- Highest among top chains
- 125 PLF screens, including proprietary *UltraScreen DLX*[®], *SuperScreen DLX*[®] and *ScreenX* brands



Food and Beverage

- 67% of company-owned theatres offer one or more in-lobby dining concepts (excluding Movie Tavern theatres)
- 37% offer in-theatre dining
- 63% offer bars and lounges



Acquisitions

- ~60% of existing circuit via acquisitions
- **Movie Tavern:** 208 Screens in nine states (Feb. 2019)
- **Wehrenberg Theatres:** 197 Screens in four states (Dec. 2016)



New Theatres

- **BistroPlex** in-theatre dining concept: Greendale, Wis. (June 2017)
- **Movie Tavern** by Marcus – Brookfield, Wis. (Oct. 2019)
- **Marcus Theatres** West End- St. Louis Park, MN. (July 2024)



Current Plans

Maximize Assets in a Post-Pandemic World

- Expand industry leading amenities – PLF's, F&B concepts.
- Enhanced Marcus Movie Rewards customer loyalty program.
- Modernize pricing strategies.
- Expand the use of technology in all facets of business.
- Further monetize lobby, screens, website and mobile app.
- Regularly upgrade and remodel theatres.



SUPERSCREEN DLX

Re-invent Out-of-Home Entertainment Experience

- Launched Marcus Movie Club membership program in November 2024.
- Test new entertainment options within auditoriums (i.e, sports viewing, gaming auditoriums).
- Use technology to further tailor communications to guests and improve overall experience for our guests.
- Expand new viewing experiences for our guests (ScreenX auditoriums, etc.).
- Expand the use of new content sources and deliveries.



Strategic Growth

- Assume new management contracts and/or take over existing leases.
- Acquire existing theatres or circuits.
- Build new theatres.

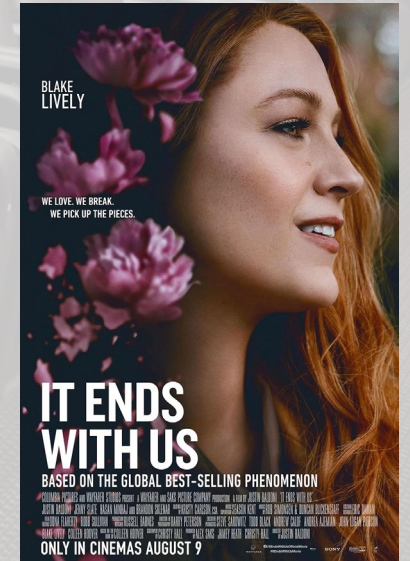


Marcus West End Cinema



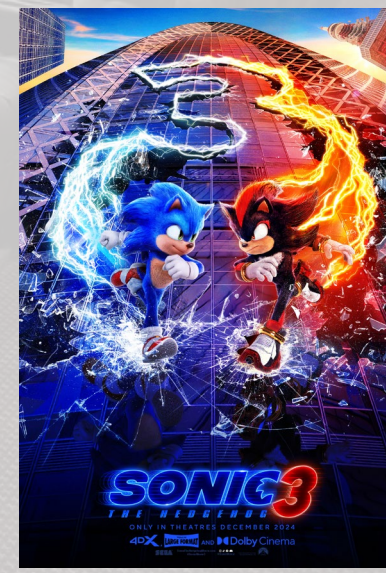
Several Blockbuster Films Performed Well During Q3 Fiscal 2024

- *Inside Out 2* and *Deadpool & Wolverine* broke records during the quarter
- *Despicable Me 4*, *Twisters*, and *It Ends With Us* performed particularly well in Midwestern markets



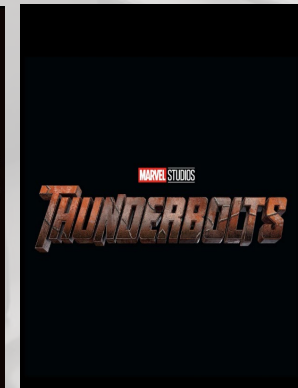
Several Highly-Anticipated Films in Q4 Fiscal 2024

- Exciting slate of diverse films in the fourth quarter of fiscal 2024
- Highly anticipated debuts of *Gladiator II*, *Wicked*, and *Moana 2* to kick off the holiday season
- *Lord of The Rings: The War of the Rohirrim*, *Mufasa: The Lion King*, and *Sonic the Hedgehog 3* also expected to perform well



2025 Film Slate Includes Highly Anticipated Films*

2025 Films		
Mickey 17	M3GAN 2.0	Tron: Ares
Captain America: Brave New World	Elio	Mortal Kombat II
Sinners	How to Train Your Dragon	Predator: Badlands
Snow White	F1	The Running Man
Minecraft	Jurassic World Rebirth	Wicked: Part Two
Thunderbolts	Superman: Legacy	Zootopia 2
Karate Kid	The Smurfs Movie	Five Nights at Freddy's 2
Mission Impossible – The Final Reckoning	Fantastic Four	Avatar 3: Fire and Ash
Ballerina	The Bad Guys 2	SpongeBob Movie: Search for Squarepants



Third Quarter Fiscal 2024 Highlights

- Performance of several blockbuster films in Q3 helped drive record revenues, operating income and Adjusted EBITDA during the quarter
- Average ticket price up 2.6% and average concession revenues per person increased 7.9% during the third quarter of fiscal 2024 compared to the same period last year
- Improving film slate in second half of 2024 and into 2025



Outlook

- Customers across all ages and audience types have shown continue preference for moviegoing experience
- Strong demand for blockbuster films, small and mid-sized films as well as alternative programming
- Expect theatrical exhibition to remain an important component of studios' business model as studios commit to an exclusive theatrical window
- Early 2024 film slate negatively impacted by Hollywood strikes, Q3 saw significant improvement and several highly-anticipated films to debut in Q4
- Long-term theatrical exhibition outlook remains positive



A woman with long brown hair, wearing a vibrant red dress, stands in a hotel room looking out a window. She is holding the light-colored curtains. To her left is a floor lamp with a glowing yellow shade. In the foreground, a bed with white linens is visible, along with a tray on a nightstand containing a silver bucket, a glass, and a red rose. A bouquet of purple and yellow flowers is in the bottom right foreground. A dark red banner with white text is overlaid across the middle of the image.

Marcus Hotels & Resorts



Diverse Portfolio

7 company majority-owned properties; manage 9 properties for other owners



Grand Geneva Resort,
Lake Geneva, WI



AC Hotel Chicago Downtown,
Chicago, IL



Saint Kate – The Arts Hotel,
Milwaukee, WI



Lincoln Marriott Cornhusker,
Lincoln, NE



Hilton Milwaukee City Center,
Milwaukee, WI



The Pfister Hotel,
Milwaukee, WI



Hilton Madison Monona Terrace,
Madison, WI



Strategic Growth

Added New Joint-Venture Property with Management Contract

- Through joint venture with Hempel Real Estate and Robinson Park, acquired Loews Minneapolis Hotel as minority investor
- Completed hotel acquisition and assumed management of property in March 2024
- Lifestyle hotel featuring 251 guest rooms, over 15,000 square feet of meeting and event space and a full dining experience
- Rebranded as The Lofton Hotel under the Tapestry Collection by Hilton flag

THE
LOFTON
HOTEL

T A P E S T R Y
C O L L E C T I O N
by Hilton™

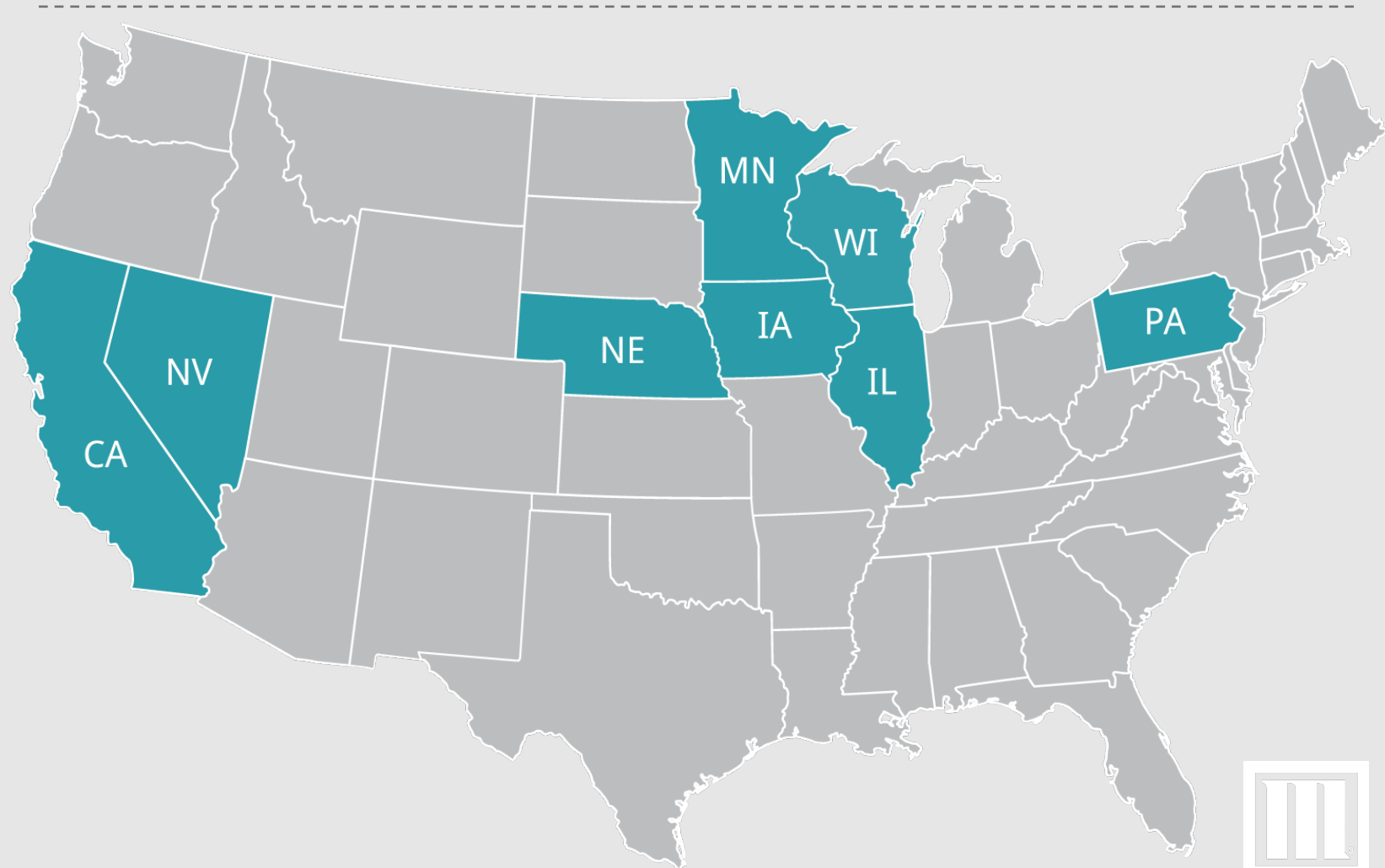


A Strategic Footprint

- Branded and independent first-class hotels
- Nearly 60 years of hotel management experience

- 4,650+ Rooms Managed
- 345,000+ Square Feet of Meeting & Event Space
- 40+ Restaurants, Bars, Lounges & Other F&B Outlets
- 16 Managed Properties
- 3 Luxurious Spas
- 2 World Class Golf Courses
- 1 Ski Hill
- 1 Airport

Marcus Hotels Locations

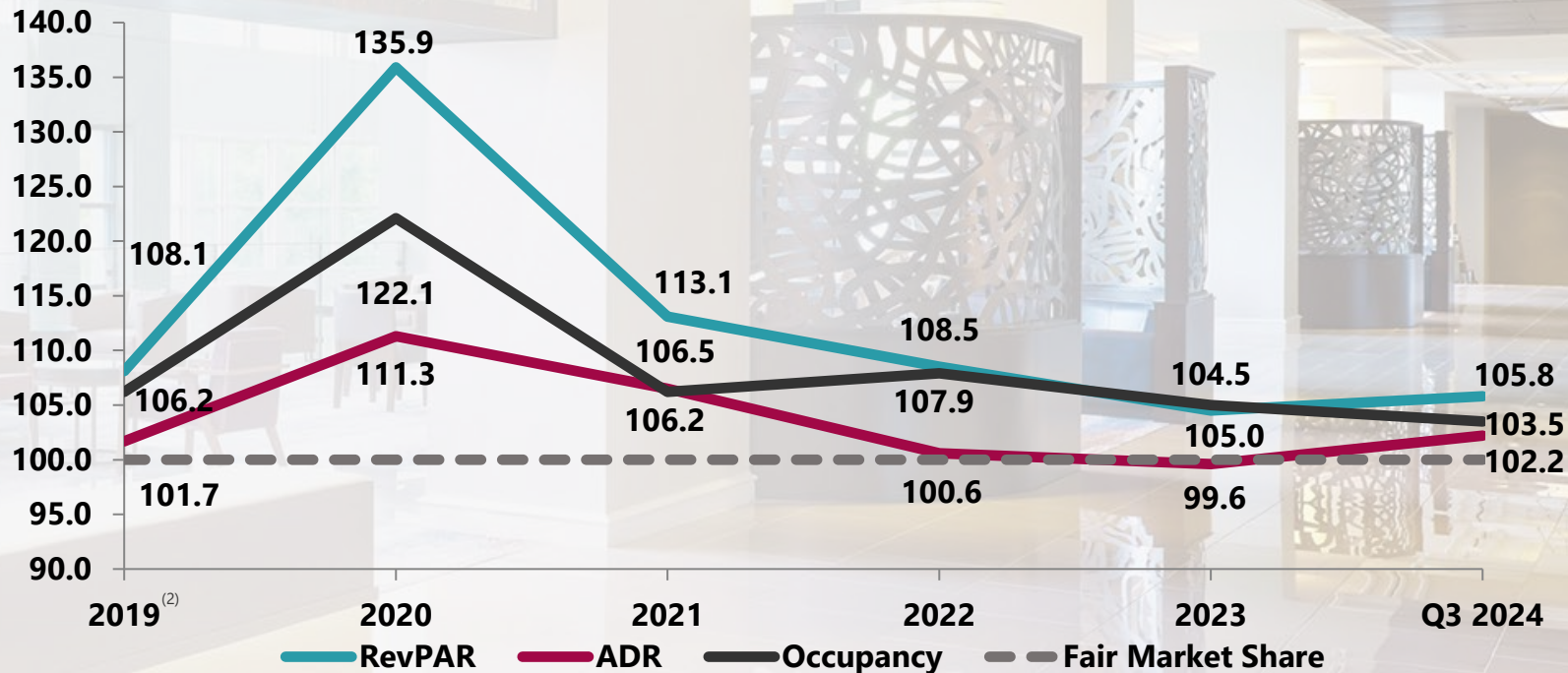


A Leader in Our Markets and Industry

- Consistently outperforming our competitive sets
- Expertise in management, development, historic renovations, asset repositioning and F&B
- Operational excellence – consistently earn industry awards



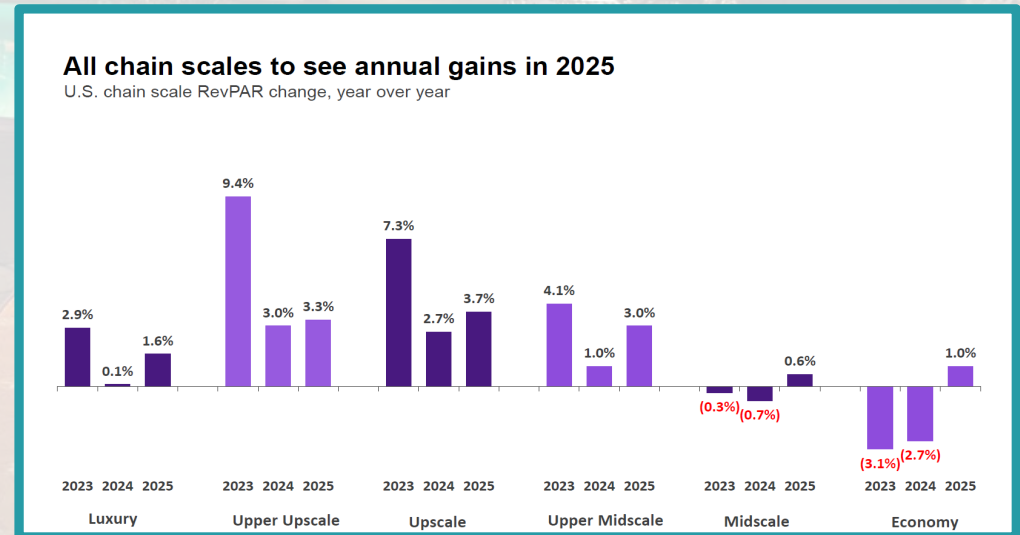
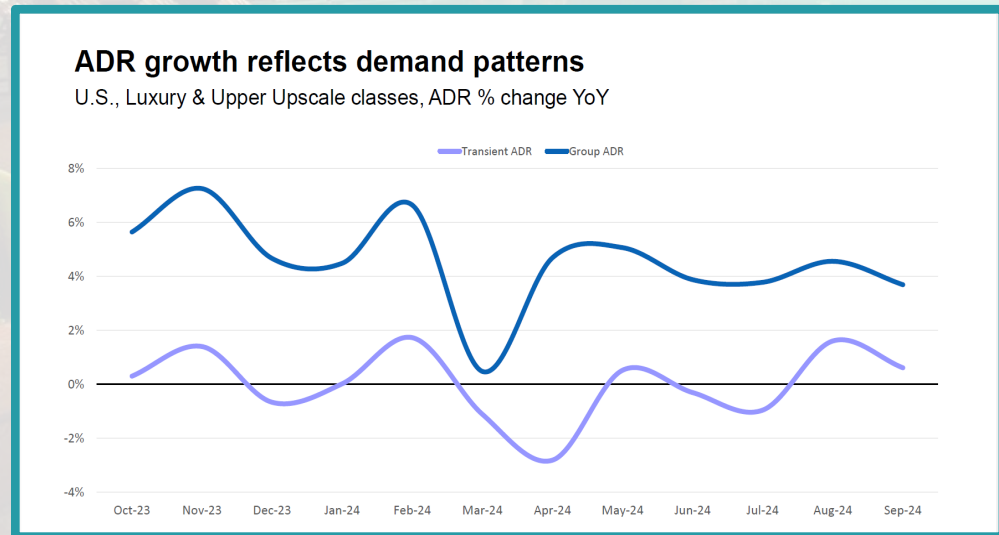
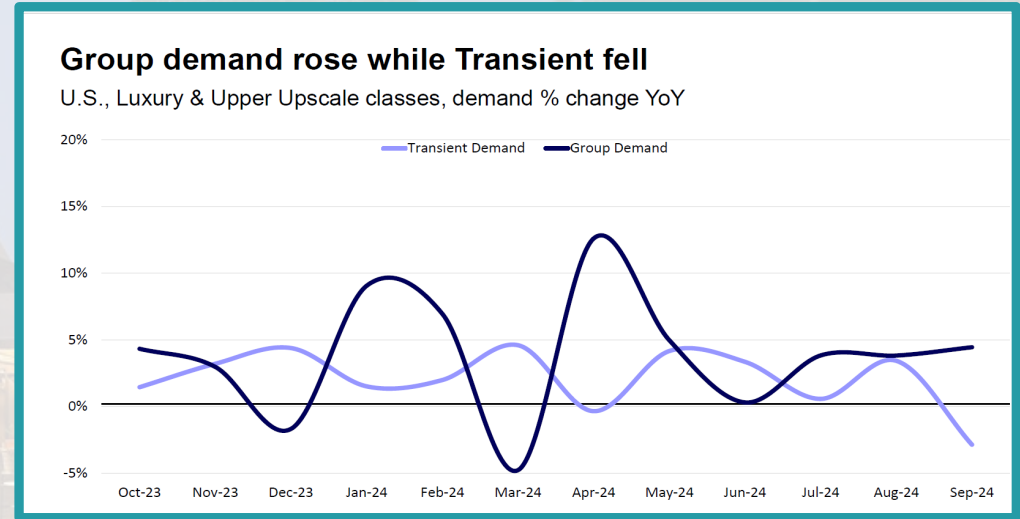
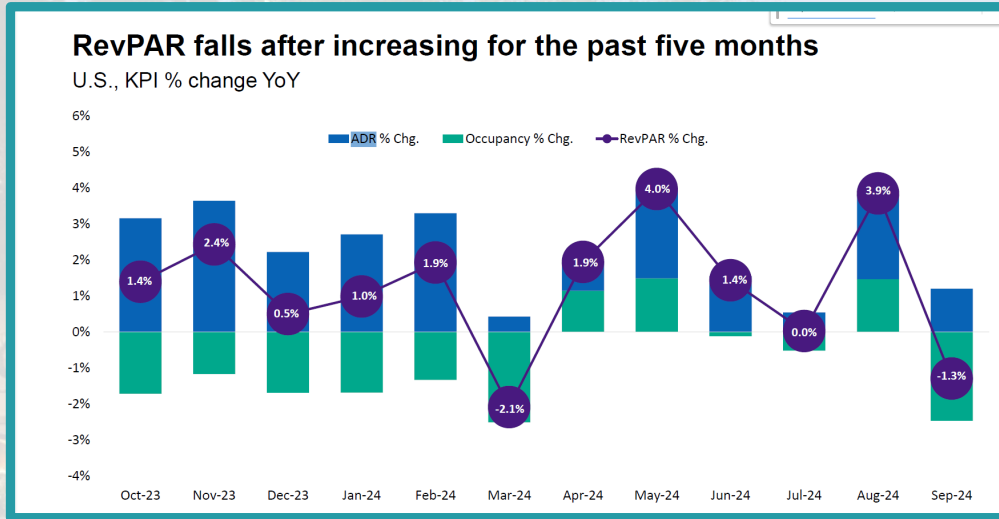
Marcus Owned Market Share⁽¹⁾



(1) Index value of 100.0 indicates fair market share. Value greater than 100.0 suggests greater than fair share of market.
 (2) Excludes Saint Kate – The Arts Hotel, which was closed for five months during the year.



Industry Performance



Current Plans

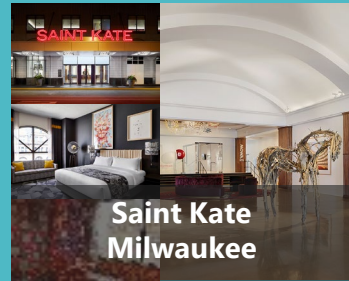
Operational Excellence and Financial Discipline

- Leverage strong leisure demand to drive ADR
- Drive group demand and grow ancillary revenues
- Leverage F&B expertise to further distinguish from competition
- Rebuild banquet and catering business to capture growing group demand
- Invest in HR and technology to improve associate work environment and adapt to labor market
- Improve customer interactions and service with technology enhancements.
- Retain financial discipline without sacrificing quality

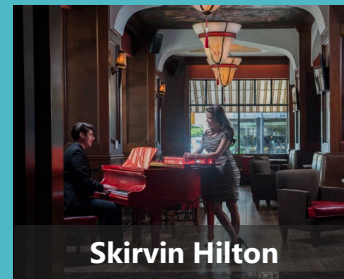


Portfolio Management

- Reinvest in hotels to maintain and enhance their value
- Elevate branding and investment strategy for each property
- Explore monetization opportunities for select hotels, when appropriate



Saint Kate
Milwaukee



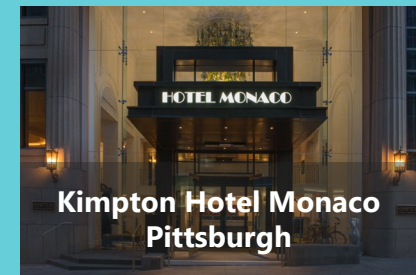
Skirvin Hilton



Grand Geneva Resort & Spa

Strategic Growth

- Acquire hotel properties as investment fund sponsor or joint venture partner
- Acquire hotel management companies to provide additional scale to our management platform and accelerate growth
- Seek additional management contracts for other owners (may include small equity investments)



Kimpton Hotel Monaco
Pittsburgh



The Lofton Hotel



Third Quarter Fiscal 2024 Highlights

- Record fiscal third quarter 2024
- Revenues before cost reimbursements increased 9.6% in the third quarter of fiscal 2024 compared to the prior year period
- RevPAR increased 9.8% during the third quarter of fiscal 2024 compared to the same period in fiscal 2023
- Outperformed the industry by 8.4 percentage points in the third quarter of fiscal 2024
- Group booking pace for remainder of fiscal 2024 and fiscal 2025 running ahead of comparable pace during the same time last year



Outlook

- Economic environment will impact future RevPAR trends; hotel revenues have historically tracked closely with GDP
- Group business continues to grow, especially midweek
- Expect some softening of leisure business
- Well-positioned assets following renovations at The Pfister Hotel and Grand Geneva Resort & Spa



A modern office interior featuring a large living wall with various green plants, a reception desk, and decorative metal partitions. The ceiling has recessed lighting and a decorative tray design. The floor is highly reflective, showing the surrounding environment.

Shareholder Value Creation



Long-Term Value Maximization



Theatre Expansion

- Management Contracts & Take Over Restructured Leases
- Acquisitions
- New Builds

Hotel Expansion

- Joint Ventures
- Management Contracts
- Creation of a Fund

Reinvesting in Existing Assets

- Hotel & Theatre Renovations
- New Amenities & Features
- F&B Innovations
- DreamLoungers, UltraScreen DLX, SuperScreen DLX

Divestitures of Assets

- Sale of Selected Hotels (may retain management)
- Selected Theatre Replacement

Operating Strategies

- Revenue Enhancements
- Cost Rationalization
- Management

Capital Structure Strategies

- Share Repurchases
- Dividend Policy
- Balance Sheet Management



Focused on Long-Term Shareholder Value



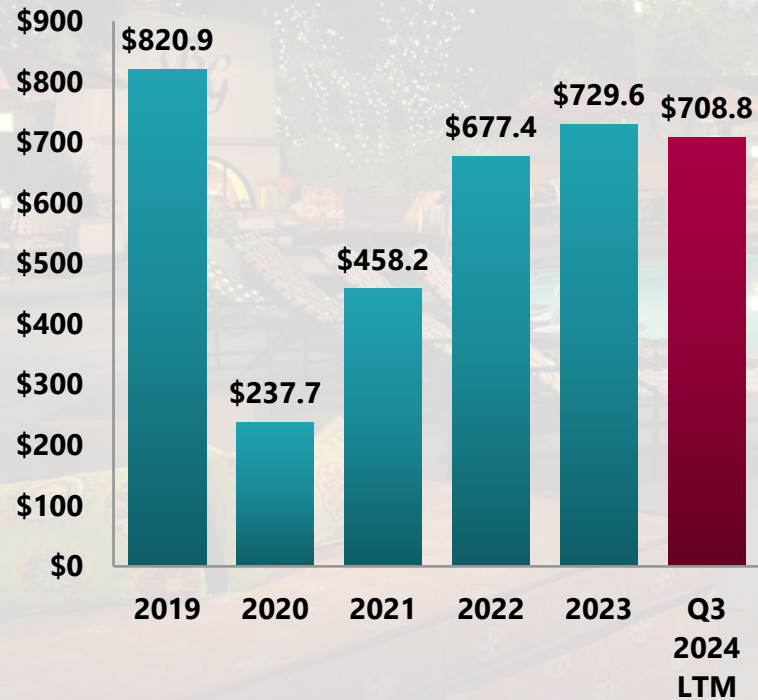


Financial Performance

Historical Financial Performance

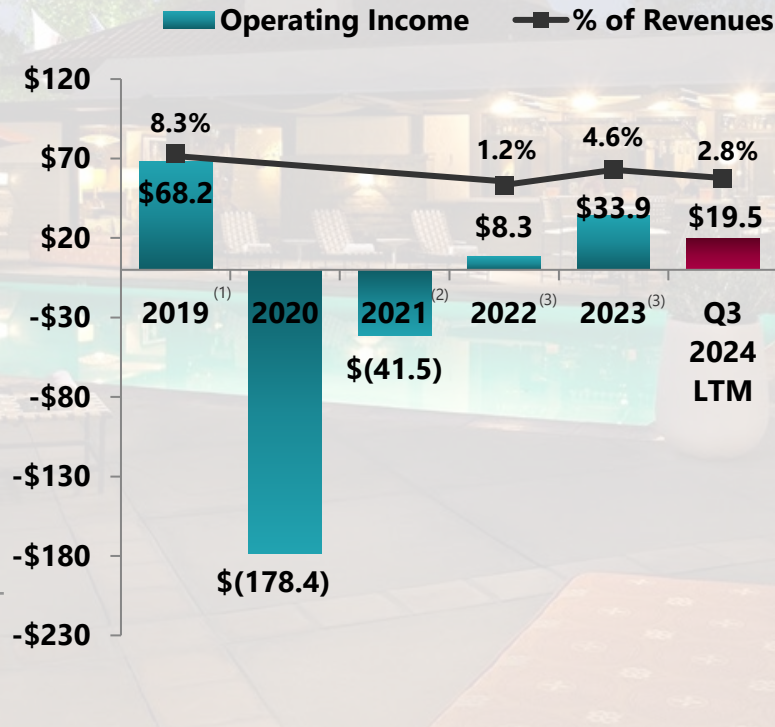
Revenues

(in millions)



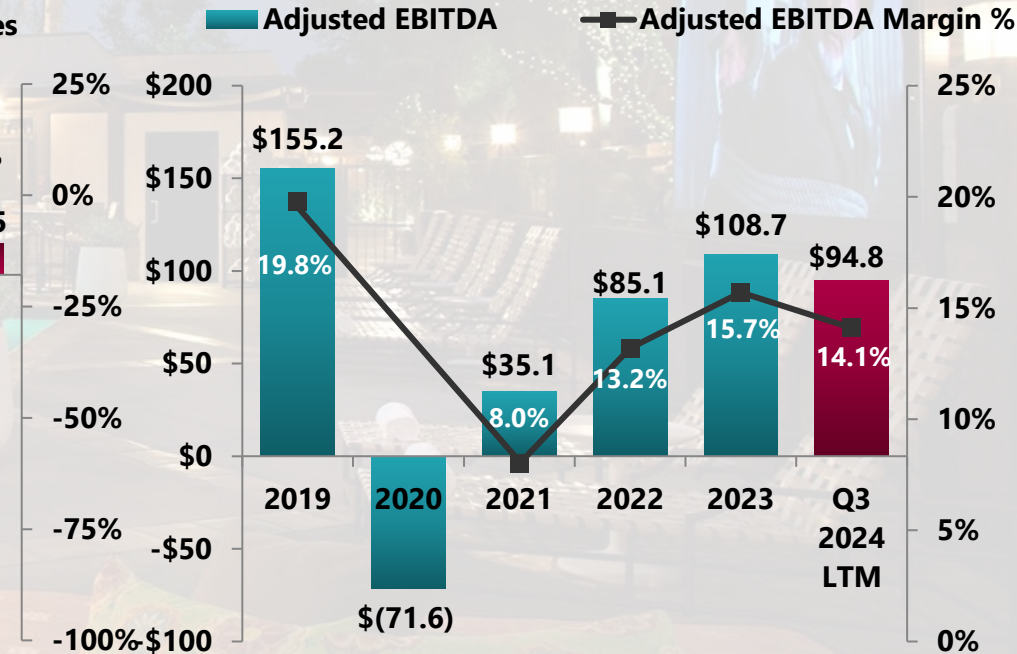
Operating Income (Loss)

(in millions)



Adjusted EBITDA⁽⁴⁾

(in millions)



(1) Includes impairment charge of \$5.8 million and \$9.3M of nonrecurring acquisition, preopening and initial startup losses.

(2) Includes impairment charges of \$5.8 million and net nonrecurring COVID-related favorable adjustments of \$10.7 million.

(3) Includes impairment charges of \$1.5 million in 2022 and \$1.1 million in 2023.

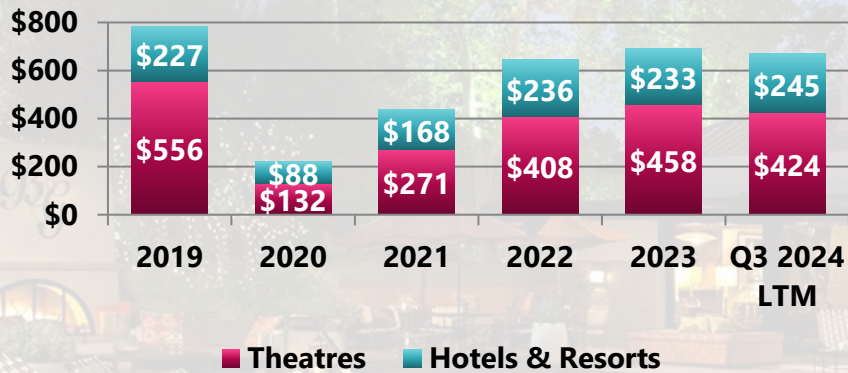
(4) Non-GAAP measurement equal to operating income plus depreciation and amortization, impairment charges, non-cash share-based compensation and certain non-recurring expenses.

Adjusted EBITDA Margin without cost reimbursements. Refer to the non-GAAP reconciliation in the appendix for further information.

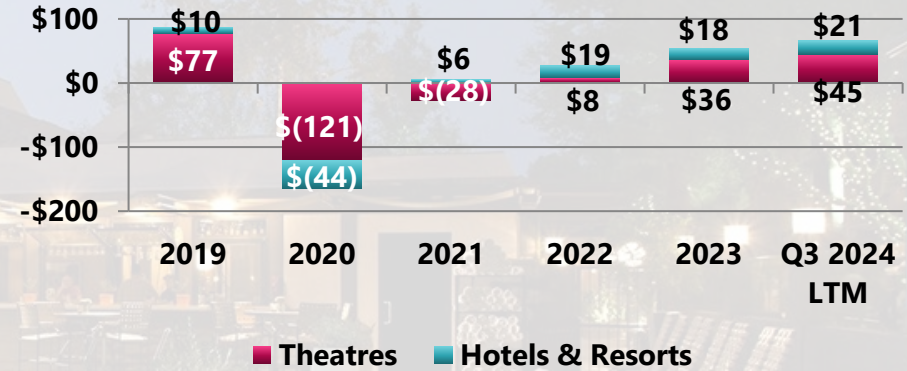


Historical Results by Segment (in millions)

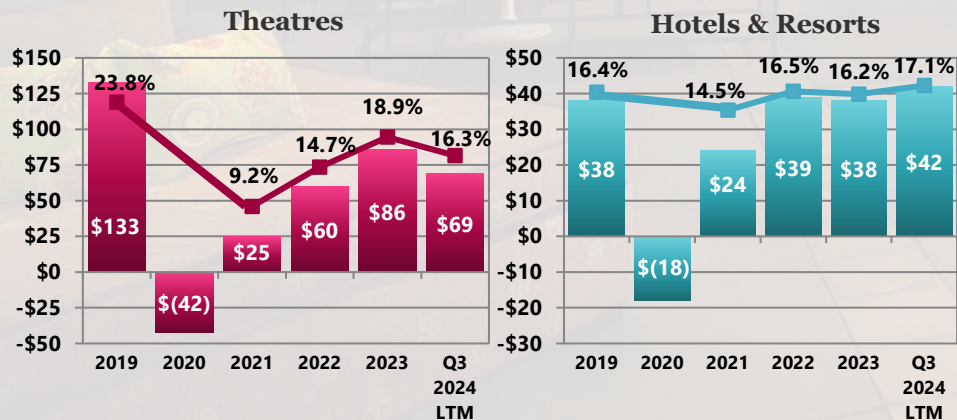
Revenues⁽¹⁾ (in millions)



Operating Income (Loss) (in millions)



Adjusted EBITDA (in millions) & Adjusted EBITDA Margin⁽¹⁾



Capital Expenditures (in millions)



Note: Above charts do not include corporate segment. Adjusted EBITDA is a non-GAAP measurement equal to operating income plus depreciation/amortization, impairment charges and nonrecurring acquisition, preopening expenses and initial startup losses. Refer to non-GAAP reconciliation in the appendix for further information.





The Marcus Corporation



APPENDIX

Q3 and First Three Quarters 2024 Financial Highlights

Q3 and First Three Quarters 2024 Financial Highlights

(In thousands, except per share data)

	<u>13 Weeks Ended</u>		<u>39 Weeks Ended</u>	
	<u>Sept. 26,</u> <u>2024</u>	<u>Sept. 28,</u> <u>2023</u>	<u>Sept. 26,</u> <u>2024</u>	<u>Sept 28,</u> <u>2023</u>
Total revenues	\$ 232,668	\$ 208,766	\$ 547,247	\$ 568,049
Operating income (loss)	32,782	20,933	18,354	32,755
Net earnings (loss)	23,314	12,234	(8,773)	16,234
Net earnings (loss) per share	0.73	0.32	(0.28)	0.46
Adjusted EBITDA ⁽¹⁾	52,275	42,330	76,526	90,486



Non-GAAP Reconciliation

Reconciliation of Net earnings (loss) to Adjusted EBITDA

(Unaudited)

(In thousands)

	13 Weeks Ended		39 Weeks Ended	
	September 26, 2024	September 28, 2023	September 26, 2024	September 28, 2023
Net earnings (loss)	\$ 23,314	\$ 12,234	\$ (8,773)	\$ 16,234
Add (deduct):				
Investment income	(809)	(445)	(1,674)	(1,064)
Interest expense	3,062	2,869	8,160	8,970
Other expense (income)	390	477	1,121	1,355
(Gain) Loss on disposition of property, equipment and other assets	115	242	95	1,019
Equity (earnings) losses from unconsolidated joint	9	(75)	446	127
Income tax expense (benefit)	5,406	5,873	3,756	7,133
Depreciation and amortization	17,274	19,158	49,988	51,028
Share-based compensation (a)	2,225	1,313	7,157	5,000
Impairment charges (b)	—	684	472	684
Theatre exit costs (c)	—	—	136	—
Insured losses (recoveries) (d)	(206)	—	239	—
Debt conversion expense (e)	1,410	—	15,318	—
Other non-recurring (f)	85	—	85	—
Adjusted EBITDA	\$ 52,275	\$ 42,330	\$ 76,526	\$ 90,486

(a) Non-cash expense related to share-based compensation programs.

(b) Non-cash impairment charges related to one permanently closed theatre location in the second quarter of fiscal 2024 and one permanently closed theatre location in fiscal 2023.

(c) Non-recurring costs related to the closure and exit of one theatre location in the second quarter of fiscal 2024.

(d) Repair costs and insurance recoveries that are non-operating in nature related to insured property damage at one theatre location.

(e) Debt conversion expense for repurchases of \$99.9 million aggregate principal amount of Convertible Notes. See *Convertible Senior Notes Repurchases* in the "Liquidity and Capital Resources" section of MD&A included in the fiscal 2024 third quarter Form 10-Q for further discussion.

(f) Other non-recurring includes professional fees related to convertible debt repurchase transactions.



Non-GAAP Reconciliation

Reconciliation of Operating income (loss) to Adjusted EBITDA by Reportable Segment (Unaudited) (In thousands)

	13 Weeks Ended September 26, 2024				39 Weeks Ended September 26, 2024			
	<u>Theatres</u>	<u>Hotels & Resorts</u>	<u>Corp. Items</u>	<u>Total</u>	<u>Theatres</u>	<u>Hotels & Resorts</u>	<u>Corp. Items</u>	<u>Total</u>
Operating income (loss)	\$ 21,761	\$ 17,041	\$ (6,020)	\$ 32,782	\$ 18,803	\$ 17,996	\$ (18,445)	\$ (18,354)
Depreciation and amortization	11,347	5,789	138	17,274	33,900	15,701	387	49,988
(Gain) loss on disposition of property, equipment and other assets	126	(11)	-	115	99	(4)	-	95
Share-based compensation (a)	159	255	1,811	2,225	763	796	5,598	7,157
Impairment charges (b)	-	-	-	-	472	-	-	472
Theatre exit costs (c)	-	-	-	-	136	-	-	136
Insured losses (recoveries) (d)	(206)	-	-	(206)	239	-	-	239
Other non-recurring (f)	-	-	85	85	-	-	85	85
Adjusted EBITDA	<u>\$ 33,187</u>	<u>\$ 23,074</u>	<u>\$ (3,986)</u>	<u>\$ 52,275</u>	<u>\$ 54,412</u>	<u>\$ 34,489</u>	<u>\$ (12,375)</u>	<u>\$ 76,526</u>

	13 Weeks Ended September 28, 2023				39 Weeks Ended September 28, 2023			
	<u>Theatres</u>	<u>Hotels & Resorts</u>	<u>Corp. Items</u>	<u>Total</u>	<u>Theatres</u>	<u>Hotels & Resorts</u>	<u>Corp. Items</u>	<u>Total</u>
Operating income (loss)	\$ 11,377	\$ 14,377	\$ (4,821)	\$ 20,933	\$ 32,707	\$ 15,450	\$ (15,402)	\$ 32,755
Depreciation and amortization	14,258	4,817	83	19,158	37,063	13,706	259	51,028
(Gain) loss on disposition of property, equipment and other assets	233	9	-	242	537	482	-	1,019
Share-based compensation (a)	143	243	927	1,313	758	734	3,508	5,000
Impairment charges (b)	684	-	-	684	684	-	-	684
Adjusted EBITDA	<u>\$ 26,695</u>	<u>\$ 19,446</u>	<u>\$ (3,811)</u>	<u>\$ 42,330</u>	<u>\$ 71,749</u>	<u>\$ 30,372</u>	<u>\$ (11,635)</u>	<u>\$ 90,486</u>

(a) Non-cash expense related to share-based compensation programs.

(b) Non-cash impairment charges related to one permanently closed theatre location in the second quarter of fiscal 2024 and one permanently closed theatre location in fiscal 2023.

(c) Non-recurring costs related to the closure and exit of one theatre location in the second quarter of fiscal 2024.

(d) Repair costs and insurance recoveries that are non-operating in nature related to insured property damage at one theatre location.

(e) Debt conversion expense for repurchases of \$99.9 million aggregate principal amount of Convertible Notes. See *Convertible Senior Notes Repurchases* in the "Liquidity and Capital Resources" section of MD&A included in the fiscal 2024 third quarter Form 10-Q for further discussion.

(f) Other non-recurring includes professional fees related to convertible debt repurchase transactions.





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