



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 nine months ended 30 September 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 September 2025 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-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 nine-month period ended 30 September 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 nine-month period ended 30 September 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 6 November 2025

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

(All amounts are in Kuwaiti Dinar)

	Note	30 September 2025	31 December 2024 (Audited)	30 September 2024
ASSETS				
Non-current assets				
Property, plant and equipment		23,030,793	24,167,765	24,469,276
Investments properties		89,832,940	89,832,940	90,266,374
Right-of-use assets	4	10,294,927	11,864,903	12,369,228
Intangible assets		1,472,082	227,679	299,850
Investments in an associate	5	55,156,225	52,702,065	51,136,775
Investments at fair value through other comprehensive income ("FVTOCI")		7,874,284	7,300,597	7,295,109
Trade and other receivables		831,225	843,446	843,446
		<u>188,492,476</u>	<u>186,939,395</u>	<u>186,680,058</u>
Current assets				
Inventories		709,180	658,561	720,642
Trade and other receivables		1,236,348	774,828	768,224
Cash at banks, and investment portfolios	6	47,801,888	45,925,696	40,802,304
		<u>49,747,416</u>	<u>47,359,085</u>	<u>42,291,170</u>
Total assets		<u>238,239,892</u>	<u>234,298,480</u>	<u>228,971,228</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	22,554,381	22,335,285	21,883,781
Retained earnings		52,788,404	45,348,095	43,569,346
Equity attributable to the Parent Company's shareholders		100,294,602	92,635,197	89,014,230
Non-controlling interest		18,738	14,802	15,203
		<u>100,313,340</u>	<u>92,649,999</u>	<u>89,029,433</u>
Liabilities				
Non-current liabilities				
Trade and other payables	9	7,716,407	7,887,178	8,092,152
Lease liabilities	4	23,305,783	25,312,733	25,537,102
Loans and bank facilities	10	65,674,750	67,774,750	64,759,750
Post-employment benefits		1,793,256	1,699,987	1,697,191
		<u>98,490,196</u>	<u>102,674,648</u>	<u>100,086,195</u>
Current liabilities				
Trade and other payables	9	16,452,754	16,107,831	16,206,836
Lease liabilities	4	1,671,101	2,131,155	2,032,080
Loans and bank facilities	10	21,312,501	20,734,847	21,616,684
		<u>39,436,356</u>	<u>38,973,833</u>	<u>39,855,600</u>
Total liabilities		<u>137,926,552</u>	<u>141,648,481</u>	<u>139,941,795</u>
Total equity and liabilities		<u>238,239,892</u>	<u>234,298,480</u>	<u>228,971,228</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



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

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended		Nine months ended	
		30 September		30 September	
		2025	2024	2025	2024
Operating revenues	11	12,404,060	10,020,995	31,712,991	28,864,272
Operating costs	12	(6,842,238)	(7,049,451)	(17,938,281)	(18,852,823)
Gross profit		5,561,822	2,971,544	13,774,710	10,011,449
Other operating income		887,739	623,174	2,434,634	2,455,523
General and administrative expenses		(440,821)	(493,785)	(1,651,070)	(1,908,962)
Other operating expenses		(199,855)	(242,974)	(636,493)	(554,789)
Net gains from financial investments		23,022	25,745	436,355	402,032
Group's share in business results of an associate	5	1,810,059	1,318,653	5,058,752	4,294,328
Finance costs		(1,323,157)	(1,446,907)	(3,995,850)	(4,109,357)
Net Profit before deductions		6,318,809	2,755,450	15,421,038	10,590,224
Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS")		(40,823)	(12,938)	(94,293)	(55,269)
National labour support tax ("NLST")		(164,935)	(69,408)	(378,796)	(257,895)
Zakat		(43,621)	(13,138)	(95,216)	(56,070)
Net profit for the period		6,069,430	2,659,966	14,852,733	10,220,990
Attributable to:					
Shareholders of the Parent Company		6,066,231	2,658,893	14,848,422	10,217,912
Non-controlling interest		3,199	1,073	4,311	3,078
		6,069,430	2,659,966	14,852,733	10,220,990
Basic and diluted earnings profit per share (fils)	13	65.51	28.71	160.35	110.34

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

Interim Condensed Consolidated Statement of Comprehensive Income for the nine months ended 30 September 2025
(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2025	2024	2025	2024
Net profit for the period		6,069,430	2,659,966	14,852,733	10,220,990
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		878,875	(69,694)	573,688	740,814
Group's share from change in fair value reserves of an associate	5	214,537	125,078	(342,493)	174,325
		1,093,412	55,384	231,195	915,139
<i>Items that may be reclassified subsequently to statement of income:</i>					
Group's share from an associate's foreign currency translation reserves	5	(1,287)	(7,352)	(12,099)	(7,740)
Foreign currency differences on translation of a subsidiary		-	43,679	-	290,200
		(1,287)	36,327	(12,099)	282,460
Other comprehensive profit for the period		1,092,125	91,711	219,096	1,197,599
Total comprehensive profit for the period		7,161,555	2,751,677	15,071,829	11,418,589
Attributable to:					
Shareholders of the Parent Company		7,158,356	2,750,604	15,067,518	11,415,511
Non-controlling interests		3,199	1,073	4,311	3,078
		7,161,555	2,751,677	15,071,829	11,418,589

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

**Interim Condensed Consolidated Statement of Changes in Equity for the nine months ended 30 September 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		
Balance as at 1 January 2024	10,106,250	(8,201,231)	5,065,834	16,590,250	20,686,182	40,759,546	15,125	85,021,956
Net profit for the period	-	-	-	-	-	10,217,912	3,078	10,220,990
Comprehensive income for the period	-	-	-	-	1,197,599	-	-	1,197,599
Total comprehensive income for the period	-	-	-	-	1,197,599	10,217,912	3,078	11,418,589
Cash dividends	-	-	-	-	-	(7,408,112)	-	(7,408,112)
Cash dividends in a subsidiary	-	-	-	-	-	-	(3,000)	(3,000)
Balance as at 30 September 2024	10,106,250	(8,201,231)	5,065,834	16,590,250	21,883,781	43,569,346	15,203	89,029,433
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	-	-	-	-	-	14,848,422	4,311	14,852,733
Other Comprehensive loss for the period	-	-	-	-	219,096	-	-	219,096
Total comprehensive loss for the period	-	-	-	-	219,096	14,848,422	4,311	15,071,829
Cash dividends (Note 17)	-	-	-	-	-	(7,408,113)	-	(7,408,113)
Cash dividends in a subsidiary	-	-	-	-	-	-	(375)	(375)
Balance as at 30 September 2025	10,106,250	(8,201,231)	5,065,834	17,980,964	22,554,381	52,788,404	18,738	100,313,340

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

Interim Condensed Consolidated Statement of Cash Flows for the nine months ended 30 September 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar)

	Nine months ended 30 September	
	2025	2024
Cash flows from operating activities		
Net profit for the period	14,852,733	10,220,990
<i>Adjustments:</i>		
Depreciation and amortization	3,724,939	1,860,828
Impairment of property, plants and equipment	-	1,020,000
Depreciation of right-of-use leased assets	1,329,501	1,512,810
Impairment of right-of-use leased assets	-	1,700,000
Interest income	(954,439)	(599,621)
Gains from disposal of property, plants and equipment	-	(616,052)
Disposal of right-of-use leased assets	240,475	-
Disposal of lease liabilities	(419,353)	-
Net gains on financial investments	(436,355)	(402,032)
Group's share of business results of an associate	(5,058,752)	(4,294,328)
Post-employment benefits	159,718	174,657
Provision for Expected Credit Losses (ECL)	-	(15,155)
Finance interests	3,323,783	3,375,301
Interests charged on lease liabilities	672,067	738,362
Operating profit before changes in operating assets and liabilities	17,434,317	14,675,760
Change in inventories	(50,619)	(54,551)
Change in trade and other receivables	(449,298)	319,806
Change in trade and other payables	(239,688)	(5,360,506)
Cash generated from operating activities	16,694,712	9,580,509
Post-employment benefits paid	(66,449)	(76,342)
Net cash generated from operating activities	16,628,263	9,504,167
Cash flows from investing activities		
Paid for purchase of property, plant and equipment	(335,421)	(861,012)
Paid for purchase of intangible assets	(3,496,949)	(242,242)
Time deposits	(12,250,000)	(2,000,000)
Interest income received	954,439	599,621
Proceeds from sale of property, plants and equipment	-	815,954
Proceeds from disposal of investments at fair value through other comprehensive income ("FVTOCI")	-	110,015
Cash dividends received	2,686,355	2,652,032
Net cash (used in)/ generated from investing activities	(12,441,576)	1,074,368
Cash flows from financing activities		
Net paid / (proceeds from) loans and bank facilities	(1,522,346)	4,906,992
Finance costs paid	(3,062,946)	(3,517,487)
Repayment of lease liabilities	(2,047,651)	(2,081,178)
Repayment of interest charged on lease liabilities	(672,067)	(738,362)
Dividends paid	(7,255,485)	(7,279,572)
Net cash used in financing activities	(14,560,495)	(8,709,607)
Net change in cash and cash equivalents	(10,373,808)	1,868,928
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)	33,556,330	38,806,746

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

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 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":

	Shareholding percentage (%)	Activity	Incorporation Country
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 nine months ended 30 September 2025 was authorized for issuance by Board of Directors on 6 November 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 September 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 nine months ended 30 September 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 September 2025	31 December 2024	30 September 2024				
Equity instruments classified at FVTOCI							
Quoted shares	7,443,736	6,870,049	6,908,380	Level 1	Last bid price	N/A	N/A
Unquoted shares	396,754	396,754	376,729	Level 3	Discounted cash flows market comparative and adjusted carrying amount	Discount rate	Higher discount results in value decline
Unquoted shares	33,794	33,794	10,000	Level 3		Discount rate	Higher discount results in value decline
	7,874,284	7,300,597	7,295,109				

Reconciliation for determining level 3 of fair value hierarchy:

	30 September 2025	31 December 2024 (Audited)	30 September 2024
Balance at the beginning of the period/year	430,548	66,194	66,194
Change in fair value	-	364,354	320,535
Balance at the ending of the period/year	430,548	430,548	386,729

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 September 2025	31 December 2024 (Audited)	30 September 2024
Net carrying amount			
Balance at the beginning of the period/year	11,864,903	15,582,038	15,582,038
Amortizations	(1,329,501)	(2,017,135)	(1,512,810)
Impairment	-	(1,700,000)	(1,700,000)
Disposals	(240,475)	-	-
Balance at the ending of the period/year	10,294,927	11,864,903	12,369,228
Lease liabilities			
	30 September 2025	31 December 2024 (Audited)	30 September 2024
Non-Current lease liabilities			
Payable amounts after 12 months	23,305,783	25,312,733	25,537,102
Current lease liabilities			
Payable amounts within 12 months	1,671,101	2,131,155	2,032,080
	24,976,884	27,443,888	27,569,182

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

Maturity Analysis

Maturity dates of lease liabilities are shown as follows:

	30 September 2025	31 December 2024 (Audited)	30 September 2024
Not later than 1 year	1,671,101	2,131,155	2,032,080
Later than 1 year and not later than 5 years	8,572,844	9,724,524	9,713,332
Later than 5 years	22,344,247	23,871,584	24,080,654
	32,588,192	35,727,263	35,826,066
Less: Unrealized interests	(7,611,308)	(8,283,375)	(8,256,884)
	24,976,884	27,443,888	27,569,182

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

	30 September 2025	31 December 2024 (Audited)	30 September 2024
Balance as at the beginning of the period/ year	27,443,888	29,650,360	29,650,360
Finance costs	672,067	974,579	738,362
Lease payments	(2,719,718)	(3,181,051)	(2,819,540)
Disposals	(419,353)	-	-
Balance at the end of the period/ year	24,976,884	27,443,888	27,569,182

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 September		Nine months ended 30 September	
	2025	2024	2025	2024
Amortization of right-of-use assets	416,030	504,326	1,329,501	1,512,810
Interests charged on lease liabilities	215,807	301,674	672,067	738,362
Leases for less than one year	3,234	1,994	9,702	5,982
Variable leases unrecognized in measurement of lease liabilities	440,448	300,777	976,564	830,747
	1,075,519	1,108,771	2,987,834	3,087,901

5. Investment in an Associate

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

	30 September 2025	31 December 2024 (Audited)	30 September 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	5,058,752	5,681,169	4,294,328
Group's share from change in fair value	(342,493)	345,034	174,325
Group's share from foreign currency translation reserve	(12,099)	-	(7,740)
Dividends	(2,250,000)	(2,250,000)	(2,250,000)
Balance at the end of the period/ year	55,156,225	52,702,065	51,136,775

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

6. Cash at banks and investment portfolios

	30 September 2025	31 December 2024 (Audited)	30 September 2024
Cash on hand	23,821	15,782	31,265
Banks' current accounts	9,514,626	8,861,967	5,771,937
Time deposits (less than three months)	20,429,059	31,895,212	29,874,276
Cash in investment portfolios	3,588,824	3,157,177	3,129,268
Cash and cash equivalent	33,556,330	43,930,138	38,806,746
Time deposits (for more than three months)	14,250,000	2,000,000	2,000,000
Expected Credit Losses ECL	(4,442)	(4,442)	(4,442)
	47,801,888	45,925,696	40,802,304

7. Treasury shares

	30 September 2025	31 December 2024 (Audited)	30 September 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	9,441,720	9,813,975	10,236,991

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	-	915,139	-	-	915,139
Foreign currency translation reserve	-	-	282,460	-	282,460
Items of other comprehensive income for the period	-	915,139	282,460	-	1,197,599
Balance as at 30 September 2024	11,757,139	9,078,785	920,764	127,093	21,883,781
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	-	231,195	-	-	231,195
Foreign currency translation reserve	-	-	(12,099)	-	(12,099)
Other comprehensive income / (loss) for the period	-	231,195	(12,099)	-	219,096
Balance as at 30 September 2025	11,929,938	9,480,954	1,016,396	127,093	22,554,381

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

9. Trade and Other Payables

	30 September 2025	31 December 2024 (Audited)	30 September 2024
Non-current			
Retention payable to contractors	2,751,219	2,714,696	2,800,230
Others' deposits	4,965,188	5,172,482	5,291,922
	<u>7,716,407</u>	<u>7,887,178</u>	<u>8,092,152</u>
Current			
Trade payables	5,294,014	4,100,571	4,562,085
Provision for claims	2,154,065	2,154,064	2,154,065
Expenses and accrued leaves	2,127,251	1,891,707	1,655,223
Dividends payable	1,359,075	1,206,856	1,206,976
Construction-contracts liabilities for investment properties	3,542,273	4,976,798	5,100,640
Deferred income	1,359,674	1,206,072	1,108,600
Due to related parties (Note 19)	-	-	1,270
Board of Directors' remuneration	-	35,000	-
KFAS	94,293	75,080	55,269
NLST	378,796	335,931	257,895
Zakat	95,216	73,753	56,070
Other payables	48,097	51,999	48,743
	<u>16,452,754</u>	<u>16,107,831</u>	<u>16,206,836</u>
	<u>24,169,161</u>	<u>23,995,009</u>	<u>24,298,988</u>

10. Loans and Bank Facilities

	30 September 2025	31 December 2024 (Audited)	30 September 2024
Long term			
Islamic finance	65,674,750	67,774,750	64,759,750
	<u>65,674,750</u>	<u>67,774,750</u>	<u>64,759,750</u>
Short term			
Islamic finance	13,700,000	13,630,250	13,545,250
Loans	7,000,000	7,000,000	7,000,000
Bank overdrafts	612,501	104,597	1,071,434
	<u>21,312,501</u>	<u>20,734,847</u>	<u>21,616,684</u>
	<u>86,987,251</u>	<u>88,509,597</u>	<u>86,376,434</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 nine months ended 30 September 2025 (1.02% during 2024, and 5.25% above interest rate declared by CBK during period of nine months ended 30 September 2024).

11. Operating revenues

	Three months ended 30 September		Nine months ended 30 September	
	2025	2024	2025	2024
Revenues of cinema and buffets activity	8,858,578	6,286,595	20,379,074	17,783,296
Rental Income from investment properties	3,545,482	3,734,400	11,333,917	11,080,976
	<u>12,404,060</u>	<u>10,020,995</u>	<u>31,712,991</u>	<u>28,864,272</u>

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

12. Operating costs

	Three months ended 30 September		Nine months ended 30 September	
	2025	2024	2025	2024
Costs of cinema and buffets activity	6,096,937	6,842,561	14,835,244	16,221,002
Costs of investment properties activity	745,301	206,890	3,103,037	2,631,821
	6,842,238	7,049,451	17,938,281	18,852,823

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 September		Nine months ended 30 September	
	2025	2024	2025	2024
Net profit for the period attributable to the Parent Company's Shareholders	6,066,231	2,658,893	14,848,422	10,217,912
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)	65.51	28.71	160.35	110.34

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 September 2025					
	Cinema & buffets Segment	Financials Investments Segment	Investment Properties Segment	Unallocated items	Total
Net revenues	20,379,074	5,495,107	11,333,917	2,434,634	39,642,732
Costs	(14,835,244)	-	(3,103,037)	(6,851,718)	(24,789,999)
Segment's profit/ (loss)	5,543,830	5,495,107	8,230,880	(4,417,084)	14,852,733
Assets	33,525,500	66,619,334	89,832,940	48,262,117	238,239,891

Notes to the Interim Condensed Consolidated Financial Information for the nine months ended 30 September 2025

(Unaudited)

(All amounts are in Kuwaiti Dinar unless otherwise stated)

Statement of Segments Activity as at 30 September 2024					
	Cinema & buffets Segment	Financials Investments Segment	Investment Properties Segment	Unallocated items	Total
Net revenues	17,783,296	4,696,360	11,080,976	2,455,523	36,016,155
Costs	(16,221,002)	-	(2,631,821)	(6,942,342)	(25,795,165)
Segment's profit/ (loss)	1,562,294	4,696,360	8,449,155	(4,486,819)	10,220,990
Assets	35,763,585	61,561,152	90,266,374	41,380,117	228,971,228

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:

	30 September 2025	30 September 2024
Related parties transactions		
Key management compensation	221,620	196,602
Expenses (rentals, consultations and others)	1,113,564	1,052,543
Other income	80,524	83,801

	30 September 2025	31 December 2024 (Audited)	30 September 2024
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Balances resulting from such transactions:

Due from related parties	-	-	1,270
Cash at investment portfolios	3,588,824	3,157,177	3,129,268
Key management benefits – long term	264,011	281,686	228,808
Key management benefits – short term	35,696	-	38,558

A certain related party manages an investment portfolio, on behalf of the Group. Carrying amount of this portfolio is amounting to KD 7,874,284 as at 30 September 2025 (KD 7,300,597 as at 31 December 2024, KD 7,295,109 as at 30 September 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 September 2025	31 December 2024 (Audited)	30 September 2024
Future commitments for purchasing films	1,309,228	739,200	986,201

16.2 Contingent liabilities

letters of guarantee	2,329,195	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.