KUWAIT NATIONAL CINEMA COMPANY

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

Interim Condensed Consolidated Financial Information and Review Report
For the Six months ended 30 June 2026
(Unaudited)

شركة السينما الكويتية الوطنية

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Deloitte & Touche
Al-Wazzan & Co.
Ahmed Al-Jaber Street, Sharq
Dar Al-Awadi Complex, Floors 7 & 9
P.O. Box 20174, Safat 13062
Kuwait
Tel : +965 22408844, 22438060
Fax : +965 22408855, 22452080
www.deloitte.com

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 subsidiaries (together referred to as "the Group") as at 30 June 2026 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 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 Six-month period ended 30 June 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, 09 August 2026

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

شركة السينما الكويتية الوطنية
KUWAIT NATIONAL CINEMA COMPANY

Interim Condensed Consolidated Statement of Financial Position as at 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	30 June 2026	31 December 2025 (Audited)	30 June 2025
Assets				
Non-current assets				
Property, plant and equipment		21,909,266	22,660,740	23,459,449
Investment properties		88,967,344	88,967,344	89,832,940
Right-of-use leased assets	4	9,069,357	9,792,781	10,951,432
Intangible assets		793,251	1,111,258	1,468,892
Investment in an associate	5	58,253,449	57,597,188	53,132,916
Investments at fair value through other comprehensive income ("FVTOCI")		12,597,340	13,308,840	6,995,410
Trade and other receivables		832,044	831,125	831,225
		192,422,051	194,269,276	186,672,264
Current assets				
Inventories		640,271	572,815	668,553
Trade and other receivables		1,805,562	1,216,027	1,321,259
Cash at banks and investment portfolios	6	47,301,293	45,657,934	44,243,141
		49,747,126	47,446,776	46,232,953
Total assets		242,169,177	241,716,052	232,905,217
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		19,810,029	19,810,029	17,980,964
Other reserves	8	24,754,186	25,624,811	21,462,256
Retained earnings		56,081,436	53,692,906	46,722,173
Equity attributable to Shareholders of the Parent Company		107,616,504	106,098,599	93,136,246
Non-controlling interest		20,490	17,410	15,539
		107,636,994	106,116,009	93,151,785
Liabilities				
Non-current liabilities				
Trade and other payables	9	4,987,175	4,966,465	7,781,210
Lease liabilities	4	22,164,140	23,152,786	22,832,151
Loans and bank facilities	10	63,544,500	64,144,500	67,174,750
Post-employment benefits		1,832,160	1,795,023	1,770,317
		92,527,975	94,058,774	99,558,428
Current liabilities				
Trade and other payables	9	14,167,206	17,286,249	16,494,889
Lease liabilities	4	1,345,686	1,754,256	3,061,774
Loans and bank facilities	10	26,491,316	22,500,764	20,638,341
		42,004,208	41,541,269	40,195,004
Total liabilities		134,532,183	135,600,043	139,753,432
Total equity and liabilities		242,169,177	241,716,052	232,905,217

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

Abdulaziz Dawoud Marzouq Al-Marzouq	**Hisham Fahad Al-Ghanim**
Chairman	Vice-Chairman

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

شركة السينما الكويتية الوطنية
KUWAIT NATIONAL CINEMA COMPANY

Interim Condensed Consolidated Statement of Income for the Six months ended 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended 30 June		Six months ended 30 June	
		2026	**2025**	**2026**	**2025**
Operating revenues	11	12,194,788	11,661,503	19,110,882	19,308,931
Operating costs	12	(6,237,187)	(6,319,290)	(10,438,603)	(11,096,043)
Gross profit		5,957,601	5,342,213	8,672,279	8,212,888
Other operating income		1,016,404	595,281	1,979,614	1,546,895
Administrative and general expenses		(450,370)	(558,912)	(1,111,936)	(1,210,249)
Other operating expenses		(258,959)	(236,377)	(469,950)	(436,638)
Net gains from financial investments		400,209	387,535	427,063	413,333
Group's share of results of an associate	5	1,796,527	1,958,707	3,154,483	3,248,693
Finance costs		(1,209,947)	(1,338,502)	(2,406,448)	(2,672,693)
Net profit before deductions		7,251,465	6,149,945	10,245,105	9,102,229
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")		(47,096)	(37,269)	(62,650)	(53,470)
National labor support tax ("NLST")		(172,011)	(143,615)	(247,845)	(213,861)
Zakat		(47,046)	(36,786)	(62,984)	(51,595)
Net profit for the period		6,985,312	5,932,275	9,871,626	8,783,303
Attributable to:					
Shareholders of the Parent Company		6,982,459	5,931,479	9,868,171	8,782,191
Non-controlling interest		2,853	796	3,455	1,112
		6,985,312	5,932,275	9,871,626	8,783,303
Basic and diluted earnings per share (Fils)	13	75.40	64.06	106.57	94.84

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

Interim Condensed Consolidated Statement of Comprehensive Income for the Six months ended 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended 30 June		Six months ended 30 June	
		2026	**2025**	**2026**	**2025**
Net profit for the period		6,985,312	5,932,275	9,871,626	8,783,303
Other comprehensive income items:					
Items that can not be reclassified subsequently to statement of income:					
Change in fair value of investments at FVTOCI		(139,173)	69,628	(711,500)	(305,187)
Group's share from change in fair value reserve of an associate	5	7,778	(721,053)	(257,846)	(557,030)
		(131,395)	(651,425)	(969,346)	(862,217)
Items that may be reclassified subsequently to statement of income:					
Group's share from foreign currency reserves of an associate	5	3,655	(11,970)	9,624	(10,812)
Foreign Exchange differences on translation of a subsidiary		(76,425)	-	17,572	-
		(72,770)	(11,970)	27,196	(10,812)
Total other comprehensive loss for the period		(204,165)	(663,395)	(942,150)	(873,029)
Total comprehensive income for the period		6,781,147	5,268,880	8,929,476	7,910,274
Attributable to:					
Shareholders of the Parent Company		6,778,294	5,268,084	8,926,021	7,909,162
Non-controlling interest		2,853	796	3,455	1,112
		6,781,147	5,268,880	8,929,476	7,910,274

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

Interim Condensed Consolidated Statement of Changes in Equity for the Six months ended 30 June 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 8)	Retained earnings	Total		
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	14,802	92,649,999
Net profit for the period	-	-	-	-	-	8,782,191	8,782,191	1,112	8,783,303
Other comprehensive loss for the period	-	-	-	-	(873,029)	-	(873,029)	-	(873,029)
Total comprehensive loss for the period	-	-	-	-	(873,029)	8,782,191	7,909,162	1,112	7,910,274
Cash dividends	-	-	-	-	-	(7,408,113)	(7,408,113)	-	(7,408,113)
Cash dividends in subsidiaries	-	-	-	-	-	-	-	(375)	(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
Balance as at 1 January 2026	10,106,250	(8,201,231)	5,065,834	19,810,029	25,624,811	53,692,906	106,098,599	17,410	106,116,009
Net profit for the period	-	-	-	-	-	9,868,171	9,868,171	3,455	9,871,626
Other comprehensive loss for the period	-	-	-	-	(942,150)	-	(942,150)	-	(942,150)
Total comprehensive loss for the period	-	-	-	-	(942,150)	9,868,171	8,926,021	3,455	8,929,476
Transferred to retained earnings on sale of investments to an associate	-	-	-	-	71,525	(71,525)	-	-	-
Cash dividends (note 17)	-	-	-	-	-	(7,408,116)	(7,408,116)	-	(7,408,116)
Cash dividends in subsidiaries	-	-	-	-	-	-	-	(375)	(375)
Balance as at 30 June 2026	10,106,250	(8,201,231)	5,065,834	19,810,029	24,754,186	56,081,436	107,616,504	20,490	107,636,994

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

Interim Condensed Consolidated Statement of Cash Flows for the Six months ended 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinar)

	Six months ended 30 June	
	2026	**2025**
Cash flows from operating activities		
Net profit for the period	9,871,626	8,783,303
Adjustments:		
Depreciation and amortization	1,233,765	972,132
Depreciation of right-of-use leased assets	723,424	913,471
Interest income	(776,066)	(625,290)
Gains from disposal of property, plant and equipment	(50,000)	-
Net gains from financial investments	(427,063)	(413,333)
Group's share of results of an associate	(3,154,483)	(3,248,693)
Post-employment benefits	98,900	121,635
Reverse of allowance for expected credit losses	(607)	-
Finance costs	1,995,096	2,216,433
Interest on lease liabilities	411,352	456,260
Operating profit before changes in operating assets and liabilities	9,925,944	9,175,918
Change in inventories	(67,456)	(9,992)
Change in trade and other receivables	(572,275)	(534,210)
Change in trade and other payables	(3,233,885)	130,731
Cash generated from operating activities	6,052,328	8,762,447
Post-employment benefits paid	(61,763)	(51,305)
Net cash generated from operating activities	5,990,565	8,711,142
Cash flows from investment activities		
Paid for purchase of property, plant and equipment	(241,034)	(262,689)
Paid for purchase of intangible assets	-	(1,242,340)
Proceeds from disposal of intangible assets	76,750	-
Interest income received	776,066	625,290
Proceeds from sale of property, plant and equipment	50,000	-
Time deposits	5,250,000	2,000,000
Dividends received	2,677,063	2,663,333
Net cash generated from investing activities	8,588,845	3,783,594
Cash flows from financing activities		
Net proceeds from / (paid for) loans and bank facilities	3,390,552	(696,506)
Finance cost paid	(2,015,456)	(2,235,209)
Repayment of lease liabilities	(1,397,216)	(1,549,963)
Repayment of interest charged on lease liabilities	(411,352)	(456,260)
Dividends paid	(7,252,579)	(7,239,353)
Net cash used in financing activities	(7,686,051)	(12,177,291)
Net change in cash and cash equivalents	6,893,359	317,445
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 6)	38,305,735	44,247,583

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

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 Boursa 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 subsidiaries, together referred to as ("the Group"):

	Ownership percentage (%)			Activity	Incorporation country
	30 June 2026	**31 December 2025**	**30 June 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 Six months ended 30 June 2026 was authorized for issuance by Board of Directors on 9 August 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 30 June 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.

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
	30 June 2026	31 December 2025	30 June 2025				
Equity instruments classified at FVTOCI							
Quoted shares	8,470,749	9,182,249	6,564,862	Level 1	Last bid price	N/A	N/A
Unquoted shares	546,378	546,378	396,754	Level 3	Discounted cash flows	Discount rate	Higher discount results in value decline
Unquoted shares	3,580,213	3,580,213	33,794	Level 3	Market comparative and adjusted book value	Discount rate	Higher discount results in value decline
	12,597,340	13,308,840	6,995,410				

Reconciliation for determining level 3 of fair value hierarchy:

	30 June 2026	31 December 2025 (Audited)	30 June 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	4,126,591	4,126,591	430,548

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 16 years. The Group's obligations are secured by the lessors' right in the leased assets against such leases.

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Net carrying amount			
Balance at the beginning of the period/year	9,792,781	11,864,903	11,864,903
Amortization	(723,424)	(1,659,930)	(913,471)
Net of disposals	-	(213,868)	-
Impairment	-	(198,324)	-
Balance at the ending of the period/year	9,069,357	9,792,781	10,951,432

Lease liabilities

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Non-current lease liabilities			
Amounts due for settlement after 12 months	22,164,140	23,152,786	22,832,151
Current lease liabilities			
Amounts due for settlement within 12 months	1,345,686	1,754,256	3,061,774
	23,509,826	24,907,042	25,893,925

Maturity analysis

Maturity dates of undiscounted lease liabilities are as follows:

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Not later than 1 year	1,345,686	1,754,256	3,061,774
Later than 1 year and not later than 5 years	10,193,640	10,200,430	8,085,375
Later than 5 years	18,981,121	20,374,329	22,541,097
	30,520,447	32,329,015	33,688,246
Less unearned interest	(7,010,621)	(7,421,973)	(7,794,321)
	23,509,826	24,907,042	25,893,925

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

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Balance as at the beginning of the period/ year	24,907,042	27,443,888	27,443,888
Finance costs	411,352	881,739	456,260
Lease payments	(1,808,568)	(2,941,095)	(2,006,223)
Impact on modification of leases	-	(279,166)	-
Disposals	-	(198,324)	-
Balance at the end of the period/ year	23,509,826	24,907,042	25,893,925

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 30 June		Six months ended 30 June	
	2026	2025	2026	2025
Amortization on right-of-use leased assets	361,754	456,777	723,424	913,471
Interest on lease liabilities	203,198	224,833	411,352	456,260
Leases for less than one year	3,234	4,473	6,468	6,468
Variable lease payments not included in the measurement of the lease liability	443,590	360,040	608,355	536,116
	1,011,776	1,046,123	1,749,599	1,912,315

5. Investment in an associate

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

	30 June 2026	31 December 2025 (Audited)	30 June 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	3,154,483	6,421,333	3,248,693
Group's share of change in fair value reserve	(257,846)	723,790	(557,030)
Group's share from foreign currency translation reserve	9,624	-	(10,812)
Dividends	(2,250,000)	(2,250,000)	(2,250,000)
Balance at the end of the period/ year	58,253,449	57,597,188	53,132,916

6. Cash at banks and investment portfolios

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Cash on hand	51,389	16,205	27,442
Banks' current accounts	12,886,040	9,113,642	8,266,094
Time deposits (less than three months)	21,321,102	18,661,391	32,386,878
Cash in investment portfolios	4,047,204	3,621,138	3,567,169
Cash and cash equivalent	38,305,735	31,412,376	44,247,583
Time deposits (more than three months)	9,000,000	14,250,000	-
Expected credit losses	(4,442)	(4,442)	(4,442)
	47,301,293	45,657,934	44,243,141

Yield rate on time deposits is 3.895% as of 30 June 2026 (4.395% as of 31 December 2025, 3.588% as of 30 June 2025)

7. Treasury shares

	30 June 2026	31 December 2025 (Audited)	30 June 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	10,575,403	12,690,485	9,137,149

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 at 1 January 2025					
Change in fair value of financial investments at FVTOCI	11,929,938	9,249,759	1,028,495	127,093	22,335,285
Foreign currency translation reserve	-	(862,217)	-	-	(862,217)
Other comprehensive loss for the period	-	-	(10,812)	-	(10,812)
Balance at 30 June 2025	-	(862,217)	(10,812)	-	(873,029)
	11,929,938	8,387,542	1,017,683	127,093	21,462,256
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	-	(969,346)	-	-	(969,346)
Foreign currency translation reserve	-	-	27,196	-	27,196
Other comprehensive loss for the period	-	(969,346)	27,196	-	(942,150)
Transferred to retained earnings on sale of investments to an associate	-	71,525	-	-	71,525
Balance at 30 June 2026	12,029,537	11,594,522	1,003,034	127,093	24,754,186

9. Trade and other payables

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Non-current			
Retention payable to contractors	-	-	2,753,254
Others' deposits	4,987,175	4,966,465	5,027,956
	4,987,175	4,966,465	7,781,210
Current			
Trade payables	4,554,131	4,393,609	5,279,114
Provision for claims	2,154,065	2,154,065	2,154,065
Dividends payable	1,495,319	1,339,407	1,375,207
Construction contracts' liabilities of investment properties	2,366,007	3,354,886	4,015,908
Retention payable to contractors	59,722	2,260,383	-
Expenses and accrued leaves	1,758,089	1,695,566	2,021,151
Deferred income	1,355,584	1,320,953	1,283,134
Due to related parties	2,400	2,400	-
Board of Directors' remuneration	-	35,000	-
Taxes and accrued deductions	373,479	673,683	318,926
Other payables	48,410	56,297	47,384
	14,167,206	17,286,249	16,494,889
	19,154,381	22,252,714	24,276,099

10. Loans and bank facilities

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Long term			
Islamic finance	63,544,500	64,144,500	67,174,750
	63,544,500	64,144,500	67,174,750
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	4,611,066	620,514	8,091
	26,491,316	22,500,764	20,638,341
	90,035,816	86,645,264	87,813,091

- 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 0.98% (0.98% during 2025, 1.02% during the Six months ended 30 June 2025), as well as CBK's discount rate during the Six months ended 30 June 2026.

11. Operating revenues

	Three months ended 30 June		Six months ended 30 June	
	2026	**2025**	**2026**	**2025**
Revenues of cinema and buffets activity	8,455,386	7,777,474	11,603,829	11,520,496
Rental Income from investment properties	3,739,402	3,884,029	7,507,053	7,788,435
	12,194,788	11,661,503	19,110,882	19,308,931

12. Operating costs

	Three months ended 30 June		Six months ended 30 June	
	2026	**2025**	**2026**	**2025**
Costs of cinema and buffets activity	5,181,971	5,251,667	8,396,754	8,738,307
Costs of investment properties activity	1,055,216	1,067,623	2,041,849	2,357,736
	6,237,187	6,319,290	10,438,603	11,096,043

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	
	2026	**2025**	**2026**	**2025**
Net profit for the period attributable to the Parent Company's Shareholders	6,982,459	5,931,479	9,868,171	8,782,191
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)	75.40	64.06	106.57	94.84

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 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:

Statement of segments activity as at 30 June 2026

	Cinema & buffets segment	Financial investments segment	Investment properties segment	Unallocated items	Total
Net revenues	11,603,829	3,581,546	7,507,053	1,979,614	24,672,042
Costs	(8,396,754)	-	(2,041,849)	(4,361,813)	(14,800,416)
Segments' profit/ (loss)	3,207,075	3,581,546	5,465,204	(2,382,199)	9,871,626
Assets	30,396,513	74,897,991	88,967,344	47,907,329	242,169,177

	Statement of segments activity as at 30 June 2025				
	Cinema & buffets segment	**Financial 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)
Segments' 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

15. 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	**30 June 2026**	**30 June 2025**
Key management compensation	149,879	147,747
Expenses (rents, consultancy and others)	699,198	686,250
Other income	44,203	55,663

Balances resulting from those transactions:	**30 June 2026**	**31 December 2025 (Audited)**	**30 June 2025**
Due from related parties	-	-	27,060
Cash in investment portfolios	4,047,204	3,621,138	3,567,169
Key management benefits	331,837	296,889	310,972
Due to related parties	2,400	2,400	-

A related party manages an investment portfolio on behalf of the Group. Carrying amount of this portfolio is amounting to KD 12,597,340 as of 30 June 2026 (KD 13,308,840 as of 31 December 2025, KD 6,995,410 as of 30 June 2025).

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

16. Capital commitments and Contingent liabilities

16.1 Capital commitments

	30 June 2026	**31 December 2025 (Audited)**	**30 June 2025**
Future commitments for purchasing films	360,672	566,265	754,650
Projects in progress	660,674	-	-

16.2 Contingent liabilities

letters of guarantee	2,396,179	2,328,445	2,328,445

17. 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.

18. 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.