



CINEVERSE

IT'S ON.

**A PREMIER
STREAMING
TECHNOLOGY &
ENTERTAINMENT
COMPANY**

**INVESTOR
PRESENTATION**

Cineverse
(Nasdaq: CNVS)
August 2023

Forward Looking Statements

Investors are cautioned that certain statements contained in this document, as well as some statements in press releases and some oral statements of Cineverse officials during presentations about Cineverse, along with Cineverse's filings with the Securities and Exchange Commission, including Cineverse's current reports on Form 8-K, quarterly reports on Form 10-Q and annual reports on Form 10-K, are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act").

Forward-looking statements include statements that are predictive in nature, which depend upon or refer to future events or conditions, which include words such as "expects," "anticipates," "intends," "plans," "could," "might," "believes," "seeks," "estimates" or similar expressions. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions, which may be provided by Cineverse's management, are also forward-looking statements as defined by the Act.

Forward-looking statements are based on current expectations and projections about future events and are subject to various risks, uncertainties and assumptions about Cineverse, its technology, economic and market factors and the industries in which Cineverse does business, among other things. These statements are not guarantees of future performance and Cineverse undertakes no specific obligation or intention to update these statements after the date of this presentation.

Cineverse

is a global streaming technology and entertainment company with one of the world's largest portfolios of streaming channels and content libraries—all powered by its advanced, proprietary streaming technology solutions rooted in AI and machine learning.

Leveraging Matchpoint, our next-generation, best-in-class streaming technology

- Self-developed content distribution and the only comprehensive streaming technology solution available today, a significant cost advantage
- SaaS opportunity by licensing to third parties

60,000+ titles and 24 enthusiast brands—and growing

- Focused on finished content to mitigate risks associated with content development
- A 360-degree marketing/distribution strategy to maximize viewership

A diverse business model with multiple revenue streams

- Covers all streaming business models – TVOD, SVOD, AVOD and FAST
- Generates advertising and subscription revenues from podcast and streaming, earns distribution fees from owned content streamed on other distribution platforms

Cineverse At-A-Glance*	
Ticker	NASDAQ: CNVS
Headquarters	Los Angeles
Common Shares Outstanding (as of 8/7/2023)	12.3 million
Book Value Per Common Share	\$3.80
TTM Revenues	\$67.4 million

*Information as of 6/30/2023 unless otherwise noted.

Investment Highlights

Technology & content-first approach to drive growth

PROPRIETARY TECHNOLOGY

Matchpoint - fully owned streaming, distribution and business intelligence platform with best-in-class capabilities that rival largest players in the industry

Scale provides a competitive advantage to dramatically reduce cost structure for acquired properties

75 FTE engineering team focused on next-generation capabilities and features

ORGANIC GROWTH LEVERS

Diverse business model with multiple revenue streams

Focused on high-return, low-cost initiatives using existing assets—requiring minimal CAPEX

Continue to capture synergies from eight M&A transactions

Expanded direct advertising sales capability to take advantage of massive content library



CONTENT

Extensive portfolio of 24 streaming services available under every business model

One of the largest streaming libraries in the world, with 60,000+ titles under license

360-degree marketing approach leverages company assets/capabilities, a low cost yet effective way to monetize content—maximizing ROI

FINANCIAL PERFORMANCE/METRICS

Rapidly growing unit KPIs outperforming the broader market

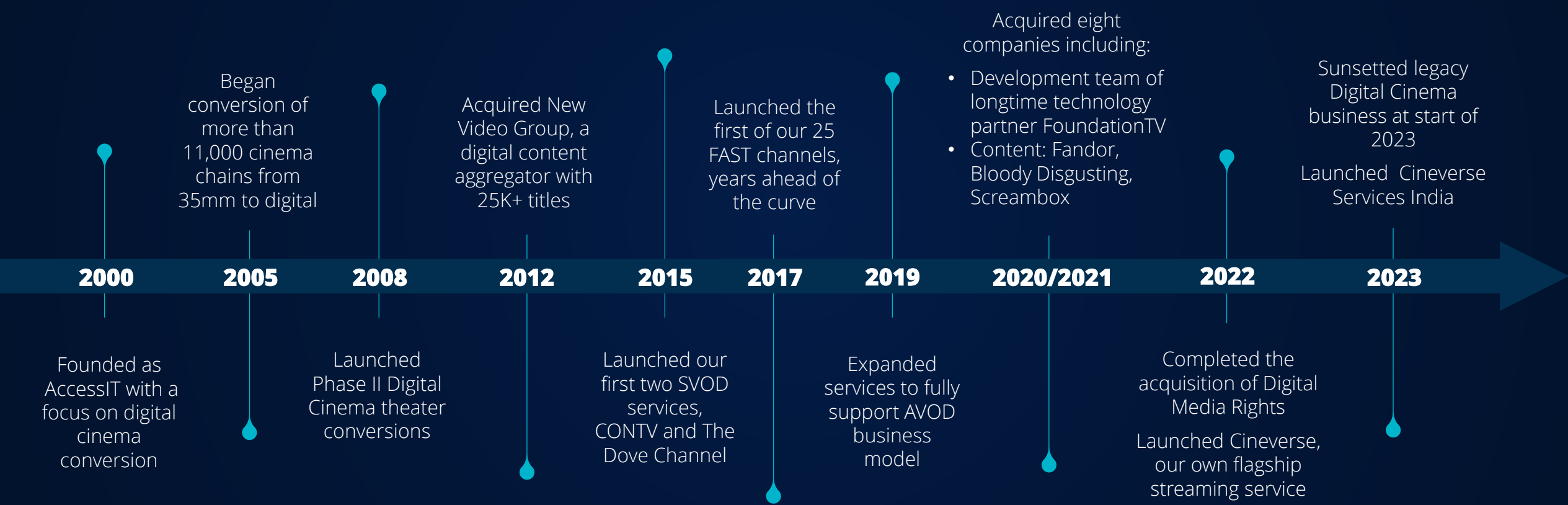
Aggressive cost-cutting initiatives, including BPO strategy with launch of Cineverse Services India, with goal of achieving sustainable profitability and improved margins by end of FY 2024

Strong balance sheet with minimal debt

FY 2024 guidance: total revenue of \$62.0M-\$70.0M, gross margin of 45%-50% and Adjusted EBITDA of \$2.0M-\$4.0M

Cineverse: Innovation is in our DNA

For 20+ years, Cineverse has pushed the boundaries at the intersection of technology and entertainment.



In Case You Missed It...

Recent developments

Content and technology partnership with TCL, global TV and mobile device manufacturer



Cineverse selected to provide content services for new TCL televisions in North America, will also serve as a key demand partner with TCL by providing programmatic ad and direct ad sales expertise for the breadth of content provided by the Company.

Secures IP: Terrifier 3 and Classic Sid & Marty Krofft Library



Wide theatrical release of Terrifier 3 anticipated for fall 2024 followed by exclusive streaming debut on SCREAMBOX.

Marks the first time the iconic Sid & Marty Krofft live-action shows of the 70s & 80s will be available on digital broadcast.

Expanded partnership with Amagi, global leader in cloud-based SaaS technology for broadcast and connected TV



Amagi will provide its portfolio of hundreds of FAST channels to the flagship Cineverse streaming service as well as add Cineverse's portfolio of streaming channels to the Amagi CONNECT marketplace.

Launch of MatchpointAi Tools



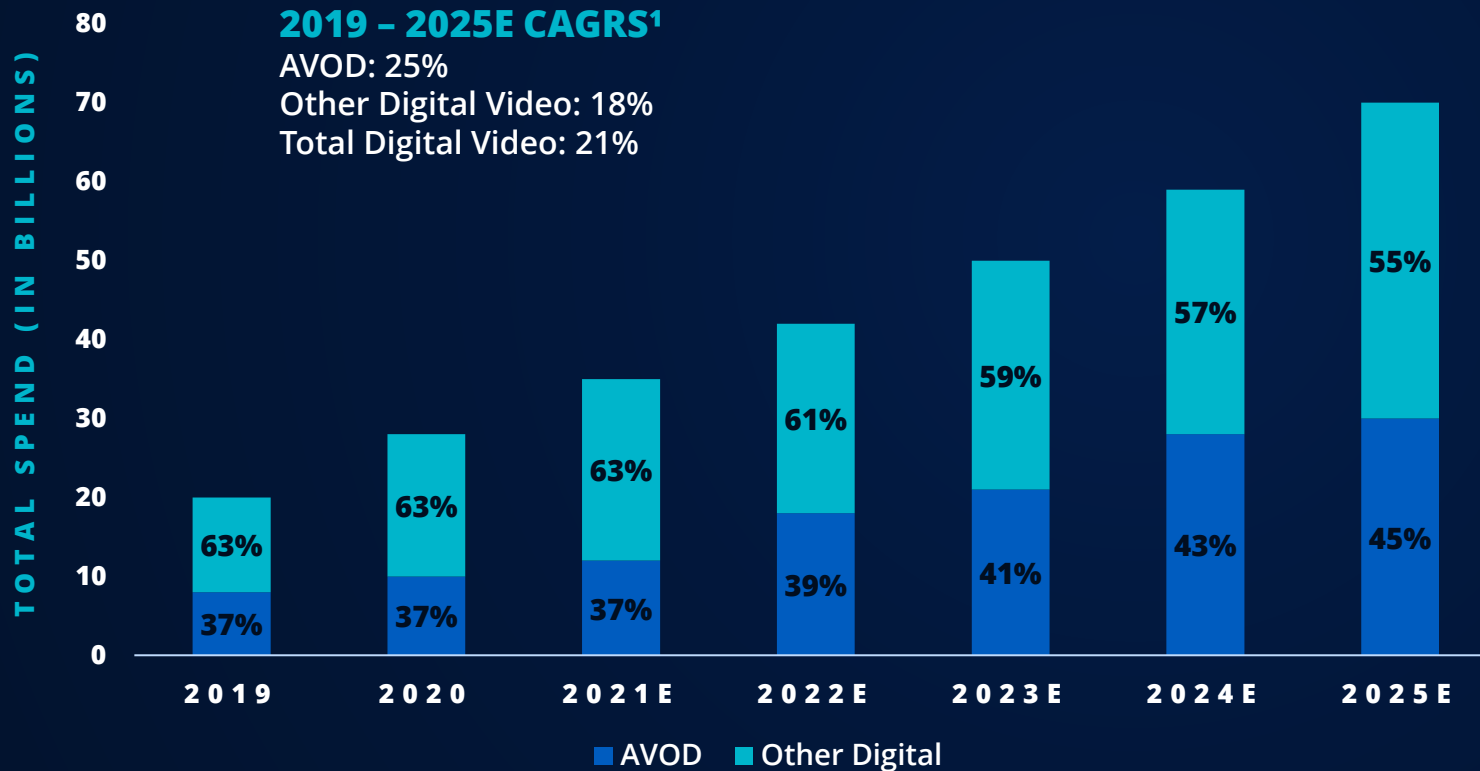
The only complete OTT technology solution, exclusively on Matchpoint.

All the world-class tools and services you need to launch and grow your streaming service for less (compliance, scheduling, one-click delivery, Ai dubbing, QC, viewer experience, analytics & more).

A person is seen from behind, sitting in a room. The wall behind them is covered with numerous framed pictures or posters. The lighting is dim, creating a moody atmosphere. The person is wearing a dark, horizontally striped sweater.

THE STREAMING OPPORTUNITY

Ad Spending is Shifting From Cable to Streaming



Ad-supported is the fastest growing segment within U.S. digital advertising spend

Industry is seeing pivotal shift in ad budgets from broadcast TV to streaming

Key ad supported growth drivers

Cord cutting trend



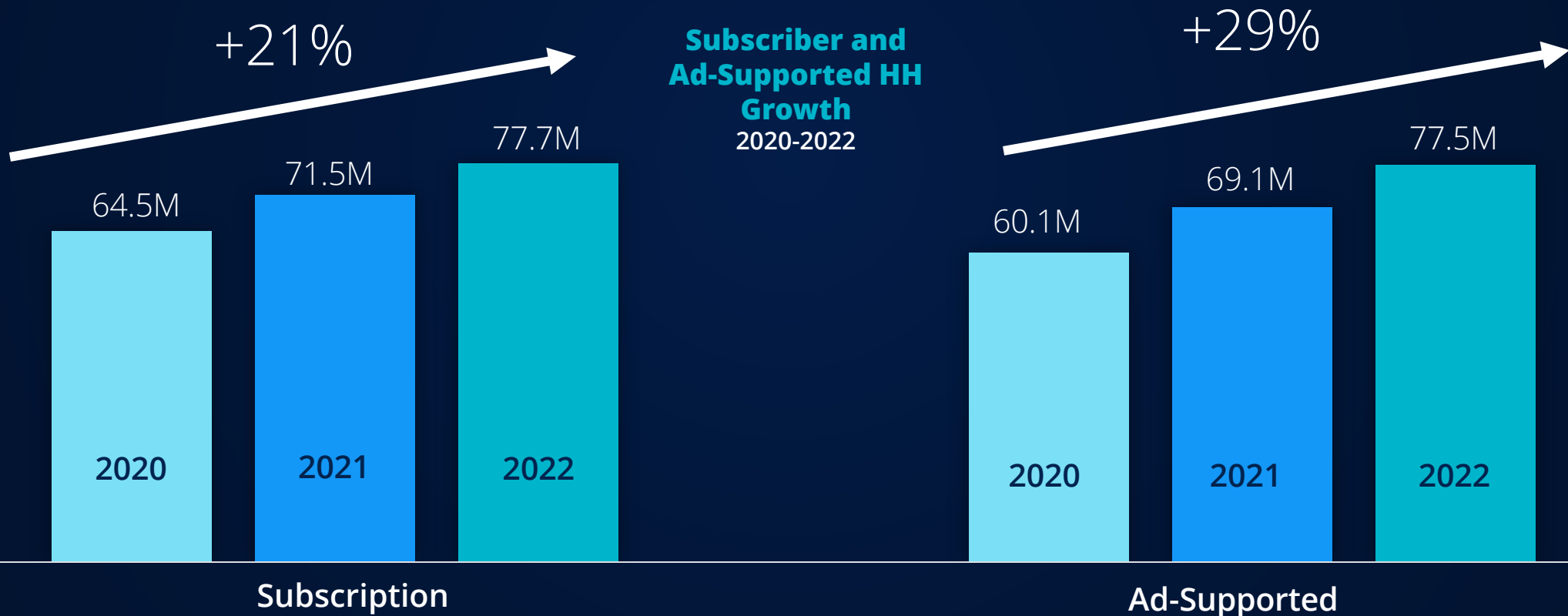
Rapidly rising cost of streaming



1. Source: IAB, Canaccord Genuity Estimates

Ad-Supported Streaming Growth Outpacing Subscriptions

Driven by rise of fast linear adoption, as well as consumer desire for cost-effective streaming

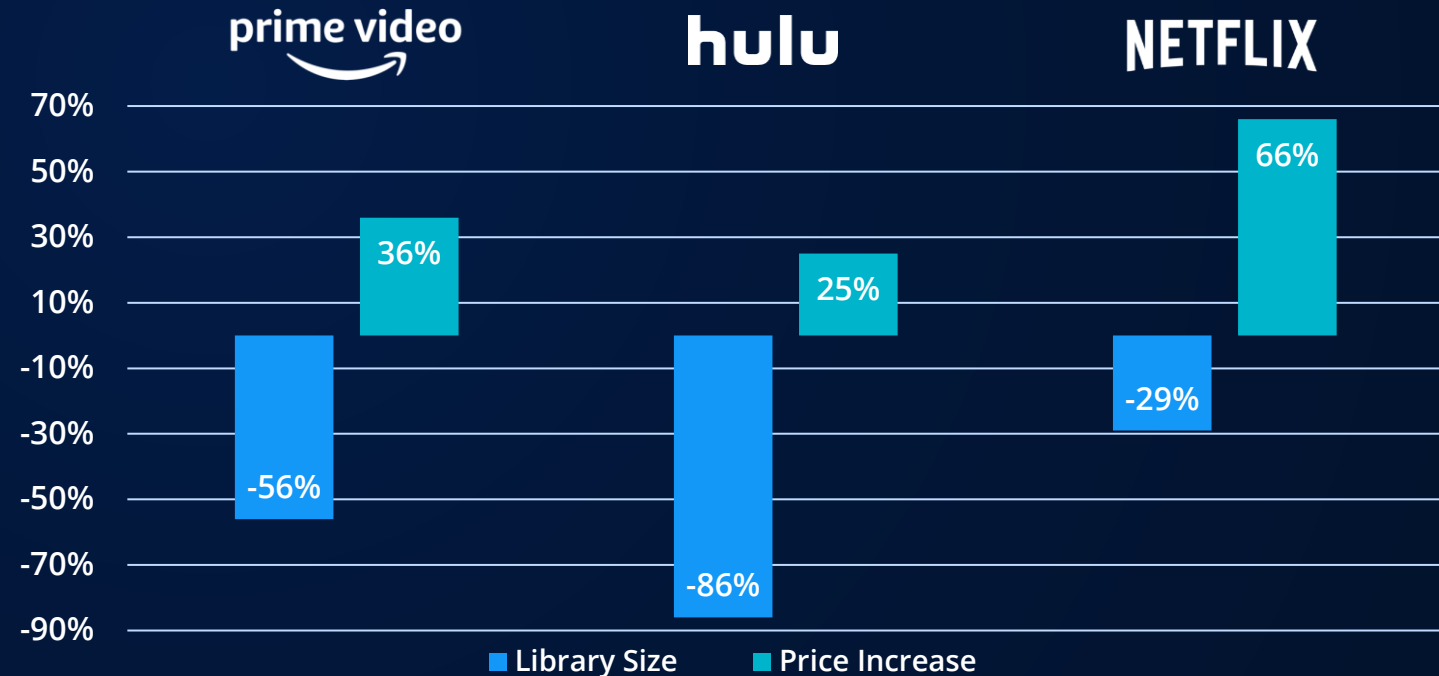


Major Streamers Are Slashing Libraries & Raising Prices

Despite consumer preferences for more options at cheaper prices

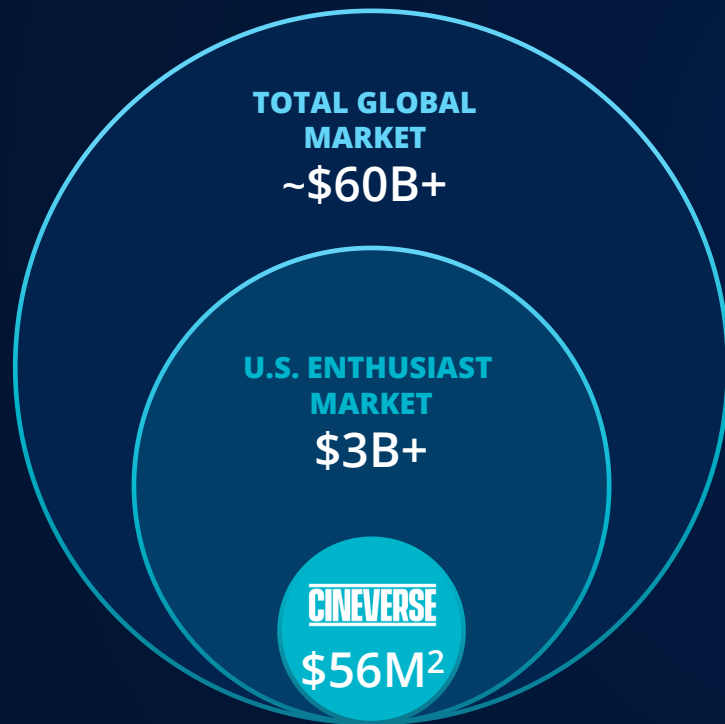
- Major streamers have practiced “shrinkflation” by slashing streaming offerings by tens of thousands of titles while raising prices 2-4x the rate of inflation
- Partially driven by consolidation and vertical integration – focus on promoting owned libraries and original programming
- This could eventually leave more than 825,000 films and shows out of the streaming ecosystem
- The current top 6 streamers offer just 3% of total available films and tv made since 1950 worldwide
- No current company has stepped up to fill the market gap for streaming of “everything else” the way that Spotify has for music or Amazon has for eBooks

Library Size Declines vs. Price Increases of Major Streamers
2018 - 2022

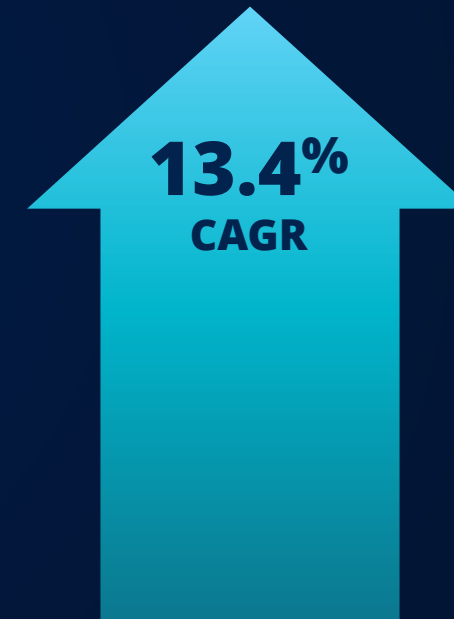


Cineverse is Well-Positioned in the Large, Growing Streaming Market¹

MARKET SIZE 2022



PROJECTED MARKET GROWTH 2020 - 2025



1. Source: PwC, Mirae Asset Securities; includes management estimates of enthusiast market of 5%.

2. Cineverse's Content and Entertainment Revenue for Fiscal Year 2023 ended March 31, 2023.

A hand is shown holding a smartphone. The screen of the phone displays a scene from a movie featuring a man wearing a cowboy hat and a dark jacket, looking towards the camera. The background of the phone screen is slightly blurred, showing what appears to be a festive or party-like setting with colorful decorations. The overall image has a dark, blue-tinted background.

THE CINEVERSE BUSINESS MODEL

Cineverse Business Model: Three Key Revenue Streams

Diversified revenue approach reaches wide base of consumers

STREAMING SUBSCRIPTIONS

19%

- | Users pay a monthly fee either directly to Cineverse within our apps, or through third party bundling on partners like Amazon, Roku and Comcast
- | Typically \$4.99/month



DIGITAL, CTV, AND PODCAST ADVERTISING

56%

- | Users watch and listen to our services free with ads
- | Available as FAST linear channels or AVOD apps
- | Typically serve 10-12 minutes of ads per hour



DISTRIBUTION & CONSUMER PRODUCTS

25%

- | We sell content available through all “windows” from theatrical, TV, and home entertainment
- | Also sell consumer products including Blu-ray, merchandise and collectibles

*These figures exclude the legacy Cinema Equipment business.

A Diverse Portfolio of Enthusiast Channels

Widely available on most major streaming and CTV platforms across revenue models—
AVOD, SVOD, TVOD and FAST. Complementary, not competitive, with major streamers.

the
Bob Ross
channel

Dove
CHANNEL

MIDNIGHT PULP

SCREAMBOX

**RETRO
CRUSH**

CINEVERSE

**CRIME
HUNTERS**

**LONE
STAR**

Fandor

DOGURAMA

asiancrush

**COMEDY
DYNAMICS**

**SCREAMBOX
TV**

SHOUT
FACTORY TV

Realmadrid.tv

**CHRISTIAN
CINEMA**

TOKUSHOTSU

POP
CHANNEL

So...Real

THE FILM DETECTIVE

**MYSTERY SCIENCE
THEATER 3000**

**JOHNNY
CARSON
TV**

the
Bob Ross
channel
EN ESPAÑOL

**THE
CAROL BURNETT
SHOW**

Entrepreneur TV

FUBU TV

**SID &
MARTY
KROFFT
PICTURES**

**DOG
WHISPERER**
with CESAR MILLAN

Coming Soon!

Plus thousands of on-demand movies and shows.

Introducing Cineverse

With global reach to drive engagement

- | New enthusiast streaming service that will showcase the best of Cineverse's films, series, channel brands, technology and social reach
- | Super-serving audiences across multiple points of monetization (FAST, AVOD and SVOD)
- | Focusing on passionate curation, leveraging Matchpoint technology to provide next generation content recommendations based on real-time feedback from the viewer
- | Global reach – Cineverse's newly formed engineering and R&D hub in India to develop new streaming technologies and services for booming Indian and South Asian markets



Cineverse Has Achieved Scale

With considerable momentum across key metrics

Total ad-supported streaming audience averaged ~72 million monthly viewers in Q4 FY 2023¹

~72M

Total streaming viewers¹

1.24M

Total SVOD subscribers

3.0B

Minutes streamed in the quarter

~24M

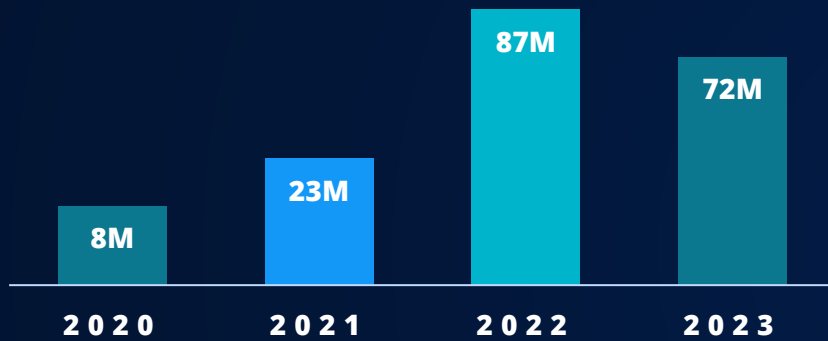
Social media followers

1. Metric includes web, mobile, social media and connected TV as of Q4 FY23

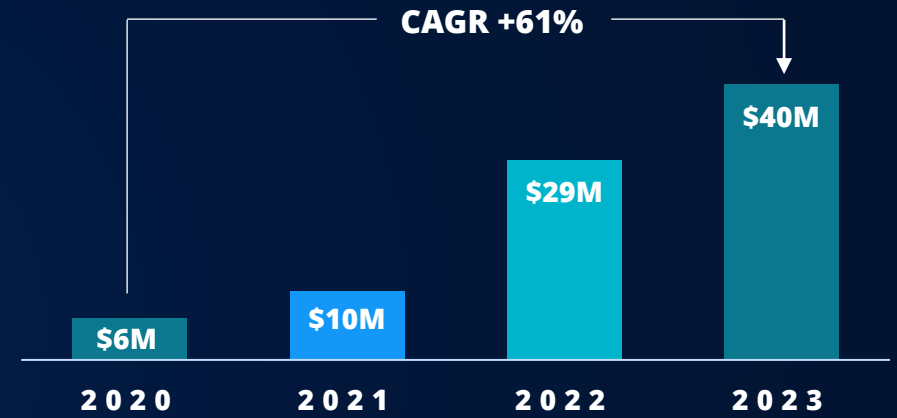
Annual KPI Results

Four-year view: fiscal years 2020 to 2023

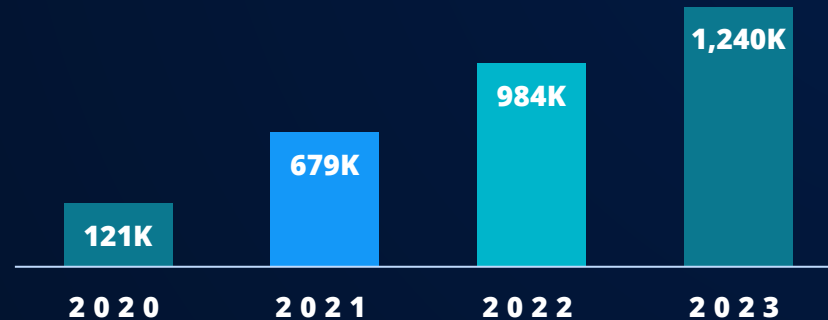
Monthly Streaming Viewers¹



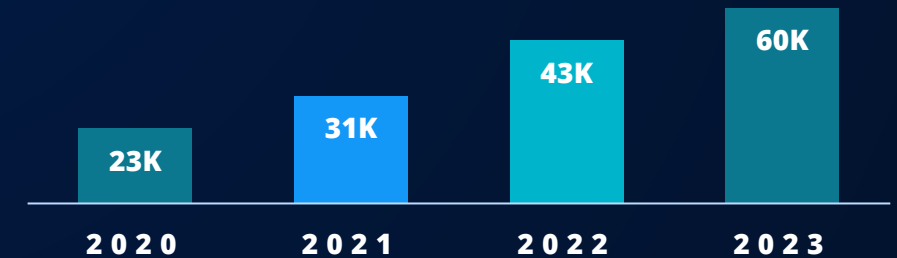
Streaming & Digital Revenues



Total SVOD Subscribers



Film & TV Assets



1. Metric includes web, mobile, social media and connected TV as of Q4 FY23



Built to work synergistically to drive revenue growth and ROI



TECHNOLOGY INNOVATION / AI – Expanding capabilities for direct-to-consumer apps and services, leveraging AI and Machine Learning to bring a next-generation partner and user experience.



MATCHPOINT SAAS & PUBLISHER DEVELOPMENT – First in the OTT space to package and sell our novel technology as a B2B SaaS product and partnership opportunity—uniquely positioned as the only one-step streaming solution. The OTT answer to Google Workspace, Microsoft 365 or Sales Force.



CINEVERSE PODCAST NETWORK – Building on our current seven-figure revenue base, our goal is to increase the number of in-house produced shows in coming years, while expanding ad sales and distribution for third-party shows that fit our content verticals.



DIRECT AD SALES & SPONSORED CONTENT – An ad network that enables advertisers to reach highly engaged, diverse enthusiast fan bases in cohesive, multi-platform campaigns.

FY 2024 Guidance

For the fiscal year ending March 31, 2024

<i>\$ in millions except for percentages</i>	Actual FY 2023 Results (Consolidated)	Actual FY 2023 Results (ex legacy Cinema Equipment business)	FY 2024 Guidance Range
Total revenue	\$68.0	\$56.0	\$62.0 - \$70.0
Gross margin	47%	36%	45% - 50%
Adjusted EBITDA	\$0.1	\$(8.6)	\$2.0 - \$4.0

Nigel

SHORT TERM 12

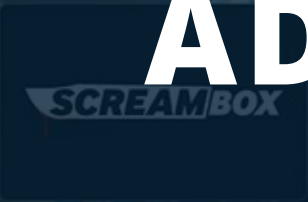
JUST ADDED

Story told through the eyes of Grace (Brie Larson), a twenty-something supervisor at a foster care facility for at-risk teenagers.

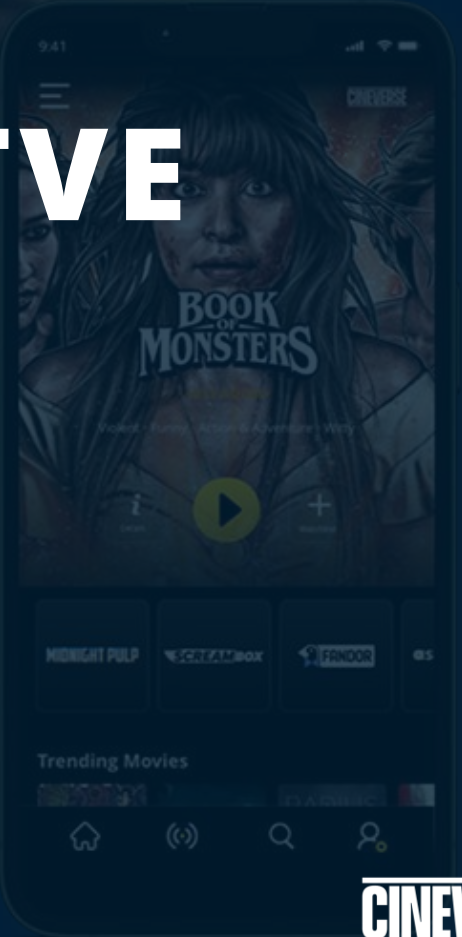
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CINEVERSE COMPETITIVE ADVANTAGE



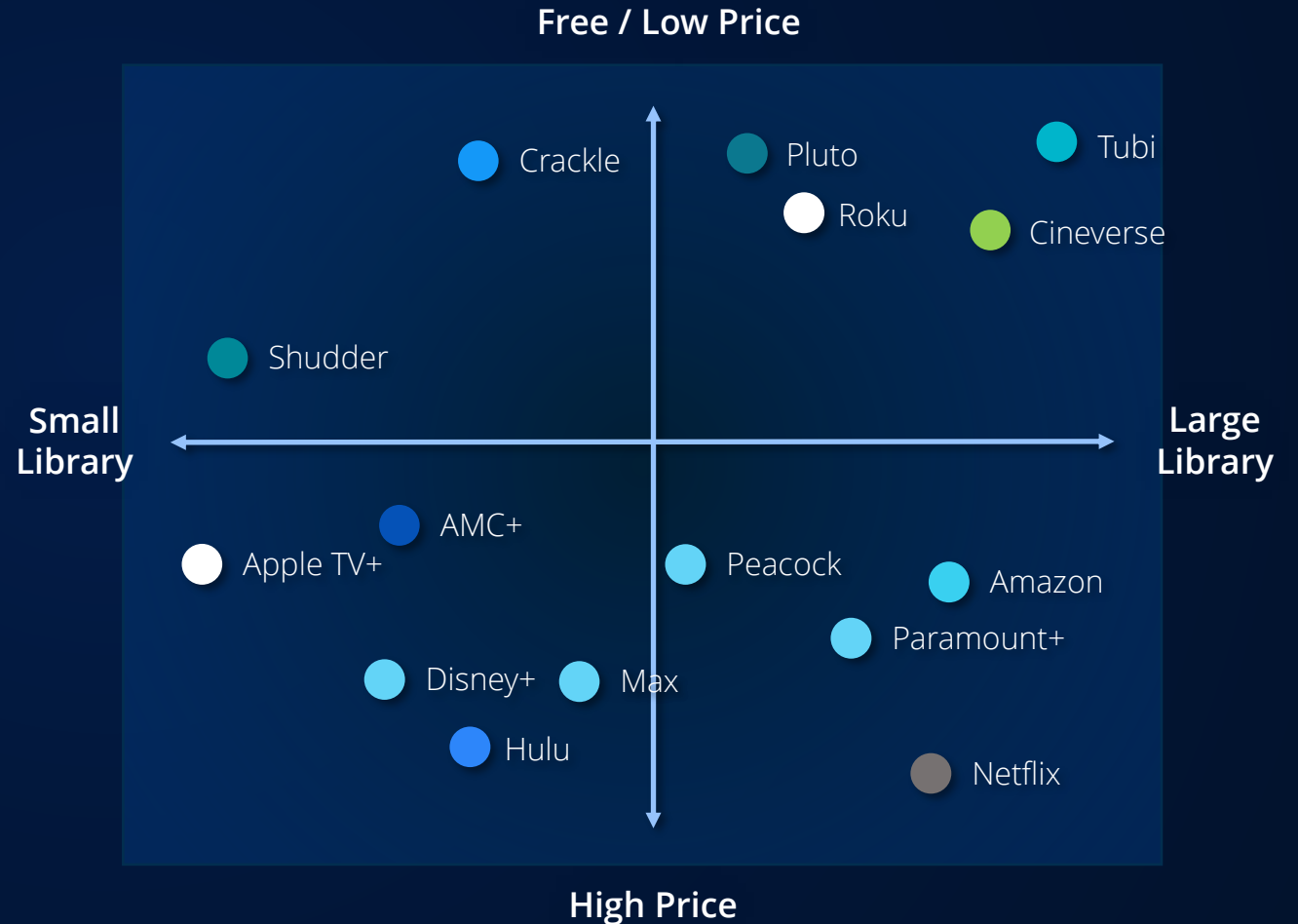
New Shows



The Competitive Landscape

Focused on providing vast consumer choice at a great value

- | Vast majority of major streamers today focus on extracting high prices for very small to medium sized libraries
- | Largest service, Tubi has approx. 40K titles, but has been dropping
- | Long term, most of the major streamers will need to continue to raise prices to offset declining legacy businesses and to cover rapidly scaling costs of original programming
- | The middle will be dominated by specialty enthusiast services with hardcore fanbases
- | Our goal with Cineverse is to dominate the far upper right quadrant with the largest offering, and the best value in streaming for a paid offering in terms of selection



Competitive Advantage: Proprietary Streaming Technology



Cineverse's version of Bamtech



matchpoint blueprint™

Highly scalable app building - full support for all streaming platforms. Launch premium viewing experiences, in no time flat.



matchpoint dispatch™

Next generation, fully automated content & audience management. Deliver anywhere in one click.



matchpoint insights™

Expansive analytics and crystal-clear visualizations. Gather, understand and react to audience trends.

MatchpointAi. Stream big.



The only complete OTT technology solution.

An innovative network of advanced streaming tools – offering an off-the-shelf package at a price that makes sense. Only on Matchpoint.

MatchpointAi is a partner program offering a complete package of native, integrated and automation tools—covering everything from compliance, scheduling, one-click delivery and Ai dubbing, to QC, viewer experience, analytics & more.

Matchpoint Native Ai

matchpoint Ai **Detect** matchpoint Ai **Video QC**
matchpoint Ai **Keystone**

Integrated Ai

IRIS^{TV} **VALOSSA** **OpenAI**
Audible Magic **VIONLABS**
SPHEREX **PAPERCUP.**

Automation Partners

MEDIAGENIX **@ rev**
rightsline™ **ZIX**

Competitive Advantage: Experienced Management Team

INDUSTRY LEADERS WITH A HISTORY OF INNOVATION



CHRIS MCGURK

25+ YEARS OF EXPERIENCE

CHAIRMAN & CHIEF EXECUTIVE OFFICER

- Founder & CEO, Overture Films
- CEO, Anchor Bay Entertainment
- Vice Chair & COO, MGM
- President & COO, Universal
- President, Disney Motion Pictures



JOHN CANNING

25+ YEARS OF EXPERIENCE

CHIEF FINANCIAL OFFICER

- CFO, Firefly Systems Inc.
- Group VP of Finance for Discovery Channel
- Finance leadership roles at Clear Channel Outdoor and The Walt Disney Company



TONY HUIDOR

25+ YEARS OF EXPERIENCE

CHIEF OPERATING & TECHNOLOGY OFFICER

- VP, Universal Music Group
- Director, Walt Disney Internet Group



GARY LOFFREDO

20+ YEARS OF EXPERIENCE

CHIEF LEGAL OFFICER, SECRETARY & SENIOR ADVISOR

- Founding executive of Cineverse
- VP, General Counsel, Cablevision Cinemas



YOLANDA MACIAS

25+ YEARS OF EXPERIENCE

CHIEF CONTENT OFFICER

- EVP, Vivendi Entertainment
- VP, DIRECTV Spanish language and international services
- Honoree & Board Member, C5LA



ERICK OPEKA

25+ YEARS OF EXPERIENCE

PRESIDENT & CHIEF STRATEGY OFFICER

- SVP & Co-Founder, New Video Digital
- NCO, US Army
- Vice Chair Entertainment Merchant's Association
- Member, Producers Guild and TV Academy
- Board of Directors, Roundtable Entertainment

Competitive Advantage: Strategic M&A

LEVERAGING TECHNOLOGY TO ENABLE THE SUCCESSFUL INTEGRATION OF ACQUISITIONS

- | Focused on achieving greater audience and revenue scale and increasing technological moat vs. competitors
- | Set the stage for significant annual revenue growth – targeting at least 50% annual revenue growth in streaming and digital
- | Developed extensive playbooks to make M&A a competitive advantage and reap higher synergies, cut costs
- | Focus on proprietary, un-marketed deals and turn-around targets to maximize ROI



DIGITAL
MEDIA
RIGHTS



360-Degree Marketing Approach: Spotlight on Horror Vertical

Our approach is to produce and acquire content, then distribute and market it directly to large fan audiences across platforms—and replicate this model for other verticals



PRODUCTION

- Original productions, films and series
- Ability to monetize across all platforms internally and sell internationally
- Ability to use productions to create subscription growth outside of physical sales, and AVOD revenue. SVOD, PVOD, VOD, TVOD, AVOD, DVD, Blu-ray, 4K Ultra HD
- Tastemakers with deep relationships with the most popular filmmakers, new and old. Can make QUALITY product that builds brand loyalty



REACH / MARKETING

- Immediate and unfettered access to the largest online horror audience
- 20m+ annual audience to Bloody-Disgusting.com
- Full campaigns including mobile apps, web, social media, CTV, email, and audience extension
- Multiple owned and operated genre networks including Screambox, Bloody Disgusting TV, Midnight Pulp



DISTRIBUTION

- Ability to acquire films for a full release strategy including theatrical, SVOD, PVOD, VOD, TVOD, AVOD, DVD, Blu-ray, and 4K Ultra HD
- Ability to monetize across all platforms internally and sell internationally
- First window SVOD and second window AVOD scheduling with internal channels
- Original content syndication to major 3rd party platforms



PODCASTS

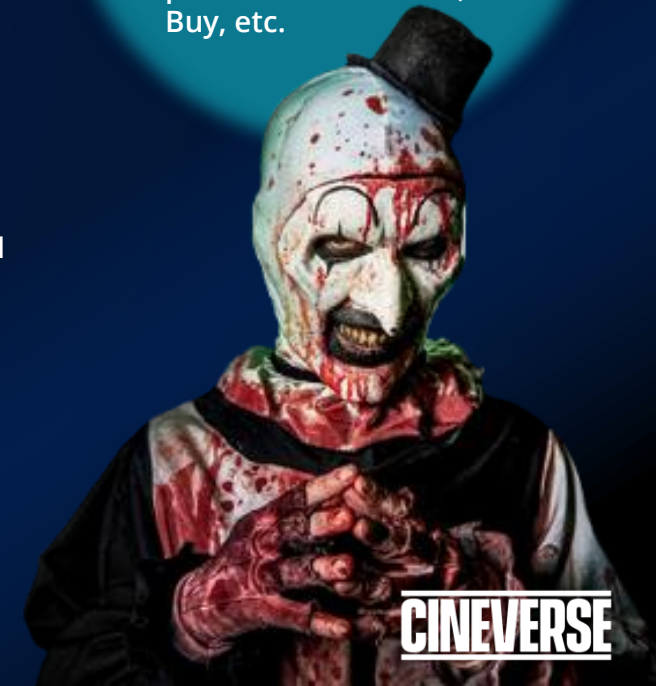
- Largest genre podcast network, most represented fiction network on Apple and Spotify charts
- Fully independent production services; extremely cost effective
- Podcasts serve as an IP incubator, marketing platform, and revenue generator
- Network adds millions of available ad inventory spots for our sales team

Success of Terrifier 2

Budget: \$250k

Results:

- \$15mm domestic box office
- Substantial SVOD subscriber growth
- Best-selling ancillary products at Walmart, Best Buy, etc.

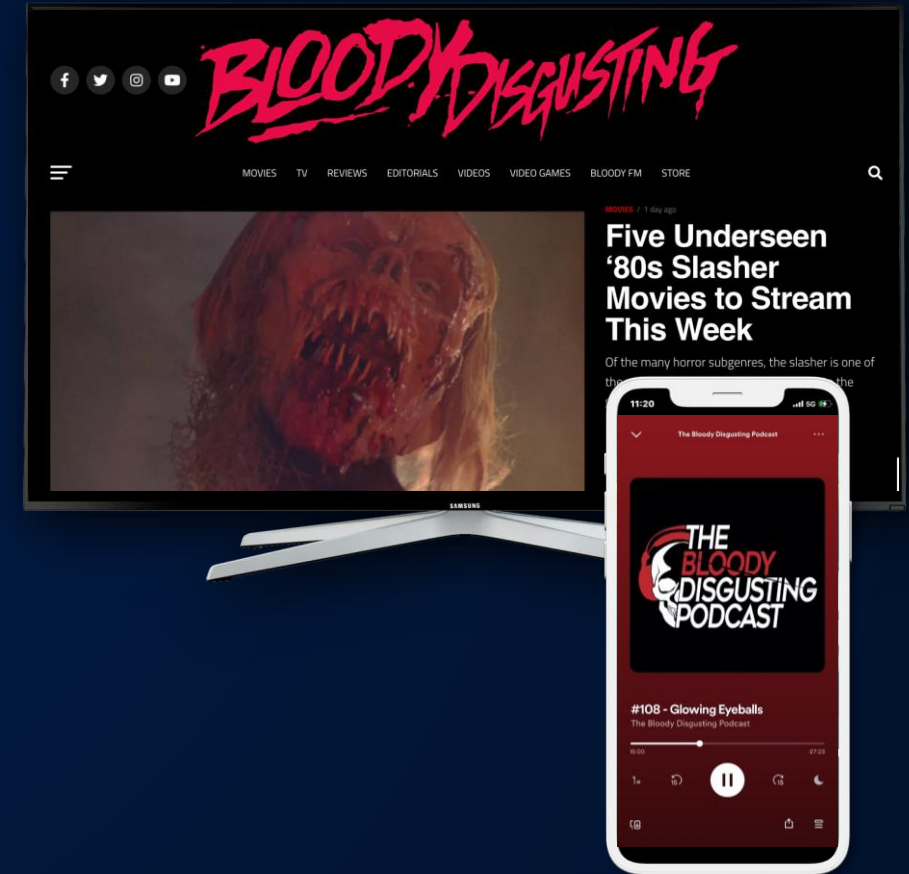


CINEVERSE

Bloody Disgusting

The #1 entertainment destination for horror

Horror is in-demand year-round by mainstream audiences as its popularity continues to grow. Horror content is wildly popular across streaming services and the genre continues to take home increasingly large shares of the box office year over year.



20+ MILLION

Annual Website Audience

1.6+ MILLION

Social Footprint

2+ MILLION

Monthly Podcast Downloads

2.5+ MILLION

Monthly In-App Pageviews

20+ MILLION

Bloody Disgusting TV Viewers

10+ THOUSAND

Monthly On-Site User Comments

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Focused on high-return, low-cost initiatives using existing assets—requiring minimal CAPEX

Continue to capture synergies from eight M&A transactions

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One of the largest streaming libraries in the world, with 60,000+ titles under license

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Rapidly growing unit KPIs outperforming the broader market

Aggressive cost-cutting initiatives, including BPO strategy with launch of Cineverse Services India, with goal of achieving sustainable profitability and improved margins by end of FY 2024

Strong balance sheet with minimal debt

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APPENDIX

Financial Results

FY24 Q1

Cineverse Corp. Condensed Consolidated Balance Sheets

(In thousands)

	As of June 30, 2023	As of March 31, 2023
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 12,129	\$ 7,152
Accounts receivable, net	14,711	20,846
Unbilled revenue	2,247	2,036
Employee retention tax credit	1,773	2,085
Prepaid and other current assets	7,637	5,458
Total current assets	38,497	37,577
Equity investment in Metaverse, a related party, at fair value	5,200	5,200
Property and equipment, net	2,075	1,833
Intangible assets, net	19,188	19,868
Goodwill	20,824	20,824
Other long-term assets	2,862	2,686
Total assets	\$ 88,646	\$ 87,988
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 29,867	\$ 34,531
Line of credit, including unamortized debt issuance costs of \$32 and \$76, respectively	4,968	4,924
Current portion of deferred consideration on purchase of business	3,615	3,788
Current portion of earnout consideration on purchase of business	1,526	1,444
Operating lease liabilities	418	418
Current portion of deferred revenue	221	226
Total current liabilities	40,615	45,331
Deferred consideration on purchase of business - net of current portion	2,868	2,647
Operating lease liabilities, net of current portion	728	863
Other long-term liabilities	59	74
Total liabilities	44,270	48,915
Stockholders' Equity		
Preferred stock	3,559	3,559
Common stock	191	185
Additional paid-in capital	539,997	530,998
Treasury stock, at cost	(11,608)	(11,608)
Accumulated deficit	(486,033)	(482,395)
Accumulated other comprehensive loss	(480)	(402)
Total stockholders' equity of Cineverse Corp.	45,626	40,337
Deficit attributable to noncontrolling interest	(1,250)	(1,264)
Total equity	44,376	39,073
Total liabilities and equity	\$ 88,646	\$ 87,988

Cineverse Corp. Condensed Consolidated Statements of Operations

(In thousands, except per share data)

	(Unaudited) Three Months Ended June 30,			
	2023		2022	
Revenues	\$	12,980	\$	13,590
Costs and expenses:				
Direct operating		6,987		7,356
Selling, general and administrative		7,888		9,818
Depreciation and amortization		822		1,000
Total operating expenses		15,697		18,174
Operating loss		(2,717)		(4,584)
Interest expense		(295)		(133)
Decrease in fair value of equity investment in Metaverse, a related party		-		(1,256)
Other expense, net		(504)		(14)
Net loss before income taxes		(3,516)		(5,987)
Income tax expense		(20)		—
Net loss		(3,536)		(5,987)
Net income attributable to noncontrolling interest		(14)		(18)
Net loss attributable to controlling interests		(3,550)		(6,005)
Preferred stock dividends		(88)		(88)
Net loss attributable to common stockholders		(3,638)		(6,093)
Net loss per share attributable to common stockholders:				
Basic	\$	(0.37)	\$	(0.69)
Diluted	\$	(0.37)	\$	(0.69)
Weighted average shares of common stock outstanding				
Basic		9,879		8,771
Diluted		9,879		8,771

Cineverse Corp. Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands)

	Three Months Ended June 30,	
	2023	2022
Cash flows from operating activities:		
Net loss	\$ (3,536)	\$ (5,987)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	822	1,000
Allowance for prepaid advances	173	32
Changes in fair value of equity investment in Metaverse	-	1,256
Amortization of debt issuance costs	44	-
Stock-based compensation	409	980
Interest expense for deferred consideration and earnouts	181	133
Other	263	3
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable, net	5,656	5,625
Unbilled revenue	(211)	(248)
Prepaid and other current and long-term assets	(2,688)	1,274
Employee retention tax credit	312	-
Accounts payable, accrued expenses, and other liabilities	(4,685)	(5,266)
Net cash used in operating activities	(3,260)	(1,198)
Cash flows from investing activities:		
Expenditures for long-lived assets	(272)	(141)
Purchase of businesses	-	80
Net cash used in investing activities	(272)	(61)
Cash flows from financing activities:		
Payments of notes payable	-	(284)
Proceeds from line of credit	8,761	-
Payments on line of credit	(8,761)	-
Issuance of common stock, net of issuance costs	8,509	-
Net cash provided by (used in) financing activities	8,509	(284)
Net change in cash and cash equivalents	4,977	(1,543)
Cash and cash equivalents at beginning of period	7,152	13,062
Cash and cash equivalents at end of period	\$ 12,129	\$ 11,519

Cineverse Corp.

Adjusted EBITDA

We present Adjusted EBITDA because we believe that Adjusted EBITDA is a useful supplement to net income (loss) from continuing operations as an indicator of operating performance. We also believe that Adjusted EBITDA is a financial measure that is useful both to management and investors when evaluating our performance and comparing our performance with that of our competitors. We also use Adjusted EBITDA for planning purposes and to evaluate our financial performance because Adjusted EBITDA excludes certain incremental expenses or non-cash items, such as stock-based compensation charges, that we believe are not indicative of our ongoing operating performance.

We believe that Adjusted EBITDA is a performance measure and not a liquidity measure, and therefore a reconciliation between net loss from continuing operations and Adjusted EBITDA has been provided in the financial results. Adjusted EBITDA should not be considered as an alternative to income from operations or net loss from continuing operations as an indicator of performance or as an alternative to cash flows from operating activities as an indicator of cash flows, in each case as determined in accordance with GAAP, or as a measure of liquidity. In addition, Adjusted EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows. We do not intend the presentation of these non-GAAP measures to be considered in isolation or as a substitute for results prepared in accordance with GAAP. These non-GAAP measures should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

Following is the reconciliation of our consolidated net loss to Adjusted EBITDA:

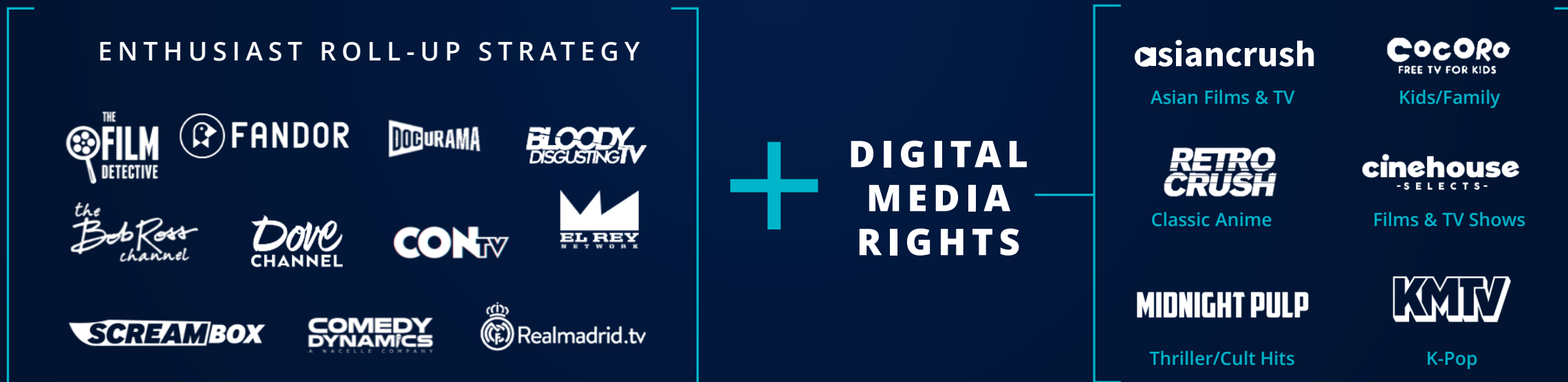
\$ In Thousands	For the Three Months Ended	
	2023	2022
	(Unaudited)	(Unaudited)
Net loss	\$ (3,536)	\$ (5,987)
Add Back:		
Income tax expense	20	-
Depreciation and amortization	822	1,000
Interest expense	295	133
Stock-based compensation	409	980
Decrease in fair value on equity investment in Metaverse, a related party	-	1,256
Provision (recovery) of doubtful accounts	-	3
Other expense, net	36	14
Net income attributable to noncontrolling interest	(14)	(18)
Adjustments:		
Transition-related costs	468	175
Mergers and acquisitions costs	-	207
Adjusted EBITDA	\$ (1,500)	\$ (2,237)

M&A Case Study: Digital Media Rights

Immediately provided Cineverse increased scale and growth

Accretive acquisition significantly increased Cineverse's library, channel portfolio, ad business and social footprint

- | Added 10 new channels, 7,500 titles and an estimated 7.5 million monthly viewers
- | New positioning in ad business with more than 100 million connected TV impressions per month
- | Increased social footprint with addition of ~18.5 million social subscribers
- | Achieved approx. \$1.6M in annualized cost synergies within one year of merger

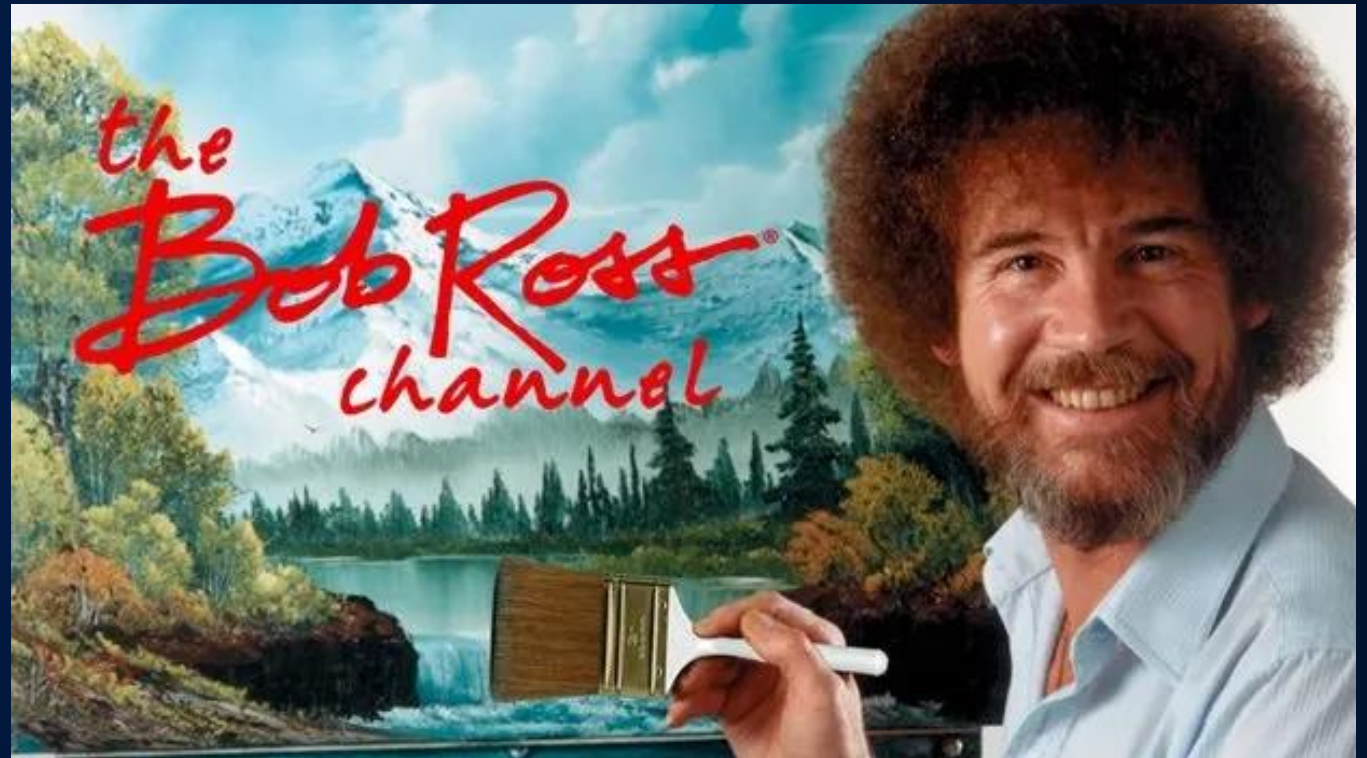


1. DMR acquisition closed on March 28, 2022

Fast Channel Case Study: Bob Ross & American Public Media

Helping the world find its happy place

- | As an early partner of Twitch, Cineverse identified the cross-generational appeal of renowned TV painter Bob Ross as a FAST channel opportunity
- | Cineverse developed a game plan to create a channel that would honor Bob and public television, but reach new audiences in an innovative CTV and app-based format
- | Cineverse secured more than 40 distribution deals - "full carriage" in the FAST world, with premium brand placement and promotion
- | Channel has been a roaring success, with over 240 million visits and 2.2 billion views of programming
- | Cineverse continues to expand internationally and uses AI to localize TBRC into Spanish, Portuguese, and other languages



Content Case Study: Terrifier 2

Leveraging enthusiast media and vertical experts to drive repeatable revenue growth

- | The leadership at Bloody Disgusting recognized Terrifier, a next-generation slasher horror film, as a diamond-in-the-rough property due to intense interest within our editorial publication
- | We were able to secure the film due to our extensive ability to promote, market, monetize and distribute the film vs. our peers
- | Cineverse leveraged its extensive footprint with a coordinated campaign reaching hundreds of millions of impressions across CTV, editorial, social, and more – inventory worth approx. \$2-3M on open market
- | Team leveraged experience to create viral awareness and engagement
- | Net result: \$15M+ domestic Box Office, hundreds of thousands of SVOD subscribers, and best-selling ancillary products at Walmart, Best Buy, etc.
- | Company is already identifying additional properties to move into this model



CINEVERSE

**A PREMIER
STREAMING
TECHNOLOGY &
ENTERTAINMENT
COMPANY**