



Kuwait National Cinema Company K.P.S.C.
And its Two Subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information
—and Review Report—
For the three months ended 31 March 2026
(Unaudited)



Kuwait National Cinema Company K.P.S.C.

And Its Two Subsidiaries

State of Kuwait

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Kuwait National Cinema Company K.P.S.C

State of Kuwait

Report on Review of Interim Condensed Consolidated Financial Information to the Board of Directors

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait National Cinema Company - K.P.S.C ("the Parent Company") and its two subsidiaries (together referred to as "the Group") as at 31 March 2026 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard No. (34) "Interim Financial Reporting".

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. To the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its executive regulation, as amended, or of the Parent Company's Memorandum and Articles of Association, as amended, have occurred during the three-month period ended 31 March 2026 that might have had a material effect on the business of the Group or on its consolidated financial position.

We further report that, during the course of our review, we have not become aware of any material violations of provisions of Law No. 7 of 2010, as amended, concerning the Capital Markets Authority and its related regulations during the three-month period ended 31 March 2026, that might have had a material effect on the business of Group or on its consolidated financial position.



Ali B. Al-Wazzan

Licence No. 246A

Deloitte & Touche - Al-Wazzan & Co.

Kuwait 10 May 2026

Interim Condensed Consolidated Statement of Financial Position as at 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	31 March 2026	31 December 2025 (Audited)	31 March 2025
Assets				
Non-current assets				
Property, plant and equipment		22,192,151	22,660,740	23,692,900
Investment properties		88,967,344	88,967,344	89,832,940
Right-of-use leased assets	4	9,431,110	9,792,781	11,408,209
Intangible assets		931,507	1,111,258	1,333,442
Investment in an associate	6	56,445,489	57,597,188	54,157,232
Investments at fair value through other comprehensive income ("FVTOCI")	3	12,736,513	13,308,840	6,925,782
Trade and other receivables	5	831,125	831,125	843,446
		<u>191,535,239</u>	<u>194,269,276</u>	<u>188,193,951</u>
Current assets				
Inventories		644,858	572,815	951,950
Trade and other receivables	5	4,008,885	1,216,027	1,240,526
Cash at banks and investment portfolios	7	46,722,011	45,657,934	45,359,286
		<u>51,375,754</u>	<u>47,446,776</u>	<u>47,551,762</u>
Total assets		<u>242,910,993</u>	<u>241,716,052</u>	<u>235,745,713</u>
Equity and liabilities				
Equity				
Share capital		10,106,250	10,106,250	10,106,250
Treasury shares	8	(8,201,231)	(8,201,231)	(8,201,231)
Statutory reserve		5,065,834	5,065,834	5,065,834
Voluntary reserve		19,810,029	19,810,029	17,980,964
Other reserves	9	24,886,826	25,624,811	22,125,651
Retained earnings		49,170,502	53,692,906	48,198,807
Equity attributable to Shareholders of the Parent Company		100,838,210	106,098,599	95,276,275
Non-controlling interest		17,637	17,410	14,743
		<u>100,855,847</u>	<u>106,116,009</u>	<u>95,291,018</u>
Liabilities				
Non-current liabilities				
Trade and other payables	10	5,016,792	4,966,465	7,965,759
Lease liabilities	4	22,748,644	23,152,786	23,820,707
Loans and bank facilities	11	64,144,500	64,144,500	67,774,750
Post-employment benefits		1,834,427	1,795,023	1,765,317
		<u>93,744,363</u>	<u>94,058,774</u>	<u>101,326,533</u>
Current liabilities				
Trade and other payables	10	24,453,673	17,286,249	15,713,019
Lease liabilities	4	801,180	1,754,256	2,167,921
Loans and bank facilities	11	23,055,930	22,500,764	21,247,222
		<u>48,310,783</u>	<u>41,541,269</u>	<u>39,128,162</u>
Total liabilities		<u>142,055,146</u>	<u>135,600,043</u>	<u>140,454,695</u>
Total equity and liabilities		<u>242,910,993</u>	<u>241,716,052</u>	<u>235,745,713</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.


Abdulaziz Dawoud Marzouq Al-Marzouq
Chairman


Hisham Fahad Al-Ghanim
Vice-Chairman

**Interim Condensed Consolidated Statement of Income for the three months ended 31 March 2026
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended 31 March	
		2026	2025
Operating revenues	12	6,916,094	7,647,428
Operating costs	13	(4,201,416)	(4,776,753)
Gross profit		2,714,678	2,870,675
Other operating income		963,210	951,614
Administrative and general expenses		(661,566)	(651,337)
Other operating expenses		(210,991)	(200,261)
Net gains from financial investments at fair value through statement of income		26,854	25,798
Group's share of results of an associate	6	1,357,956	1,289,986
Finance costs		(1,196,501)	(1,334,191)
Net profit before deductions		2,993,640	2,952,284
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")		(15,554)	(16,201)
National labor support tax ("NLST")		(75,834)	(70,246)
Zakat		(15,938)	(14,809)
Net profit for the period		2,886,314	2,851,028
Attributable to:			
Shareholders of the Parent Company		2,885,712	2,850,712
Non-controlling interest		602	316
		2,886,314	2,851,028
Basic and diluted earnings per share (Fils)	14	31.16	30.78

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Comprehensive Income for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Three months ended 31 March	
	2026	2025
Net profit for the period	2,886,314	2,851,028
Other comprehensive income items:		
Items that will not be reclassified subsequently to statement of income:		
Change in fair value of investments at FVTOCI	(572,327)	(374,815)
Group's share from change in fair value reserve of an associate	(265,624)	164,023
	<u>(837,951)</u>	<u>(210,792)</u>
Items that may be reclassified subsequently to statement of income:		
Group's share from foreign currency reserves of an associate	5,969	1,158
Foreign Exchange differences on translation of a subsidiary	93,997	-
	<u>99,966</u>	<u>1,158</u>
Total other comprehensive loss for the period	<u>(737,985)</u>	<u>(209,634)</u>
Total comprehensive income for the period	<u>2,148,329</u>	<u>2,641,394</u>
Attributable to:		
Shareholders of the Parent Company	2,147,727	2,641,078
Non-controlling interest	602	316
	<u>2,148,329</u>	<u>2,641,394</u>

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Equity attributable to Shareholders of the Parent Company						Non-controlling Interest	Total
	Share capital	Treasury shares	Statutory reserve	Voluntary reserve	Other reserves (note 9)	Retained earnings		
Balance as at 1 January 2025	10,106,250	(8,201,231)	5,065,834	17,980,964	22,335,285	45,348,095	14,802	92,649,999
Net profit for the period	-	-	-	-	-	2,850,712	316	2,851,028
Other comprehensive loss for the period	-	-	-	-	(209,634)	-	-	(209,634)
Total comprehensive loss for the period	-	-	-	-	(209,634)	-	-	(209,634)
Cash dividends in subsidiaries	-	-	-	-	(209,634)	2,850,712	316	2,641,394
Balance as at 31 March 2025	10,106,250	(8,201,231)	5,065,834	17,980,964	22,125,651	48,198,807	14,743	95,291,018
Balance as at 1 January 2026	10,106,250	(8,201,231)	5,065,834	19,810,029	25,624,811	53,692,906	17,410	106,116,009
Net profit for the period	-	-	-	-	-	2,885,712	602	2,886,314
Other comprehensive loss for the period	-	-	-	-	(737,985)	-	-	(737,985)
Total comprehensive loss for the period	-	-	-	-	(737,985)	-	-	(737,985)
Cash dividends (note 18)	-	-	-	-	(737,985)	2,885,712	602	2,148,329
Cash dividends in subsidiaries	-	-	-	-	-	(7,408,116)	-	(7,408,116)
Balance as at 31 March 2026	10,106,250	(8,201,231)	5,065,834	19,810,029	24,886,826	49,170,502	17,637	100,855,847

The accompanying notes form an integral part of this interim condensed consolidated financial information.

**Interim Condensed Consolidated Statement of Cash Flows for the three months ended 31 March 2026
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Three months ended	
	31 March	
	2026	2025
Cash flows from operating activities		
Net profit for the period	2,886,314	2,851,028
<i>Adjustments:</i>		
Depreciation and amortization	581,862	488,283
Depreciation of right-of-use leased assets	361,671	456,694
Impairment of intangible assets	95,290	-
Gains from disposal of property, plant and equipment	(50,000)	-
Interest income	(489,726)	(365,730)
Net gains from investments at fair value through statement of income	(26,854)	(25,798)
Group's share of results of an associate	(1,357,956)	(1,289,986)
Reverse of allowance for expected credit losses	(3,283)	-
Post-employment benefits	61,598	86,962
Finance costs	988,348	1,102,764
Interest on lease liabilities	208,153	231,427
Operating profit before changes in operating assets and liabilities	3,255,417	3,535,644
Change in inventories	(72,043)	(293,389)
Change in trade and other receivables	(2,695,578)	(465,698)
Change in trade and other payables	(168,184)	(282,405)
Cash generated from operating activities	319,612	2,494,152
Post-employment benefits paid	(22,194)	(21,632)
Net cash generated from operating activities	297,418	2,472,520
Cash flows from investment activities		
Paid for purchase of property, plant and equipment	(28,812)	(12,291)
Paid for purchase of intangible assets	-	(1,106,890)
Interest income received	489,726	365,730
Proceeds from sale of property, plant and equipment	50,000	-
Time deposits	14,250,000	2,000,000
Dividends received	2,276,854	25,798
Net cash generated from investing activities	17,037,768	1,272,347
Cash flows from financing activities		
Net proceeds from loans and bank facilities	555,166	512,375
Finance costs paid	(1,002,115)	(1,134,314)
Repayment of lease liabilities	(1,357,218)	(1,455,260)
Repayment of interest charged on lease liabilities	(208,153)	(231,427)
Dividends paid	(8,789)	(2,651)
Net cash used in financing activities	(2,021,109)	(2,311,277)
Net change in cash and cash equivalents	15,314,077	1,433,590
Cash and cash equivalents at the beginning of the period	31,412,376	43,930,138
Cash and cash equivalents at the end of the period (note 7)	46,726,453	45,363,728

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

1. Company's incorporations

Kuwait National Cinema Company K.P.S.C. ("the Parent Company") is a Kuwaiti Public Shareholding Company incorporated in the State of Kuwait on 5 October 1954 and is licensed to engage in all activities relating to the cinema industry, entertainment and cultural events.

The Parent Company is listed in Bursa Kuwait.

The Parent Company's headquarters is located at Old Khaitan, Block No. 9, Building No. 164, 2nd Floor, Office (1+2), P.O. Box 502 Safat, 13006 Safat, Kuwait.

The interim condensed consolidated financial information includes the financial information of the Parent Company along with financial information of its following two subsidiaries, together referred to as ("the Group"):

	Ownership percentage (%)			Activity	Incorporation country
	31 March 2026	31 December 2025	31 March 2025		
International Film Distribution Company K.S.C.C.	99.25	99.25	99.25	Publication and artistic distribution	State of Kuwait
Al-Kout Film Production and Distribution Company S.A.E.	100	100	100	Production and artistic distribution	Arab Republic of Egypt

The interim condensed consolidated financial information for the three months ended 31 March 2026 was authorized for issuance by Board of Directors on 10 May 2026.

2. Basis of preparation and significant accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard No. (34): "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all information and notes required for complete financial statements in accordance with IFRS accounting standards.

In the management's opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 31 March 2026 are not necessarily indicative of results that may be expected for the year ending 31 December 2026. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2025.

2.2 Summary of changes in significant accounting policies

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025.

Amendments to IFRS Accounting Standards which are effective for annual accounting periods starting from 1 January 2026 did not have any material impact on the accounting policies, financial position or performance of the Group.

The Group has not early adopted any standards, interpretations and amendments that have been issued but are not yet effective.

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

3. Fair value estimation

The fair values of financial assets and financial liabilities are determined as follows:

- Level one: Quoted prices in active markets for identical assets or liabilities.
- Level two: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in a market that is not active. Inputs other than quoted prices that are observable for assets and liabilities.
- Level three: valuation techniques that are not based on observable market data.

The table below gives information about how the fair values of the significant financial assets and liabilities are determined:

	Fair value as at			Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable inputs	Relation of unobservable inputs to fair value
	31 March 2026	31 December 2025	31 March 2025				
<i>Equity instruments classified at FVTOCI</i>							
Quoted shares	8,609,922	9,182,249	6,495,234	Level 1	Last bid price	N/A	N/A
Unquoted shares	546,378	546,378	396,754	Level 3	Discounted cash flows Market comparative and adjusted book value	Discount rate	Higher discount results in value decline
Unquoted shares	3,580,213	3,580,213	33,794	Level 3	Discounted cash flows Market comparative and adjusted book value	Discount rate	Higher discount results in value decline
	<u>12,736,513</u>	<u>13,308,840</u>	<u>6,925,782</u>				

Reconciliation for determining level 3 of fair value hierarchy:

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Balance at the beginning of the period/year	4,126,591	430,548	430,548
Additions	-	3,500,000	-
Change in fair value	-	196,043	-
Balance at the ending of the period/year	<u>4,126,591</u>	<u>4,126,591</u>	<u>430,548</u>

The fair value of other financial assets and liabilities is approximately equivalent to its carrying amount as at the date of interim financial information.

4. Right-of-use leased assets

The Group as a lessee, has leased several assets including buildings and lands. The average lease term is ranging from 2 to 17 years. The Group's obligations are secured by the lessors' right in the leased assets against such leases.

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Net carrying amount			
Balance at the beginning of the period/year	9,792,781	11,864,903	11,864,903
Amortization	(361,671)	(1,659,930)	(456,694)
Net of disposals	-	(213,868)	-
Impact on modification of leases	-	(198,324)	-
Balance at the ending of the period/year	<u>9,431,110</u>	<u>9,792,781</u>	<u>11,408,209</u>

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

Lease liabilities	31 March 2026	31 December 2025 (Audited)	31 March 2025
Non-current lease liabilities			
Amounts due for settlement after 12 months	22,748,644	23,152,786	23,820,707
Current lease liabilities			
Amounts due for settlement within 12 months	801,180	1,754,256	2,167,921
	<u>23,549,824</u>	<u>24,907,042</u>	<u>25,988,628</u>

Maturity analysis

Maturity dates of undiscounted lease liabilities are as follows:

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Not later than 1 year	801,180	1,754,256	2,167,921
Later than 1 year and not later than 5 years	9,844,961	10,200,430	8,229,537
Later than 5 years	20,133,899	20,374,329	23,643,118
	<u>30,780,040</u>	<u>32,329,015</u>	<u>34,040,576</u>
Less unearned interest	(7,230,216)	(7,421,973)	(8,051,948)
	<u>23,549,824</u>	<u>24,907,042</u>	<u>25,988,628</u>

Movement on lease liabilities during the period/year is as follows:

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Balance as at the beginning of the period/ year	24,907,042	27,443,888	27,443,888
Finance costs	208,153	881,739	231,427
Lease payments	(1,565,371)	(2,941,095)	(1,686,687)
Impact on modification of leases	-	(279,166)	-
Disposals	-	(198,324)	-
Balance at the end of the period/ year	<u>23,549,824</u>	<u>24,907,042</u>	<u>25,988,628</u>

All above transactions have been eliminated during the preparation of consolidated statement of cash flows as they are non-cash transactions except for the lease payments.

The following table shows the different types of expenses related to leases and recognized in the consolidated statement of income:

	Three months ended 31 March	
	2026	2025
Amortization on right-of-use leased assets	361,671	456,694
Interest on lease liabilities	208,153	231,427
Expenses related to short-term leases (included in operating costs)	3,234	1,995
Expenses related to variable lease payments not included in the measurement of the lease liability (included in operating costs)	164,765	176,076
	<u>737,823</u>	<u>866,192</u>

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

5. Trade and other receivables

	31 March 2026	31 December 2025 (Audited)	31 March 2025
<u>Non-current</u>			
Refundable deposits	831,125	831,125	843,446
	<u>831,125</u>	<u>831,125</u>	<u>843,446</u>
<u>Current</u>			
Trade receivables	1,143,699	855,789	1,096,947
Due from related parties	17,976	-	7,397
Prepaid expenses	342,583	248,988	170,583
Advances to suppliers	165,348	-	55,906
Staff receivables	738,026	763,280	560,277
Accrued income	2,250,000	-	-
	<u>4,657,632</u>	<u>1,868,057</u>	<u>1,891,110</u>
Provision for expected credit losses	(648,747)	(652,030)	(650,584)
	<u>4,008,885</u>	<u>1,216,027</u>	<u>1,240,526</u>
	<u>4,840,010</u>	<u>2,047,152</u>	<u>2,083,972</u>

6. Investment in an associate

This represents the Group's investments in Tamdeen Shopping Center K.S.C. (Closed) at 30%.

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Balance as at the beginning of the period/ year	57,597,188	52,702,065	52,702,065
Group's share of results of an associate	1,357,956	6,421,333	1,289,986
Group's share of reserves	(259,655)	723,790	165,181
Dividends	(2,250,000)	(2,250,000)	-
Balance at the end of the period/ year	<u>56,445,489</u>	<u>57,597,188</u>	<u>54,157,232</u>

7. Cash at banks and investment portfolios

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Cash on hand	37,924	16,205	55,627
Banks' current accounts	18,161,842	9,113,642	16,797,187
Time deposits (less than three months)	24,878,695	18,661,391	25,327,585
Cash in investment portfolios	3,647,992	3,621,138	3,183,329
Cash and cash equivalent	<u>46,726,453</u>	<u>31,412,376</u>	<u>45,363,728</u>
Time deposits (more than three months)	-	14,250,000	-
Expected credit losses	(4,442)	(4,442)	(4,442)
	<u>46,722,011</u>	<u>45,657,934</u>	<u>45,359,286</u>

The yield rate on time deposits is 3.558% as of 31 March 2026 (4.395% as of 31 December 2025, 3.9% as of 31 March 2025)

8. Treasury shares

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Number of treasury shares (share)	8,460,323	8,460,323	8,460,323
Percentage to issued shares (%)	8.37	8.37	8.37
Market value	12,055,960	12,690,485	10,558,483

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

The Parent Company is committed to retain reserves and retained earnings equivalent to the treasury shares throughout the period, in which they are held by the Parent Company, pursuant to the instructions issued by the relevant regulatory authorities.

9. Other reserves

	Land revaluation reserve	Change in fair value reserve	Foreign currency translation reserve	Treasury shares reserve	Total
Balance at 1 January 2025	11,929,938	9,249,759	1,028,495	127,093	22,335,285
Change in fair value of financial investments at FVTOCI	-	(210,792)	-	-	(210,792)
Foreign currency translation reserve	-	-	1,158	-	1,158
Other comprehensive loss for the period	-	(210,792)	1,158	-	(209,634)
Balance at 31 March 2025	<u>11,929,938</u>	<u>9,038,967</u>	<u>1,029,653</u>	<u>127,093</u>	<u>22,125,651</u>
Balance at 1 January 2026	12,029,537	12,492,343	975,838	127,093	25,624,811
Change in fair value of financial investments at FVTOCI	-	(837,951)	-	-	(837,951)
Foreign currency translation reserve	-	-	99,966	-	99,966
Other comprehensive loss for the period	-	(837,951)	99,966	-	(737,985)
Balance at 31 March 2026	<u>12,029,537</u>	<u>11,654,392</u>	<u>1,075,804</u>	<u>127,093</u>	<u>24,886,826</u>

10. Trade and other payables

	31 March 2026	31 December 2025 (Audited)	31 March 2025
<u>Non-current</u>			
Retention payable to contractors	-	-	2,753,254
Others' deposits	5,016,792	4,966,465	5,212,505
	<u>5,016,792</u>	<u>4,966,465</u>	<u>7,965,759</u>
<u>Current</u>			
Trade payables	4,491,238	4,393,609	4,589,069
Provision for claims	2,154,065	2,154,065	2,154,065
Dividends payable	8,739,109	1,339,407	1,203,796
Construction contracts' liabilities of investment properties	3,310,792	3,354,886	4,020,029
Retention payable to contractors	2,190,438	2,260,383	-
Expenses and accrued leaves	1,721,753	1,695,566	1,866,945
Deferred income	1,638,444	1,320,953	1,286,324
Due to related parties	49,186	2,400	-
Board of Directors' remuneration	-	35,000	35,000
KFAS	15,554	111,011	16,201
NLST	75,834	450,724	406,177
Zakat	15,938	111,948	88,557
Other payables	51,322	56,297	46,856
	<u>24,453,673</u>	<u>17,286,249</u>	<u>15,713,019</u>
	<u>29,470,465</u>	<u>22,252,714</u>	<u>23,678,778</u>

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

11. Loans and bank facilities

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Long term			
Islamic finance	64,144,500	64,144,500	67,774,750
	<u>64,144,500</u>	<u>64,144,500</u>	<u>67,774,750</u>
Short term			
Islamic finance	13,630,250	13,630,250	13,630,250
Loans	8,250,000	8,250,000	7,000,000
Bank overdrafts	1,175,680	620,514	616,972
	<u>23,055,930</u>	<u>22,500,764</u>	<u>21,247,222</u>
	<u>87,200,430</u>	<u>86,645,264</u>	<u>89,021,972</u>

- Loans and long-term bank facilities are availed to the Group by local banks against commitments from the Group mainly representing in transfer of revenues resulting from investment properties, to the Group's accounts held by such banks.
- Repayment period of long-term loans ranges between 2 to 5 years.
- The average of interest rate on loans and bank facilities is 0.985% (0.98% during 2025, 1.02% during the three months ended 31 March 2025), as well as CBK's discount rate during the three months ended 31 March 2026.

12. Operating revenues

	Three months ended 31 March	
	2026	2025
Revenue of cinema and buffet activities	3,148,443	3,743,022
Revenue of investment properties activities	3,767,651	3,904,406
	<u>6,916,094</u>	<u>7,647,428</u>

13. Operating costs

	Three months ended 31 March	
	2026	2025
Costs of cinema and buffet activities	3,214,783	3,486,640
Costs of investment properties activities	986,633	1,290,113
	<u>4,201,416</u>	<u>4,776,753</u>

14. Earnings per share

Basic and diluted earnings per share are computed by dividing profit during the period by the weighted average number of ordinary shares outstanding during the period as follows:

	Three months ended 31 March	
	2026	2025
Net profit for the period attributable to the Parent Company's Shareholders	2,885,712	2,850,712
Weighted average number of outstanding shares (share)	<u>92,602,177</u>	<u>92,602,177</u>
Earnings per share attributable to the Parent Company's Shareholders (Fils)	<u>31.16</u>	<u>30.78</u>

Both basic and diluted earnings per share are equal since the Parent Company does not have diluted outstanding instruments.

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

15. Segments information

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 "Operating Segments". IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the "Executive management" who are the Chief Operating decision-makers in order to allocate resources to the segment and to assess its performance. The Group's CEO is identified as a Chief operating decision maker for the Group.

The main objective of the Group is to engage in activities relating to the cinema industry, entertainment, and culture events. In addition, the Group invests its available excess funds through investment portfolios, and investment properties in the State of Kuwait.

The following are segment activities presented to the Management:

- Cinema and buffets segment: Represents all activities related to cinema shows, films distribution as well as activities related to buffets supplemented to theatres.
- Financial investments segment: Represents investment in equity, investment funds and investments in an associate.
- Investment properties segment: Represents activities related to real estate, including rental of investment properties.

The following table provides information regarding revenues, profits and assets for each segment:

	31 March 2026				
	Cinema & buffets segment	Financial investments segment	Investment properties segment	Unallocated items	Total
Revenues	3,148,443	1,384,810	3,767,651	963,210	9,264,114
Costs	(3,214,783)	-	(986,633)	(2,176,384)	(6,377,800)
Segments' (loss)/profit	(66,340)	1,384,810	2,781,018	(1,213,174)	2,886,314
Assets	31,266,311	72,829,994	88,967,344	49,847,344	242,910,993

	31 March 2025				
	Cinema & buffets segment	Financial investments segment	Investment properties segment	Unallocated items	Total
Revenues	3,743,022	1,315,784	3,904,406	951,614	9,914,826
Costs	(3,486,640)	-	(1,290,113)	(2,287,045)	(7,063,798)
Segments' profit/ (loss)	256,382	1,315,784	2,614,293	(1,335,431)	2,851,028
Assets	35,455,921	64,266,343	89,832,940	46,190,509	235,745,713

16. Related parties' transactions

Related parties represent the Shareholders who have representatives in Boards of Directors, BOD's members, Managers as well as Companies which are controlled by major Shareholders. In the ordinary course of business, the Group entered into transactions with related parties during the period.

The following are volume and nature of such transactions during the period and their related balances:

Related parties' transactions	31 March 2026	31 March 2025
Key management compensation	75,039	73,874
Expenses (rents, consultancy and others)	210,588	240,380
Other income	22,101	28,961

Notes to the Interim Condensed Consolidated Financial Information for the three months ended 31 March 2026

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Balances resulting from those transactions:			
Cash in investment portfolios	3,647,992	3,621,138	3,183,329
Key management benefits – long term	328,906	296,889	253,933
Due to related parties	49,186	2,400	-

A related party manages an investment portfolio on behalf of the Group. Carrying amount of this portfolio is amounting to KD 12,736,513 as of 31 March 2026 (KD 13,308,840 as of 31 December 2025, KD 6,925,782 as of 31 March 2025).

All transactions with related parties are subject Shareholders' approval in the General Assembly meeting.

17. Capital commitments and Contingent liabilities

17.1 Capital commitments

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Future commitments for purchasing films	360,762	566,265	1,052,640

17.2 Contingent liabilities

letters of guarantee	2,328,445	2,328,445	2,328,695
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18. Ordinary general assembly meeting

On 29 March 2026, Ordinary General Assembly of Parent Company's Shareholders approved the consolidated financial statements for financial year ended 31 December 2025, as well as distribution of cash dividends at 80 Fils per share, upon deducting treasury shares, and Board of Directors' remuneration amounting to KD 35,000 for financial year 2025.

19. Geopolitical

Geopolitical events in the Middle East that commenced in late February 2026 have affected GCC countries, including Kuwait, resulting in regional disruptions. These developments continue to evolve and have created increased business and economic uncertainties.

The Group considered the potential impact of the current economic volatility on the reported amounts of the Group's financial and non-financial assets. The reported amounts represent management's best assessment based on available information. The impact of the highly uncertain economic environment remains judgmental, and the Group will accordingly continue to reassess its position and the related impact on a regular basis.

Management continues to monitor the situation and assess potential impacts on the Group. As of the date of authorization of this interim condensed consolidated financial information, the financial effects cannot be reliably estimated due to the evolving nature of the events.