



شركة السينما الكويتية الوطنية
KUWAIT NATIONAL CINEMA COMPANY. ...

**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 six months ended 30 June 2025
(Unaudited)**



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 six months ended 30 June 2025

(Unaudited)

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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 30 June 2025 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-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 six-month period ended 30 June 2025 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 six-month period ended 30 June 2025, 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 7 August 2025


**Interim Condensed Consolidated Statement of Financial Position as at 30 June 2025
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Note	30 June 2025	31 December 2024 (Audited)	30 June 2024
ASSETS				
Non-current assets				
Property, plant and equipment		23,459,449	24,167,765	25,387,033
Investments properties		89,832,940	89,832,940	90,266,374
Right-of-use assets	4	10,951,432	11,864,903	14,573,554
Intangible assets		1,468,892	227,679	216,126
Investments in an associate	5	53,132,916	52,702,065	49,700,396
Investments at fair value through other comprehensive income ("FVTOCI")		6,995,410	7,300,597	7,474,818
Trade and other receivables		831,225	843,446	843,446
		<u>186,672,264</u>	<u>186,939,395</u>	<u>188,461,747</u>
Current assets				
Inventories		668,553	658,561	863,316
Trade and other receivables		1,321,259	774,828	690,364
Cash at banks, and investment portfolios	6	44,243,141	45,925,696	37,385,586
		<u>46,232,953</u>	<u>47,359,085</u>	<u>38,939,266</u>
Total assets		<u>232,905,217</u>	<u>234,298,480</u>	<u>227,401,013</u>
Equity and liabilities				
Equity				
Share capital		10,106,250	10,106,250	10,106,250
Treasury shares	7	(8,201,231)	(8,201,231)	(8,201,231)
Statutory reserve		5,065,834	5,065,834	5,065,834
Voluntary reserve		17,980,964	17,980,964	16,590,250
Other reserves	8	21,462,256	22,335,285	21,792,070
Retained earnings		46,722,173	45,348,095	40,910,453
Equity attributable to the Parent Company's shareholders		<u>93,136,246</u>	<u>92,635,197</u>	<u>86,263,626</u>
Non-controlling interest		15,539	14,802	14,130
		<u>93,151,785</u>	<u>92,649,999</u>	<u>86,277,756</u>
Liabilities				
Non-current liabilities				
Trade and other payables	9	7,781,210	7,887,178	8,293,079
Lease liabilities	4	22,832,151	25,312,733	24,857,797
Loans and bank facilities	10	67,174,750	67,774,750	62,950,000
Post-employment benefits		1,770,317	1,699,987	1,689,450
		<u>99,558,428</u>	<u>102,674,648</u>	<u>97,790,326</u>
Current liabilities				
Trade and other payables	9	16,494,889	16,107,831	18,130,316
Lease liabilities	4	3,061,774	2,131,155	3,181,052
Loans and bank facilities	10	20,638,341	20,734,847	22,021,563
		<u>40,195,004</u>	<u>38,973,833</u>	<u>43,332,931</u>
Total liabilities		<u>139,753,432</u>	<u>141,648,481</u>	<u>141,123,257</u>
Total equity and liabilities		<u>232,905,217</u>	<u>234,298,480</u>	<u>227,401,013</u>

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


Abdulaziz Dawoud Marzouq Al-Marzouq
Chairman


Hisham Fahad Al-Ghanim
Vice-Chairman

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

And its Two Subsidiaries

State of Kuwait


**Interim Condensed Consolidated Statement of Income for the six months ended 30 June 2025
(Unaudited)**

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended		Six months ended	
		30 June		30 June	
		2025	2024	2025	2024
Operating revenues	11	11,661,503	11,446,832	19,308,931	18,713,594
Operating costs	12	(6,319,290)	(7,216,070)	(11,096,043)	(11,714,408)
Gross profit		5,342,213	4,230,762	8,212,888	6,999,186
Other operating income		595,281	659,675	1,546,895	1,962,032
General and administrative expenses		(558,912)	(571,905)	(1,210,249)	(1,415,177)
Other operating expenses		(236,377)	(224,212)	(436,638)	(400,779)
Net gains from financial investments		387,535	368,748	413,333	376,287
Group's share in business results of an associate	5	1,958,707	1,754,829	3,248,693	2,975,675
Finance costs		(1,338,502)	(995,503)	(2,672,693)	(2,662,450)
Net Profit before deductions		6,149,945	5,222,394	9,102,229	7,834,774
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")		(37,269)	(28,667)	(53,470)	(42,331)
National labour support tax ("NLST")		(143,615)	(121,467)	(213,861)	(188,487)
Zakat		(36,786)	(28,614)	(51,595)	(42,932)
Net profit for the period		5,932,275	5,043,646	8,783,303	7,561,024
Attributable to:					
Shareholders of the Parent Company		5,931,479	5,041,828	8,782,191	7,559,019
Non-controlling interest		796	1,818	1,112	2,005
		5,932,275	5,043,646	8,783,303	7,561,024
Basic and diluted earnings profit per share (fils)	13	64.06	54.45	94.84	81.63

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

Interim Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended 30 June		Six months ended 30 June	
		2025	2024	2025	2024
Net profit for the period		5,932,275	5,043,646	8,783,303	7,561,024
Other comprehensive income items:					
<i>Items that may not be reclassified subsequently to statement of income:</i>					
Net change in fair value of financial investments at FVTOCI		69,628	(543,798)	(305,187)	810,508
Group's share from change in fair value reserves of an associate	5	(721,053)	(713,779)	(557,030)	49,247
		(651,425)	(1,257,577)	(862,217)	859,755
<i>Items that may be reclassified subsequently to statement of income:</i>					
Group's share from an associate's foreign currency translation reserves	5	(11,970)	(2,905)	(10,812)	(388)
Foreign currency differences on translation of a subsidiary		-	4,019	-	246,521
		(11,970)	1,114	(10,812)	246,133
Other comprehensive (loss)/ profit for the period		(663,395)	(1,256,463)	(873,029)	1,105,888
Total comprehensive profit for the period		5,268,880	3,787,183	7,910,274	8,666,912
Attributable to:					
Shareholders of the Parent Company		5,268,084	3,785,365	7,909,162	8,664,907
Non-controlling interests		796	1,818	1,112	2,005
		5,268,880	3,787,183	7,910,274	8,666,912

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

**Interim Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2025
(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	General reserve	Other reserves (Note 8)	Retained earnings	Total
Balance as at 1 January 2024	10,106,250	(8,201,231)	5,065,834	16,590,250	20,686,182	40,759,546	85,006,831
Net profit for the period	-	-	-	-	-	7,559,019	7,559,019
Comprehensive income for the period	-	-	-	-	1,105,888	-	1,105,888
Total comprehensive income for the period	-	-	-	-	1,105,888	7,559,019	8,664,907
Cash dividends	-	-	-	-	-	(7,408,112)	(7,408,112)
Cash dividends in a subsidiary	-	-	-	-	-	-	(3,000)
Balance as at 30 June 2024	10,106,250	(8,201,231)	5,065,834	16,590,250	21,792,070	40,910,453	86,263,626
Balance as at 1 January 2025	10,106,250	(8,201,231)	5,065,834	17,980,964	22,335,285	45,348,095	92,635,197
Net profit for the period	-	-	-	-	-	8,782,191	8,782,191
Other Comprehensive loss for the period	-	-	-	-	(873,029)	-	(873,029)
Total comprehensive loss for the period	-	-	-	-	(873,029)	8,782,191	7,909,162
Cash dividends (Note 17)	-	-	-	-	-	(7,408,113)	(7,408,113)
Cash dividends in a subsidiary	-	-	-	-	-	-	(375)
Balance as at 30 June 2025	10,106,250	(8,201,231)	5,065,834	17,980,964	21,462,256	46,722,173	93,136,246
						15,539	93,151,785

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

Interim Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Six months ended 30 June	
	2025	2024
Cash flows from operating activities		
Net profit for the period	8,783,303	7,561,024
<i>Adjustments:</i>		
Depreciation and amortization	972,132	1,102,835
Impairment of property, plants and equipment	-	470,000
Depreciation of right-of-use leased assets	913,471	1,008,484
Interest income	(625,290)	(592,185)
Gains from disposal of property, plants and equipment	-	(616,052)
Net gains on financial investments	(413,333)	(376,287)
Group's share of business results of an associate	(3,248,693)	(2,975,675)
Post-employment benefits	121,635	135,494
Reversal of provision for Expected Credit Losses (ECL)	-	(15,155)
Finance costs	2,216,433	2,225,762
Interests charged on lease liabilities	456,260	436,688
Operating profit before changes in operating assets and liabilities	9,175,918	8,364,933
Change in inventories	(9,992)	(197,225)
Change in trade and other receivables	(534,210)	952,451
Change in trade and other payables	130,731	(3,516,599)
Cash generated from operating activities	8,762,447	5,603,560
Post-employment benefits paid	(51,305)	(44,920)
Net cash generated from operating activities	8,711,142	5,558,640
Cash flows from investment activities		
Paid for purchase of property, plant and equipment	(262,689)	(513,336)
Paid for purchase of intangible assets	(1,242,340)	(126,042)
Interest income received	625,290	592,185
Proceeds from the sale of property, plants and equipment	-	826,038
Time deposits	2,000,000	-
Dividends received	2,663,333	2,626,287
Net cash generated from investing activities	3,783,594	3,405,132
Cash flows from financing activities		
Net paid / (proceeds from) loans and bank facilities	(696,506)	3,502,121
Finance costs paid	(2,235,209)	(2,252,792)
Repayment of lease liabilities	(1,549,963)	(2,048,201)
Repayment of interest charged on lease liabilities	(456,260)	(436,688)
Dividends paid	(7,239,353)	(7,276,002)
Net cash used in financing activities	(12,177,291)	(8,511,562)
Net change in cash and cash equivalents	317,445	452,210
Cash and cash equivalents at the beginning of the period	43,930,138	36,937,818
Cash and cash equivalents at the end of the period (note 6)	44,247,583	37,390,028

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

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(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 registered and incorporated in 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 Boursa Kuwait.

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

This 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":

	<u>Shareholding percentage (%)</u>	<u>Activity</u>	<u>Incorporation Country</u>
International Film Distribution Company K.S.C.C.	99.25%	Publication and artistic distribution	State of Kuwait
Al-Kout Film Production and Distribution Company S.A.E.	100%	Production and artistic distribution	Arab Republic of Egypt

The interim condensed consolidated financial information for the six months ended 30 June 2025 was authorized for issuance by Board of Directors on 7 August 2025.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation

This 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 disclosures required for complete financial statements in accordance with International Financial Reporting Standards ("IFRSs") - 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 30 June 2025 are not necessarily indicative of results that may be expected for the year ending 31 December 2025. For further information, refer to the consolidated financial statements and its related notes for the year ended 31 December 2024.

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 2024.

Amendments to IFRSs - Accounting Standards which are effective for annual accounting period starting from 1 January 2025 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 had been issued but is not yet effective.

3. Fair Value Estimation

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

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Quoted prices in an active market for similar instruments. Quoted prices for identical assets or liabilities in market that is not active. Inputs other than quoted prices that are observable for assets and liabilities.
- Level 3: valuation techniques that are not based on observable market data.

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

The below-mentioned table provides information regarding method of determining fair values of significant financial assets and liabilities, as follows:

	Fair value as at			Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable inputs	Relation of unobservable inputs to fair value
	30 June 2025	31 December 2024	June 30 2024				
Equity instruments classified at FVTOCI							
Quoted shares	6,564,862	6,870,049	7,163,741	Level 1	Last bid price	N/A	N/A
Unquoted shares	396,754	396,754	294,204	Level 3	Discounted cash flows	Discount rate	Higher discount results in value decline
Unquoted shares	33,794	33,794	16,873	Level 3	market comparative and adjusted carrying amount	Discount rate	Higher discount results in value decline
	6,995,410	7,300,597	7,474,818				

Reconciliation for determining level 3 of fair value hierarchy:

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Balance at the beginning of the period/year	430,548	66,194	66,194
Change in fair value	-	364,354	244,883
Balance at the ending of the period/year	430,548	430,548	311,077

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.

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Net carrying amount			
Balance at the beginning of the period/year	11,864,903	15,582,038	15,582,038
Amortizations	(913,471)	(2,017,135)	(1,008,484)
Impairment	-	(1,700,000)	-
Balance at the ending of the period/year	10,951,432	11,864,903	14,573,554
Lease liabilities			
	30 June 2025	31 December 2024 (Audited)	30 June 2024
Non-Current lease liabilities			
Payable amounts after 12 months	22,832,151	25,312,733	24,857,797
Current lease liabilities			
Payable amounts within 12 months	3,061,774	2,131,155	3,181,052
	25,893,925	27,443,888	28,038,849

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

Maturity Analysis

Maturity dates of undiscounted lease liabilities are shown as follows:

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Not later than 1 year	3,061,774	2,131,155	2,167,921
Later than 1 year and not later than 5 years	8,085,375	9,724,524	8,229,537
Later than 5 years	22,541,097	23,871,584	23,643,118
	33,688,246	35,727,263	34,040,576
Less: Unrealized interests	(7,794,321)	(8,283,375)	(8,051,948)
	25,893,925	27,443,888	25,988,628

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

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Balance as at the beginning of the period/ year	27,443,888	29,650,360	27,443,888
Finance costs	456,260	974,579	231,427
Lease payments	(2,006,223)	(3,181,051)	(1,686,687)
Balance at the end of the period/ year	25,893,925	27,443,888	25,988,628

All above transactions were eliminated while preparing consolidated Statement of Cash Flows as they are non-cash transactions except for the lease payments.

The below-mentioned table provides different types of expenses associated with leases and recognized under Statement of Income:

	Three months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024
Amortization of right-of-use assets	456,777	510,815	913,471	1,008,484
Interests charged on lease liabilities	224,833	217,672	456,260	436,688
Leases for less than one year	4,473	-	6,468	3,988
Variable leases unrecognized in measurement of lease liabilities	360,040	361,362	536,116	529,970
	1,046,123	1,089,849	1,912,315	1,979,130

5. Investment in an Associate

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

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Balance as at the beginning of the period/ year	52,702,065	48,925,862	48,925,862
Group's share in an associate's results	3,248,693	5,681,169	2,975,675
Group's share from change in fair value	(557,030)	345,034	49,247
Group's share from foreign currency translation reserve	(10,812)	-	(388)
Dividends	(2,250,000)	(2,250,000)	(2,250,000)
Balance at the end of the period/ year	53,132,916	52,702,065	49,700,396

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

6. Cash at banks and investment portfolios

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Cash on hand	27,442	15,782	35,233
Banks' current accounts	8,266,094	8,861,967	13,161,423
Time deposits (less than three months)	32,386,878	31,895,212	21,199,281
Cash in investment portfolios	3,567,169	3,157,177	2,994,091
Cash and cash equivalent	44,247,583	43,930,138	37,390,028
Time deposits (for more than three months)	-	2,000,000	-
Expected Credit Losses ECL	(4,442)	(4,442)	(4,442)
	<u>44,243,141</u>	<u>45,925,696</u>	<u>37,385,586</u>

7. Treasury shares

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Number of shares (share)	8,460,323	8,460,323	8,460,323
Percentage to the issued shares (%)	8.37	8.37	8.37
Market value	9,137,149	9,813,975	9,433,260

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.

8. Other reserves

	Land revaluation reserve	Change in fair value reserve	Foreign currency translation reserve	Treasury shares reserve	Total
Balance as at 1 January 2024	11,757,139	8,163,646	638,304	127,093	20,686,182
Change in fair value of investments at FVTOCI	-	859,755	-	-	859,755
Foreign currency translation reserve	-	-	246,133	-	246,133
Items of other comprehensive income for the period	-	859,755	246,133	-	1,105,888
Balance as at 30 June 2024	<u>11,757,139</u>	<u>9,023,401</u>	<u>884,437</u>	<u>127,093</u>	<u>21,792,070</u>
Balance as at 1 January 2025	11,929,938	9,249,759	1,028,495	127,093	22,335,285
Change in fair value of investments at FVTOCI	-	(862,217)	-	-	(862,217)
Foreign currency translation reserve	-	-	(10,812)	-	(10,812)
Other comprehensive loss for the period	-	(862,217)	(10,812)	-	(873,029)
Balance as at 30 June 2025	<u>11,929,938</u>	<u>8,387,542</u>	<u>1,017,683</u>	<u>127,093</u>	<u>21,462,256</u>

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

9. Trade and Other Payables

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Non-current			
Retention payable to contractors	2,753,254	2,714,696	2,797,609
Others' deposits	5,027,956	5,172,482	5,495,470
	<u>7,781,210</u>	<u>7,887,178</u>	<u>8,293,079</u>
Current			
Trade payables	5,279,114	4,100,571	6,109,623
Provision for claims	2,154,065	2,154,064	2,154,065
Dividends payable	1,375,207	1,206,856	1,207,471
Construction-contracts liabilities for investment properties	4,015,908	4,976,798	5,347,260
Expenses and accrued leaves	2,021,151	1,891,707	1,853,854
Deferred income	1,283,134	1,206,072	1,137,428
Board of Directors' remuneration	-	35,000	-
KFAS	53,470	75,080	42,331
NLST	213,861	335,931	188,487
Zakat	51,595	73,753	42,932
Other payables	47,384	51,999	46,865
	<u>16,494,889</u>	<u>16,107,831</u>	<u>18,130,316</u>
	<u>24,276,099</u>	<u>23,995,009</u>	<u>26,423,395</u>

10. Loans and Bank Facilities

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Long term			
Islamic finance	67,174,750	67,774,750	62,950,000
	<u>67,174,750</u>	<u>67,774,750</u>	<u>62,950,000</u>
Short term			
Islamic finance	13,630,250	13,630,250	13,450,000
Loans	7,000,000	7,000,000	7,000,000
Bank overdrafts	8,091	104,597	1,571,563
	<u>20,638,341</u>	<u>20,734,847</u>	<u>22,021,563</u>
	<u>87,813,091</u>	<u>88,509,597</u>	<u>84,971,563</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 is ranging between 2 to 6 years.
- Effective interest rate on loans and bank facilities is 1.02 % above interest rate declared by CBK during the period of six months ended 30 June 2025 (1.02% during 2024, and 1.02% above interest rate declared by CBK during the period of six months ended 30 June 2024).

11. Operating revenues

	Three months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024
Revenues of cinema and buffets activity	7,777,474	7,812,558	11,520,496	11,367,018
Rental Income from investment properties	3,884,029	3,634,274	7,788,435	7,346,576
	<u>11,661,503</u>	<u>11,446,832</u>	<u>19,308,931</u>	<u>18,713,594</u>

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

12. Operating costs

	Three months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024
Costs of cinema and buffets activity	5,251,667	5,819,362	8,738,307	9,289,477
Costs of investment properties activity	1,067,623	1,396,708	2,357,736	2,424,931
	6,319,290	7,216,070	11,096,043	11,714,408

13. 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 30 June		Six months ended 30 June	
	2024	2023	2024	2023
Net profit for the period attributable to the Parent Company's Shareholders	5,931,479	5,041,828	8,782,191	7,559,019
Weighted average number of outstanding shares (share)	92,602,177	92,602,177	92,602,177	92,602,177
Earnings per share attributable to the Parent Company's Shareholders (fils)	64.06	54.45	94.84	81.63

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

14. 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 Group's main activity is to engage in cinema industry-related activities, entertainment and culture events. Moreover, the Group invests its financial surplus through investment portfolios as well as investment properties inside State of Kuwait.

Segment information presented to the Management is shown as follows:

- 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 estates including rental of investment properties.

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

	Statement of segments activity as at 30 June 2025				
	Cinema & buffets Segment	Financials Investments Segment	Investment Properties Segment	Unallocated items	Total
Net revenues	11,520,496	3,662,026	7,788,435	1,546,895	24,517,852
Costs	(8,738,307)	-	(2,357,736)	(4,638,506)	(15,734,549)
Segment's profit/ (loss)	2,782,189	3,662,026	5,430,699	(3,091,611)	8,783,303
Assets	34,601,699	63,695,495	89,832,940	44,775,083	232,905,217

Notes to the Interim Condensed Consolidated Financial Information for the six months ended 30 June 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

	Statement of segments activity as at 30 June 2024				
	Cinema & buffets Segment	Financials Investments Segment	Investment Properties Segment	Unallocated items	Total
Net revenues	11,367,018	3,351,962	7,346,576	1,962,032	24,027,588
Costs	(9,289,477)	-	(2,424,931)	(4,752,156)	(16,466,564)
Segment's profit/ (loss)	2,077,541	3,351,962	4,921,645	(2,790,124)	7,561,024
Assets	38,953,271	60,169,305	90,266,374	38,012,063	227,401,013

15. Related Parties Transactions

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

The volume and nature of such transactions during the period and its related balances, are shown as follows:

Related parties transactions	30 June 2025	30 June 2024
Key management compensation	147,747	131,068
Expenses (rentals, consultations and others)	686,250	673,323
Other income	55,663	56,247

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Balances resulting from such transactions:			
Due from related parties	27,060	-	165,371
Cash at investment portfolios	3,567,169	3,157,177	2,994,091
Key management benefits – long term	258,944	281,686	224,348
Key management benefits – short term	52,028	-	49,959

A certain related party manages an investment portfolio, on behalf of the Group. Carrying amount of this portfolio is amounting to KD 6,995,410 as at 30 June 2025 (KD 7,300,597 as at 31 December 2024, KD 7,474,818 as at 30 June 2024).

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

16. Capital commitments and Contingent liabilities

16.1 Capital commitments

	30 June 2025	31 December 2024 (Audited)	30 June 2024
Estimated contractual capital expenditures	-	-	5,347,260
Future commitments for purchasing films	754,650	739,200	986,201

16.2 Contingent liabilities

letters of guarantee	2,328,445	2,328,445	2,298,462
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17. Ordinary general assembly meeting

On 27 April 2025, Ordinary General Assembly of Shareholders approved the consolidated financial statements for FY ended 31 December 2024, 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 FY 2024.