



**Cedar Fair**  
Entertainment Company



Investor Presentation  
November 2020

# Forward-Looking Statements

Some of the information in this presentation that is not historical in nature constitutes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements as to the Company's expectations, beliefs and strategies regarding the future. These forward-looking statements may involve risks and uncertainties that are difficult to predict, may be beyond our control and could cause actual results to differ materially from those described in such statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Important factors, including the impacts of the COVID-19 pandemic, general economic conditions, adverse weather conditions, competition for consumer leisure time and spending, unanticipated construction delays, changes in the Company's capital investment plans and projects and other factors discussed from time to time by the Company in its reports filed with the Securities and Exchange Commission (the “SEC”) could affect attendance at the Company's parks and cause actual results to differ materially from the Company's expectations or otherwise to fluctuate or decrease. Additional information on risk factors that may affect the business and financial results of the Company can be found in the Company's Annual Report on Form 10-K and in the filings of the Company made from time to time with the SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, information, circumstances or otherwise that arise after the publication of this document.



# FUN Overview



# Cedar Fair Executive Team



**Tim Fisher**  
COO



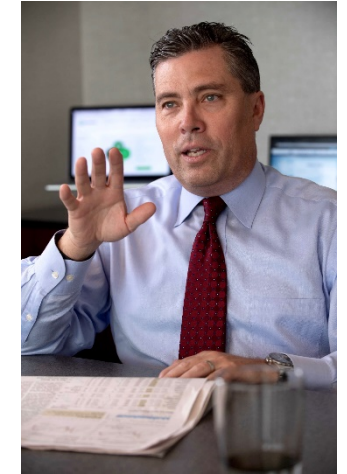
**Kelley Semmelroth**  
CMO



**Richard Zimmerman**  
CEO



**Duff Milkie**  
GC



**Brian Witherow**  
CFO



**Craig Heckman**  
HRO



**Dave Hoffman**  
CAO



## **OUR VISION**

**TO BE THE PREFERRED CHOICE  
for regional entertainment.**

## **OUR MISSION**

**TO MAKE PEOPLE HAPPY  
by providing them fun, dynamic  
and memorable experiences they  
can share with their family and  
friends year after year.**





**Cedar Fair**  
Entertainment Company

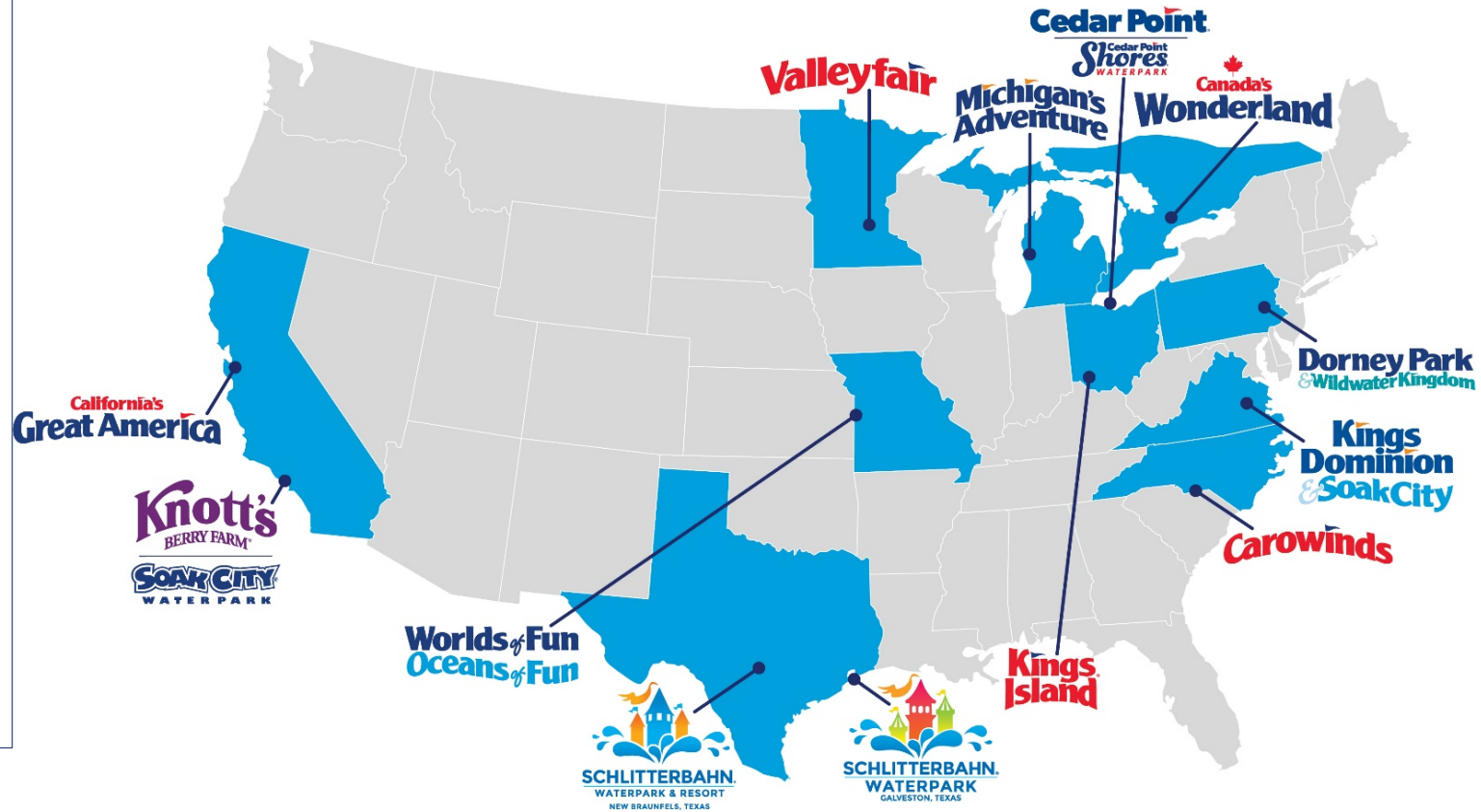
### KEY STATISTICS

Entertained  
**28M**  
visitors in 2019

**841**  
rides and attractions

**124**  
roller coasters

**2,300+**  
hotel rooms



### PARKS PORTFOLIO

Own and operate  
**11**  
amusement parks

**9**  
outdoor water parks  
(in-park)

**4**  
outdoor water parks  
(unique gates)

**1**  
indoor water park  
resort



# 2019 Operating Results

Ended 12/31/19  
w/ Schlitterbahn

Ended 12/31/19  
Same-park Basis

Net Revenues

**\$1.47B**

**\$1.43B**

Net Revenues Growth

**↑ 9%**

**↑ 6%**

Attendance

**↑ 8%**

**↑ 5%**

In-Park Per Capita Spending

**↑ 1%**

**↑ 1%**

Out-of-Park Revenues

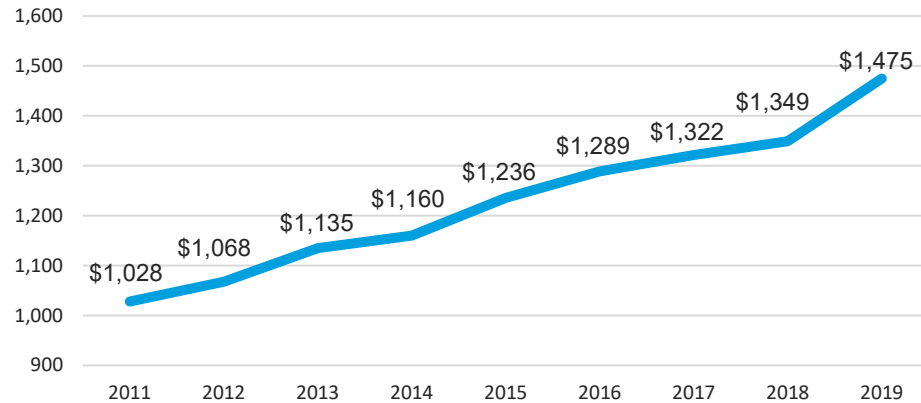
**↑ 11%**

**↑ 8%**



# Record 2019 Followed by COVID-19 Disrupted 2020

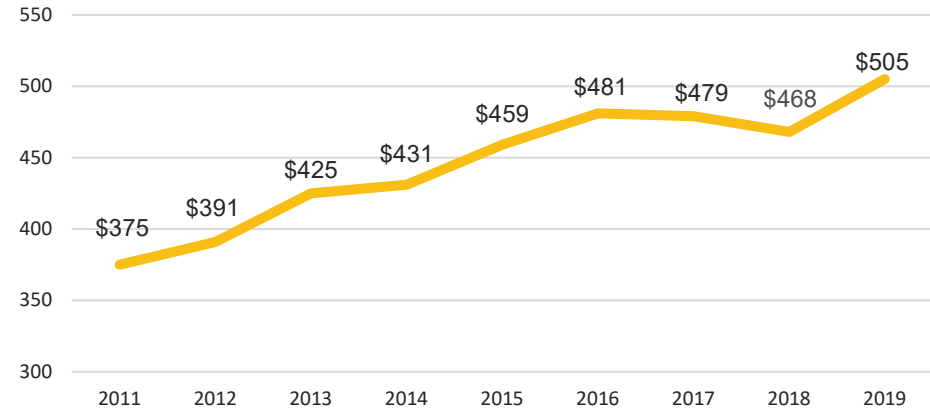
**TOTAL REVENUE**  
(\$ in millions)



## 2019 Results

- Record net revenues of \$1.47 billion, up 9%; same park up 6%
- Record attendance of 27.9 million visits, up 8%; same park up 5%
- Record in-park per capita spending of \$48.32, up 1%; same park up 1%
- Record out-of-park revenues of \$169 million, up 11%, same park up 8%

**ADJUSTED EBITDA<sup>(a)</sup>**  
(\$ in millions)



<sup>(a)</sup> See Appendix for reconciliation of Adjusted EBITDA

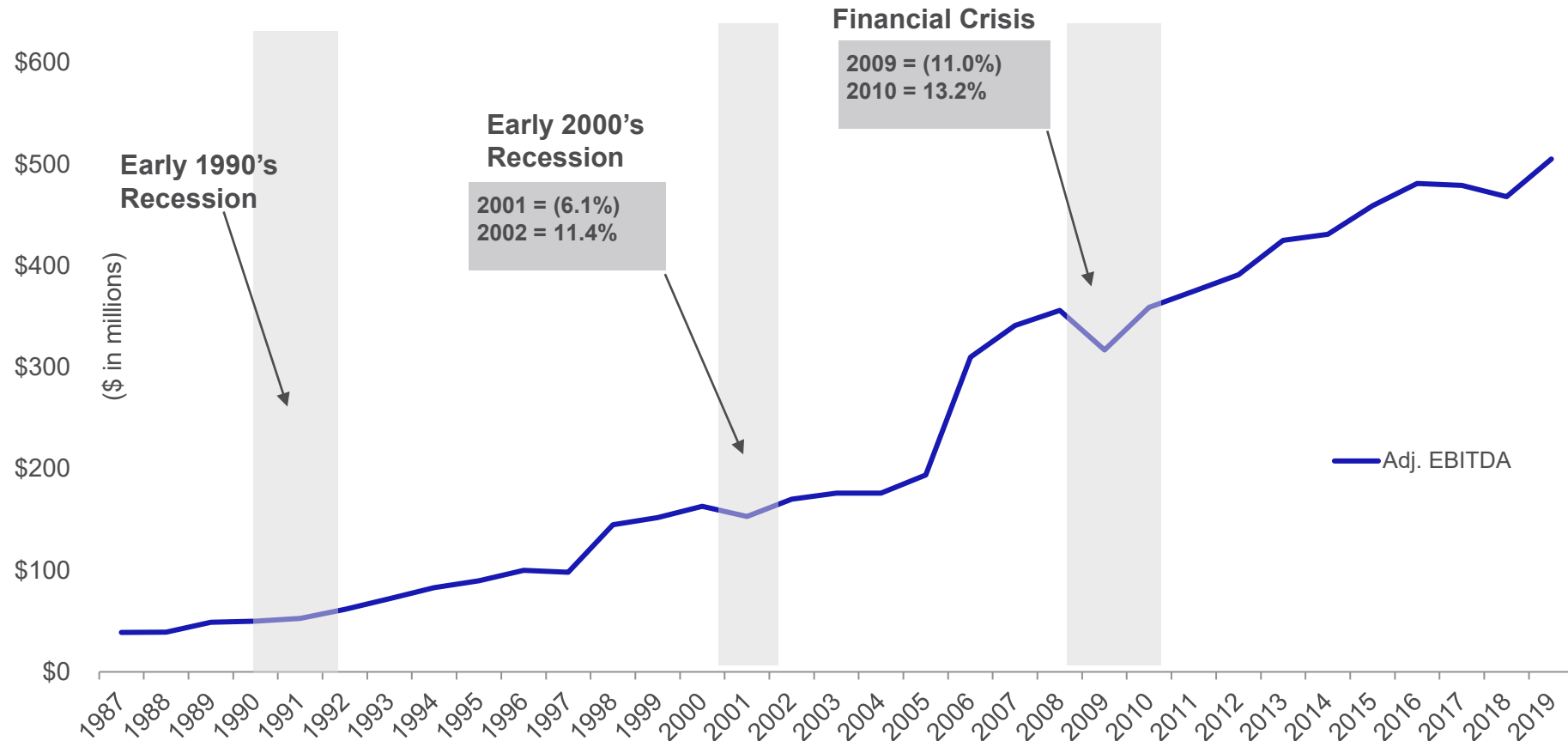
## 2020 To Date

- With six properties remaining closed and reopened parks on abbreviated operating calendars, the third quarter had a total of 314 operating days, compared to 1,035 operating days in the prior-year period.
- Total attendance for the third quarter was 1.3 million guests, a decline of 11.9 million guests from the same period in 2019. With a 90% decline in attendance and \$47 million decrease in out-of-park revenues, third-quarter net revenues decreased \$627 million, or 88%, to \$87 million.





# Strong Long-Term Growth and Recession Resilient



## Acquisitions:

- 1992 – Dorney Park
- 1995 – World of Fun
- 1997 – Knott's Berry Farm
- 2001 – Michigan's Adventure
- 2004 – Geauga Lake
- 2006 – Paramount Parks (five parks)
- 2019 – Schlitterbahn (two water parks)
- Sawmill Creek Resort & Conference Center

(a) See Appendix for Reconciliation of Adjusted EBITDA



# Compelling Investment Rationale

- 1 Best-in-class parks and brands with loyal, high-repeat customer base
- 2 High quality assets and significant real estate holdings (and underlying asset value)
- 3 High barriers to entry
- 4 Strong business model and steady growth in revenues and free cash flow
- 5 Resilient operating performance through economic cycles
- 6 Industry-experienced management with history of delivering results

**Cedar Fair entered the COVID-19 disruption from a position of strength**



# COVID-19 Measures



# COVID-19 – Impact on 2020 Park Operations

Park Name	Location	Opening Date	Current Status
Schlitterbahn Waterpark & Resort New Braunfels	New Braunfels, Tex.	Opened June 13	Closed for Season
Schlitterbahn Waterpark Galveston	Galveston, Tex.	Opened June 13	Closed for Season
Worlds of Fun <sup>(1)</sup>	Kansas City, Mo.	Opened June 22	Closed for Season
Kings Island	Mason, Ohio	Opened July 2	Closed for Season
Dorney Park & Wildwater Kingdom	Allentown, Pa.	Opened July 8	Closed for Season
Cedar Point	Sandusky, Ohio	Opened July 9	Closed for Season
Michigan's Adventure <sup>(2)</sup>	Muskegon, Mich.	Opened July 16	Closed for Season
Knott's Berry Farm <sup>(3)</sup>	Buena Park, Calif.	Opened July 17	To Close January 3
Carowinds	Charlotte, N. Car.	To Open November 21	To Close December 20
Kings Dominion & Soak City	Richmond, Va.	To Open December 5	To Close December 27
Canada's Wonderland	Vaughan, Ontario	State of Readiness	State of Readiness
California's Great America	Santa Clara, Calif.		Has Not Opened in 2020
Cedar Point Shores Waterpark	Sandusky, Ohio		Has Not Opened in 2020
Gilroy Gardens <sup>(4)</sup>	Gilroy, Calif.		Has Not Opened in 2020
Knott's Soak City Waterpark	Buena Park, Calif.		Has Not Opened in 2020
Valleyfair	Shakopee, Minn.		Has Not Opened in 2020

<sup>(1)</sup> Amusement park opened; Oceans of Fun did not open in 2020

<sup>(2)</sup> Water park opened, amusement park did not open in 2020

<sup>(3)</sup> Park open for events only; no ride operations

<sup>(4)</sup> Cedar Fair operates park, does not own



# COVID-19 – Amended Credit Facility

- **Successfully amended credit facilities which:**
  - Suspend and revise certain financial covenants by an additional year
  - Obtained agreement to extend the tenor on \$300 million of the Company’s revolving credit facilities through Dec. 31, 2023
- **Under terms of the amendment:**
  - The covenant waiver period was extended from the fourth quarter of 2020 to the fourth quarter of 2021
  - The covenant modification period was extended by one year through the end of 2022
- **Requirements of the amended credit facility:**
  - Must maintain minimum liquidity level of \$125 million
  - Subject to payment restrictions, such as distributions, generally through December 2022



# COVID-19 – Recent Notes Offerings

- **Secured \$300 million of 6.5% senior unsecured notes due 2028 (completed in October 2020)**
  - Market conditions were attractive to further improve liquidity and provide the Company with additional financial flexibility
  - The bond offering, which closed in October, is viewed as an insurance policy against the possibility of the disruption lasting longer than anticipated
- **Previous notes offering (completed in April 2020)**
  - Secured \$1.0 billion of 5.5% senior secured notes due 2025
- **Combined with efforts to minimize cash burn, the recent bond offerings provide sufficient liquidity to meet the Company's cash obligations and remain in compliance with debt covenants through 2021**
  - Further removes distractions from prudent management of the business



# COVID-19 – Measures Taken to Reduce Monthly Cash Burn

- **Proactive steps taken to reduce operating expenses during the COVID-19 pandemic:**
  - Eliminated nearly all seasonal and part-time labor costs at parks while closed
  - Suspended all advertising and marketing expenses, and reduced general and administrative spend and other park-level operating expenses to better align with the disruption in operations
  - Temporarily reduced or deferred portions of base salaries for salaried employees, and reduced scheduled hours for full-time hourly employees, while all parks were closed
- **Additional proactive steps taken to provide incremental liquidity and enhanced financial flexibility:**
  - Suspended quarterly unitholder distribution payments until market visibility improves and distribution payments can be reinstated under our recently revised debt covenants
  - Took proactive measures to reduce 2020 capital spending by approximately \$60 million, including the suspension of capital projects planned for the 2020 and 2021 operating seasons
  - While we prepare properties for the 2021 season, we may reactivate certain capital projects over the next twelve months resulting in capital spending that could vary from earlier estimates



# COVID-19 – Liquidity Outlook

- **Based on measures taken to date, anticipated net cash outflows will average \$40-45 million per month over the next two quarters (through March 28, 2021), including:**
  - Anticipated operating costs associated with current plans for reopening parks in 2021
  - Interest payments which will average \$13 million per month
  - Modest capital expenditures, including potential reactivation of select capital investment projects suspended in March 2020 due to the COVID-19 disruption
  - A reduced level of operating costs through year end 2020, net of any revenues generated, with 2 parks open, seasonal tasting events held at Knott's Berry Farm, and one park in a state of readiness to open
- **With net proceeds from the recent senior unsecured bond issuance, the Company's pro forma liquidity position at Sept. 27, 2020, totaled approximately \$877 million**
  - Sufficient liquidity to meet the Company's cash obligations and remain in compliance with debt covenants through the end of 2021
- **Company continues to explore ways to further reduce cash outflows and enhance its liquidity position going forward**





# COVID-19 – Customer Initiatives

- **Extended 2020 season pass privileges through the end of 2021 season**
  - Extension represents effort to proactively manage demand for the 2021 season
  - Helps to compensate passholders for any lost operating days during 2020 due to the effects of the pandemic
  - Certain Season Passholders will also receive a Pass Perks™ Loyalty Reward valid for purchases within the parks for next season
- **Paused collection of guest payments on installment purchase products at parks that did not open in 2020**
- **Added enhancements to mobile app technologies, focused on usable tools and applications helpful for guests throughout their park visits**
  - New technologies such as new cashless payment app promotes safer guest and associate interactions
  - Strengthens safety measures recommended by health officials while offering exciting, guest-friendly alternatives to enhance the overall guest experience



# Long-Range Plan



# Long-Range Plan: Core Strategies

- **Broaden the Guest Experience**
  - Aimed at driving more visits from existing guests and incremental visits from new, unique guests
  - Traditional rides, such as roller coasters and water attractions, still play an important role
  - Expanded use of limited-duration events and more immersive experiences – “Seasons of FUN” model that drives urgency to visit
  - Food & beverage to continue to play an outsized role in the guest experience
- **Expand the Season Pass Program**
  - Remains our strongest growing channel – approximately 53% of total attendance in 2019
  - Continued evolution of the program, including the broad rollout of PassPerks, our season pass loyalty program
- **Increase Market Penetration through Targeted Marketing Efforts**
  - Key opportunities exist with several demographic groups with the fastest population growth rates
- **Pursue Adjacent Development**
  - Continued evolution of our accommodations and resort offerings



# Consumer Insights Research

We've held numerous Focus Groups to explore which types of entertainment experiences are most likely to motivate visitation.



## Key Findings:

- Something for everyone - consumers are seeking entertainment options that can accommodate all types of people, ages and interests
- Disconnecting to connect – despite the pervasiveness of technology, people still appreciate simple fun that fosters connection
- Consumers are on the hunt for “never before” experiences
- Craving atmosphere and experiences with a “sense of place”
- Consumers see “local” as more authentic
- Authentic diversity is differentiating – consumers are drawn to places that celebrate the diversity of the area in an authentic way



# Consumer Insights Research

Rides and events remain top reasons for visiting our parks, with high-park-interest guests driven by water parks and family coasters.



## Top Reasons to Visit Parks:

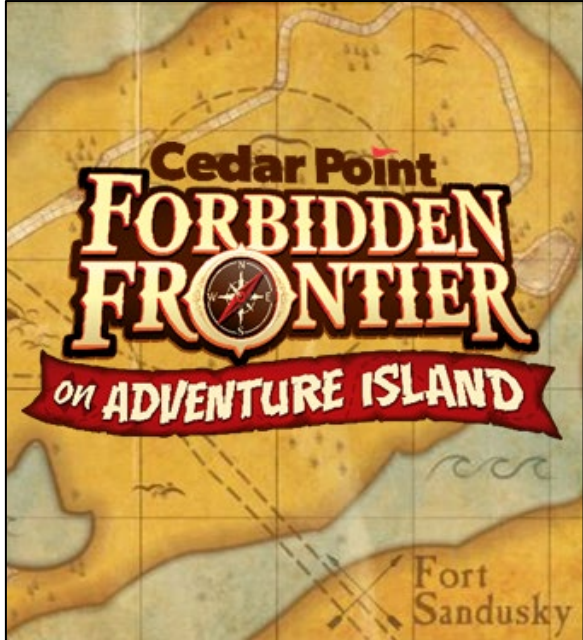
- Family Rides
- Thrill Coasters
- Water Rides
- Seasonal Events
- Anniversary Celebrations



# “Seasons of FUN” Model: Creates Urgency to Visit



# Offer Guests Immersive Experiences



# Food & Beverage Playing A Key Role

- Our research confirms food and beverage today play a **critical role in the guest experience**
- **Consumers want unique experiences,** offerings they can't get at home
- We have enhanced existing F&B facilities, added **more immersive dining experiences**
- Executive chefs and additional **culinary talent hired** at each park
- Since 2011, F&B revenues up more than 50%; F&B per cap up more than 35%





# The Changing Landscape of Food & Beverage

## BACKBEATQUE BBQ SMOKEHOUSE



## HUGO'S ITALIAN KITCHEN



# Popular 4<sup>th</sup> Quarter Events Extend Calendar, Add Growth



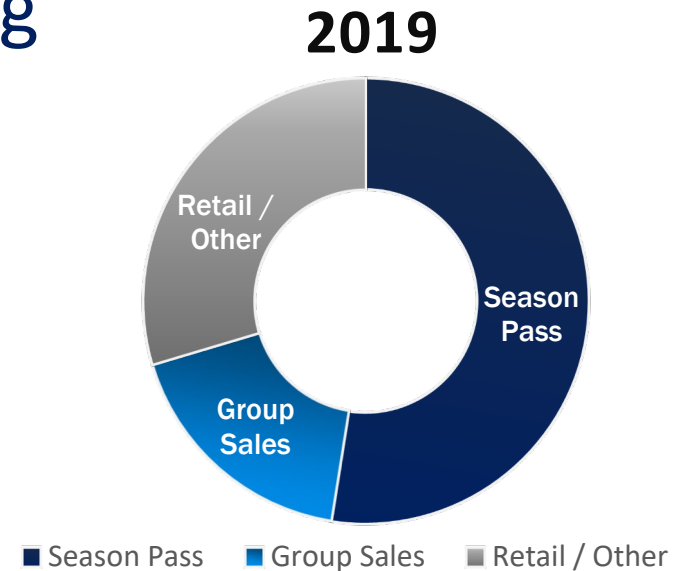
- Haunt's popularity has increased dramatically over the past two decades
  - Haunt produces some of our highest attendance days
- Attendance in October up by more than 30% over the last decade
  - October now more than 10% of annual attendance

- 2016 – first year for the event (one park with approximately 140,600 guests in attendance)
- 2019 – six parks with a combined attendance of approximately 1.2 million
- Canada's Wonderland – extraordinary 1<sup>st</sup> year



# Season Pass Channel Growth Remains Strong

- Season pass visitation comprised 53% of 2019 total attendance (same park), up from 27% in 2009
- Season passes sold for 2019 exceeded 2.6 million units, nearly double the number sold in 2009
- Season pass visitation in 2019 topped 14 million visits versus our total attendance of 27.9 million guests
- Strong sales growth trends continue for all-season dining and beverage options



# Evolution of the Season Pass Program

**Goal:** Transition program to **Long-term Relationship-based model** (from Seasonal Transactional)

- Loyalty Program builds lifetime value for guests

## Objectives:

- Address affordability concerns for value-oriented guests while maintaining admissions price integrity
- Drive higher unit sales through “stickier” retention
- Increase the average visitation of our season passholder base



# PASSPERKS Loyalty Program

**Objective: Deliver surprises and provide incentives to our most engaged guests – the season passholder**

- Offer a program that resonates with season passholders
- Play into our guest’s emotions by delivering the unexpected
- Drive incremental visits from passholders throughout the season
- Incentivize renewals, driving retention rates higher
- Systemwide program rollout planned for 2021
  - Rewards are earned with each park visit
  - Offer monthly incentives, such as discounted “Bring-a-Friend” tickets, or in-park discounts on food and merchandise
  - Conduct lucky drawings monthly (based on visitation), featuring exclusive experiences as prizes



# SP Payment Plan + Loyalty Program Meet Objectives

Key Objectives	CEDAR FAIR SEASON PASS PROGRAM		Subscription Model
	Payment Plan +	Loyalty Program	
Affordability	YES	NO	YES
Retention	NO	YES	YES
Visitation	NO	YES	NO
Pricing Power	YES	YES	NO
Purchase Urgency	YES	NO	NO



# Market Sizing Study

Performed to better measure the current penetration of markets feeding our parks and gain a better understanding of the consumer segments within those markets.



## Key Findings:

- Strong attendance penetration among demographic groups in decline
  - Lowest penetration among groups with the fastest population growth rates
- Key opportunities exist with several demographic segments across multiple parks:
  - Older Non-Families
  - Families with Young Children
  - Millennial Non-Families
  - Asian American and U.S. Hispanic Households
  - High-Income Households
- Near-term priority to focus on the tourism market in Southern California



# Evolution of the Accommodations Channel

- Substantial growth of accommodations portfolio last 8 years:
  - Total hotel rooms grew to more than 2,300 from 1,900 (includes Schlitterbahn and Sawmill Creek Resort)
  - Total luxury RV sites increased to more than 600
- Accommodations Revenue:
  - > \$80 million in 2019, up 35% since 2011 (includes Schlitterbahn and Sawmill Creek Resort)





# Adjacent Development – Accommodations

SPRINGHILL SUITES®  
MARRIOTT



- Charlotte – adjacent to Carowinds
- Opened November 2019
- 130 well-appointed suites
- Year-round accommodations

Sawmill Creek  
BY CEDAR POINT RESORTS



- Sandusky – minutes from Cedar Point
- 236-room hotel and conference center, restaurants, Tom Fazio-designed golf course
- Rolling renovation paused for COVID-19



# Cedar Point Sports Center

## Outdoor Facility

- Opened March 2017 – prior to COVID-19, performance was pacing well ahead of the original pro-forma model
- 10 multi-use fields with clubhouse
- Baseball, softball, soccer, lacrosse



## Indoor Center

- Opened January 2020 – initial bookings were very strong prior to COVID-19 disruption
- 145,000 square feet
- Court space accommodates 10 basketball courts and 20 volleyball courts
- AAU basketball, JO volleyball, wrestling, cheer, gymnastics



# Key Takeaways

- **COVID-19 Measures**
  - Timely, proactive steps taken to further strengthen financial position if long-term disruption occurs
  - Completed two notes offerings and dramatically reduced cash burn
  - Suspended quarterly unitholder distribution payments until market visibility improves and permitted to reinstitute under debt covenants
  - Implemented COVID-related safety procedures with upgraded technologies for park re-openings
- **Growth**
  - As operations recover, confident long-term strategies and initiatives will continue to drive up attendance, per capita spending and revenue growth for the foreseeable future
- **Leverage**
  - Top priority to responsibly reduce total leverage back below 5.0x as quickly as possible
  - Re-establish balance sheet flexibility to pursue future opportunities like Schlitterbahn
- **CAPEX**
  - Critically evaluating the required level of capital investment necessary for the remainder of 2020; more efficient deployment of capital within each park over the long term
  - Evolving capital investments to coincide with the changing tastes of the consumer



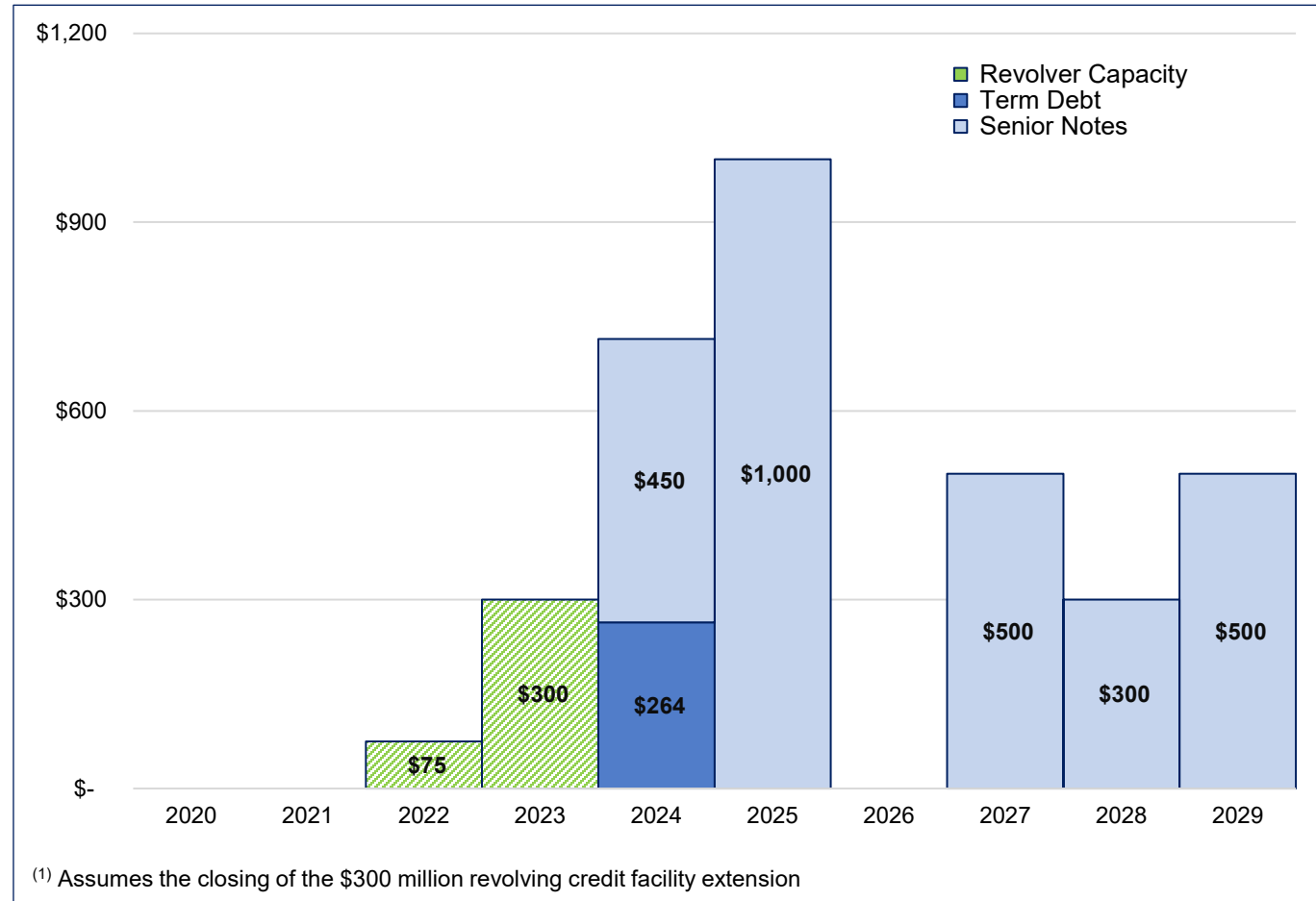
# Appendix



# Capital Structure – Debt Maturities

- Pro-forma total debt outstanding of ~\$3.0B at 09/27/20
- Pro-forma cash on hand totaled \$517M at 09/27/20
- Projected full-year 2020 cash interest costs of approximately \$130M
- Full-year cash interest costs projected to be approximately \$175M in 2021-2023

Amounts in Millions <sup>(1)</sup>



# Adjusted EBITDA Reconciliation

CEDAR FAIR, L.P.  
RECONCILIATION OF ADJUSTED EBITDA  
(In thousands)

	Three months ended		Nine months ended	
	September 27, 2020	September 29, 2019	September 27, 2020	September 29, 2019
<b>Net (loss) income</b>	\$ (136,261)	\$ 189,955	\$ (484,790)	\$ 169,580
Interest expense	40,376	27,967	104,341	71,814
Interest income	(25)	(807)	(449)	(1,121)
(Benefit) provision for taxes	(30,393)	48,815	(116,156)	43,506
Depreciation and amortization	67,436	68,335	127,447	137,828
<b>EBITDA</b>	(58,867)	334,265	(369,607)	421,607
Loss on early debt extinguishment	317	—	2,013	—
Net effect of swaps	(1,558)	3,910	19,780	21,068
Non-cash foreign currency (gain) loss	(9,561)	5,617	12,127	(12,528)
Non-cash equity compensation expense	1,618	2,930	(1,842)	8,760
Loss on impairment / retirement of fixed assets, net	727	1,675	8,530	3,781
Loss on impairment of goodwill and other intangibles	15,818	—	103,999	—
Gain on sale of investment	(11)	—	(11)	(617)
Acquisition-related costs	—	6,292	16	7,238
Other <sup>(1)</sup>	29	499	183	782
<b>Adjusted EBITDA <sup>(2)</sup></b>	<b>\$ (51,488)</b>	<b>\$ 355,188</b>	<b>\$ (224,812)</b>	<b>\$ 450,091</b>

- (1) Consists of certain costs as defined in the Company's Second Amended 2017 Credit Agreement and prior credit agreements. These items are excluded from the calculation of Adjusted EBITDA and have included certain legal expenses and severance expenses. This balance also includes unrealized gains and losses on short-term investments.
- (2) Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the Second Amended 2017 Credit Agreement and prior credit agreements. The Company believes Adjusted EBITDA is a meaningful measure as it is widely used by analysts, investors and comparable companies in our industry to evaluate our operating performance on a consistent basis, as well as more easily compare our results with those of other companies in our industry. Further, management believes Adjusted EBITDA is a meaningful measure of park-level operating profitability and we use it for measuring returns on capital investments, evaluating potential acquisitions, determining awards under incentive compensation plans, and calculating compliance with certain loan covenants. Adjusted EBITDA is provided as a supplemental measure of our operating results and is not intended to be a substitute for operating income, net income or cash flows from operating activities as defined under generally accepted accounting principles. In addition, Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

