



KINEPOLIS GROUP

CONDENSED INTERIM FINANCIAL STATEMENTS

30 June 2023

Regulatory release – 17 August 2023 – Unaudited





CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 30 JUNE 2023

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Analysis of the results (Press release)

Record high revenue in the first half of 2023

In the first half year of 2023, Kinopolis generated 25.1% more revenue than in the same period in 2022 and 19.8% more than in the first half of record year 2019. EBITDA(L) and revenue per visitor also reached their highest level ever.

This was achieved despite the number of visitors still being lower than before the pandemic (-5.3% compared with H1 2019), spread over a now expanded number of cinemas. This larger base underlines the growth potential when visitor numbers continue to increase upon full recovery of the range of international films on offer.

The high revenue per visitor reflects the increased demand for more experience and, as such, 'premium' film experiences. Kinopolis therefore continues to invest in a higher capacity of premium formats and new products in its cinemas in order to offer a diverse range of products adapted to various target groups.

The Entrepreneurship and Star plans that Kinopolis has developed over the past years, in anticipation of a lower number of visitors and a higher demand for experience, are bearing double fruit as market demand increases.

Important achievements in H1 2023

- ★ Acquisition of cinema in Belfort (FR)
- ★ Agreement for six new IMAX screens (opening late 2023) and two upgrades of existing IMAX screens
- ★ Further roll-out of Premiere Seats, VIP Seats and Laser ULTRA for a premium film experience in North America

Key figures H1 2023 ¹

- ★ **Total revenue** amounted to € 285.3 million, an increase of 25.1% compared to the same period in 2022 or 19.8% compared to the same period in 2019.
- ★ Kinopolis achieved this record turnover with 16.8 million **visitors**, an increase of 22.8% compared to the first half of 2022 or 94.7% of the visitors welcomed in the first half of 2019.
- ★ **Sales per visitor** (tickets, drinks and snacks) increased further compared to 2022.
- ★ **EBITDA** amounted to € 82.0 million in the first semester versus € 68.2 million in 2022 and € 69.2 million in 2019, while **EBITDAL** (EBITDA adjusted for leases) amounted to € 64.3 million, compared with € 50.4 million in 2022 and € 55.3 million in 2019. EBITDAL per visitor rose from € 3.68 in the first half of 2022 to € 3.83 in the first half of 2023.

¹ Figures from 1 January up to and including 30 June 2023.



- ★ **Total profit** amounted to € 20.8 million, more than doubling the profit registered in the first half of 2022.
- ★ **Free cash flow** amounted to € 22.3 million.
- ★ **Net financial debt** (excluding lease liabilities) remained roughly constant at € 422.6 million, despite important investments in maintenance and premium film experiences, working capital movements and an acquisition.

Eddy Duquette, CEO of Kinopolis Group, about the first half of the year:

“We have had an outstanding first half, during which we registered record high figures with visitor numbers that are not yet at the level they were before the pandemic. The first six months confirmed what we were already able to observe in 2022: visitor numbers are recovering in line with the increase of the number of international films on offer. Blockbusters like ‘Avatar 2’ and ‘The Super Mario Bros. Movie’ led the way in the first half of the year and, in recent weeks, we have witnessed the phenomenal success of ‘Barbie’ and ‘Oppenheimer’ (which are not yet included in these figures).

The high demand for experience and the fact that we have continued to invest in our enhanced experience offering since the pandemic, combined with the further increase in visitor numbers, provide good growth potential for the future. Comparing on a like-for-like basis - i.e. without the cinemas taken over since then and the newly opened ones - we are still only at 74.8% of the visitors we received in 2019 at Group level. We anticipate this figure will continue to develop positively in the coming months and years.

We are now reaping the rewards of the ambitious Entrepreneurship and Star plans that we made during and after the pandemic. And those rewards are still growing as our regained financial strength allows us to continue to invest in a premium film experience and in the further expansion of the Group.”



Key figures

in million €	H1 2023	H1 2022	% Increase / - Decrease
Revenue	285,3	228,0	25,1%
<i>Visitors ('000)</i>	<i>16 783</i>	<i>13 668</i>	<i>22,8%</i>
EBITDA	82,0	68,2	20,1%
<i>EBITDA margin</i>	<i>28,7%</i>	<i>29,9%</i>	<i>- 119 bps</i>
<i>EBITDA / visitor</i>	<i>4,88</i>	<i>4,99</i>	<i>-2,2%</i>
EBITDAL	64,3	50,4	27,6%
<i>EBITDAL margin</i>	<i>22,5%</i>	<i>22,1%</i>	<i>44 bps</i>
<i>EBITDAL / visitor</i>	<i>3,83</i>	<i>3,68</i>	<i>3,9%</i>
EBIT	43,1	27,9	54,6%
<i>EBIT margin</i>	<i>15,1%</i>	<i>12,2%</i>	<i>288 bps</i>
Result	20,8	9,1	129,1%
<i>Result per share (in €)</i>	<i>0,77</i>	<i>0,34</i>	<i>128,7%</i>
Free Cash Flow	22,3	25,7	-13,5%

in million €	30/06/2023	31/12/2022	% Evolution
Total assets	1 115,6	1 169,5	-4,6%
Total equity	168,0	157,6	6,6%
Net financial debt excl. lease liabilities (NFD)	422,6	423,5	-0,2%



Notes

Visitors

Kinepolis received 16.8 million visitors in the first half of the year, an increase of 22.8% compared to the first half of 2022 or 94.7% of the visitors welcomed in the first half of 2019. In the second quarter, Kinepolis welcomed 12.6% more visitors than in Q2 2022 or 97.9% of the visitors in Q2 2019.

The most successful films in the first six months of 2023 were 'The Super Mario Bros. Movie', 'Avatar 2', 'Guardians of the Galaxy Vol. 3', 'Spider-Man: Across the Spider-Verse - Part One' and 'Fast X'. The most successful local films were 'Zillion' in Belgium, 'Alibi.com 2', 'Astérix & Obélix: L'Empire du Milieu' and 'Les Trois Mousquetaires: D'Artagnan' in France, 'De Tatta's' in the Netherlands and 'Moomios' ('Mummies') in Spain.

Visitors (in millions)	Belgium	France	Canada	Spain	The Netherlands	United States	Luxembourg	Switzerland	Total
Number of cinemas*	11	17	38	10	20	10	3	1	110
H1 2023	2,87	3,24	4,42	2,13	1,66	2,04	0,39	0,05	16,78
H1 2022	2,63	2,42	3,62	1,58	1,47	1,61	0,30	0,04	13,67
H1 2023 vs H1 2022	9,2%	33,9%	22,1%	34,4%	12,4%	26,7%	29,7%	22,4%	22,8%

Visitors (in millions)	Belgium	France	Canada	Spain	The Netherlands	United States	Luxembourg	Switzerland	Total
Number of cinemas*	11	17	38	10	20	10	3	1	110
Q2 2023	1,29	1,59	2,54	1,17	0,75	1,15	0,19	0,02	8,71
Q2 2022	1,34	1,24	2,25	0,88	0,87	0,96	0,16	0,02	7,73
Q2 2023 vs Q2 2022	-3,9%	28,1%	12,9%	32,1%	-13,9%	20,2%	18,3%	4,5%	12,6%

* Operated by Kinepolis. In addition, one cinema (in Poland) is leased to third parties.
Number of cinemas at 30/06/2023

Revenue

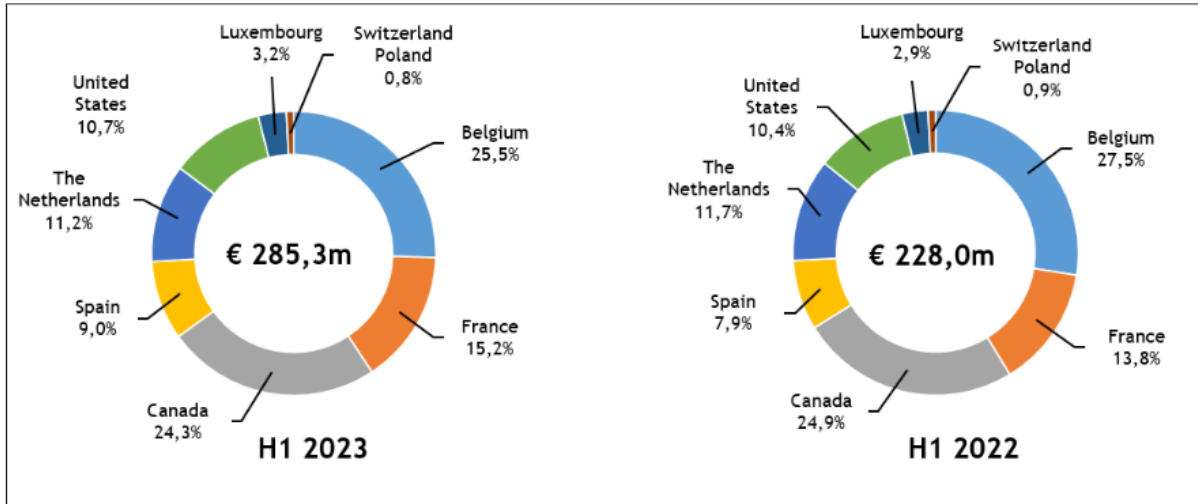
Total revenue in the first half-year amounted to € 285.3 million, an increase of 25.1% compared to the same period in 2022 or 119.8% of the revenue in the first half of 2019.

Both ticket sales revenue (Box Office) and revenue from the sale of drinks and snacks (In-theatre Sales) showed an increase per visitor compared to 2022, thanks to the success of premium cinema experiences and higher consumption.

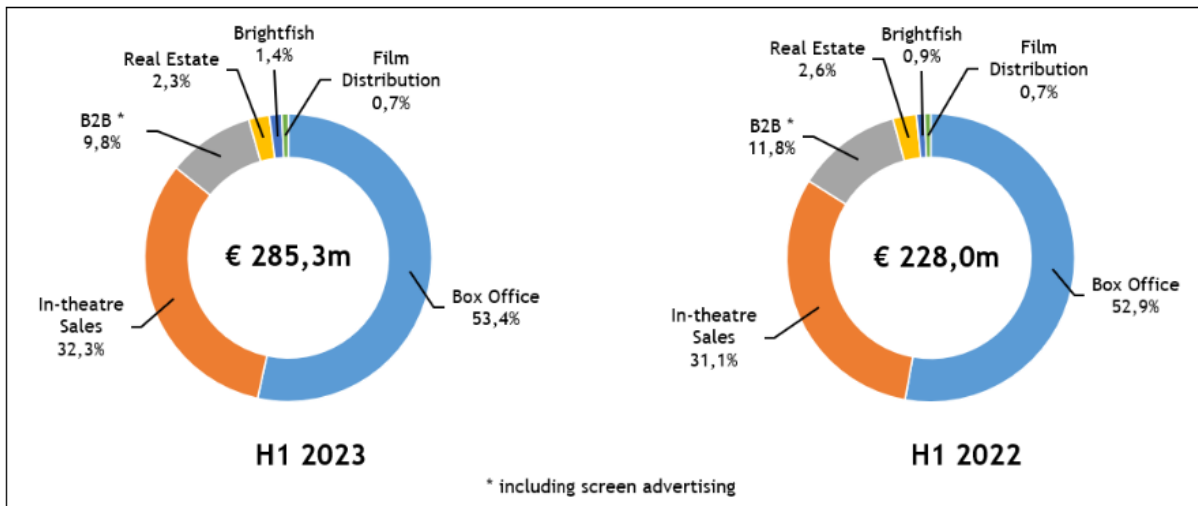
Revenue from all other business lines also increased compared to the first half of 2022. That was also the case compared to 2019, with the exception of screen advertising and revenue from the renting out of commercial spaces in cinemas, which are still recovering.



Revenue by country



Revenue by activity



Revenue from ticket sales (**Box Office, BO**) increased by 26.5% compared to the same period in 2022, to € 152.4 million. BO revenue per visitor increased by 3.0%, thanks in part to the greater demand for more experience (premium formats) and inflation-compensating price increases.

Revenue from the sale of drinks and snacks (**In-theatre sales, ITS**) increased by 30.1% to € 92.2 million compared to the first half of 2022. ITS revenue per visitor increased by 6.5% (excluding home delivery revenue), thanks to an increase in virtually all countries.



B2B revenue increased by 3.8% compared to the same period in 2022, mainly thanks to an increase in revenue from the still recovering screen advertising.

Real estate income increased by 10.2% due to the ending of rent allowances, an increase in variable rental income, mainly parking income, as well as income from the commercial spaces that Kinepolis itself operates.

The turnover of **Brightfish**, the Belgian screen advertising sales house, increased by 92.9% thanks to more screen advertising and more events. **Kinepolis Film Distribution (KFD)** saw its income rise by 31.7%, thanks to the long cinema life of successful films brought out at the end of 2022 ('Zillion', 'The Eight Mountains').

Operating costs

Operating costs increased by 37.3% in the first half of 2023, particularly due to higher sales and marketing costs and a decrease in the Covid-19 grants and rent abatements obtained.

EBITDA

EBITDA amounted to € 82.0 million in the first half of 2023. After adjustment for leases, EBITDAL amounted to € 64.3 million. EBITDAL per visitor increased from € 3.68 to € 3.83.

Profit for the period

Net financial costs decreased from € 15.6 million to € 15.3 million, particularly due to a drop in the IFRS 16 financial costs.

The effective tax rate was 25.2%, compared with 26.3% in the same period of the previous year.

Profit in the first half of 2023 amounted to € 20.8 million, mainly due to the good operating result, somewhat offset by increased income taxes.

Profit per share amounted to € 0.77, compared to € 0.34 in 2022 and € 0.70 in 2019.

Free cash flow and net financial debt

A positive free cash flow of € 22.3 million was achieved in the first half of 2023, mainly due to the good operating result and despite the negative working capital of € 19.9 million, € 3.4 million in interest paid, € 10.2 million for maintenance investments and € 5.9 million in taxes paid.

In the first half of 2023, € 10.2 million was invested in the maintenance of cinemas (including the purchase of laser projectors) and € 13.0 million in internal and external expansion, including the takeover of the Pathé cinema in Belfort (FR), new IMAX screens, the further roll-out of Premiere Seats in Canada and the renovation of Landmark Waterloo (CA).

Compared with 31 December 2022, net financial debt - excluding lease liabilities - remained roughly constant at € 422.6 million at the end of June 2023.



Balance sheet

Fixed assets (€ 1,026.4 million) accounted for 92.0% of the balance sheet total (€ 1,115.6 million) on 30 June 2023. This includes land and buildings (including investment property) with a carrying amount of € 377.9 million.

Equity amounted to € 168.0 million on 30 June 2023. The solvency ratio was 15.1%, compared to 13.5% at the end of 2022.

Important events since 1 January 2023

Procurement of 171 laser projectors for 2023

Kinopolis is taking another major step in its transition to laser projection in 2023 by procuring 171 laser projectors from Cinionic. This will result in additional energy savings of approximately 1.5 GW per year. As per 30 June 2023, 104 of the planned 171 lasers had been installed. Approximately 80% of Kinopolis' European screens is expected to be laser by the end of 2023, and nearly 60% at Group level.

Acquisition of Pathé cinema in Belfort (FR)

Three months after the acquisition of the Gaumont cinema in Amnéville, Kinopolis took over a second French cinema belonging to the Pathé network, Les Quais de Pathé in Belfort, in the department Franche-Comté. Kinopolis acquired the company Pathé Belfort SAS, that is operating the (leased) cinema. The complex has 14 screens (of which one 4DX screen) and 2,562 seats and it welcomed close to 500,000 visitors in 2019.

Agreement for 8 IMAX locations in Europe and North America

Kinopolis Group and IMAX Corporation have expanded their partnership with an agreement for 8 IMAX locations, including six new state-of-the-art IMAX screens and two upgrades. The agreement serves as the basis for a long-term relationship with possible future extensions. The new IMAX locations in Europe include one theatre each in Belgium (Liège), Luxembourg (Kirchberg), France (Nîmes) and Spain (Madrid). Further, a new IMAX screen will also open in Michigan, U.S. and Ontario, Canada. Kinopolis currently already partners with IMAX® on seven locations, five in Canada (under the Landmark Cinemas brand) and two in Belgium (Antwerp and Brussels). The new deal significantly expands Kinopolis' IMAX footprint, allowing more moviegoers to enjoy a top-notch IMAX movie experience.

Launch of a share buyback program

On 13 June 2023, Kinopolis Group NV launched a share buyback program, in which an independent intermediary has been given a discretionary mandate to buy back - on behalf of Kinopolis Group NV - up to 200,000 own shares on Euronext Brussels between 13 June 2023 and 16 August 2023, for a maximum amount of € 10 million. The share buyback is carried out within the conditions specified in the authorization by the Extraordinary General Meeting of May 10, 2023, by which the Board of Directors is authorized to buy back own shares, under certain conditions, to cover share options. The results of the buyback program are not yet known at the date of this publication.

Further roll-out of Premiere Seats in Landmark cinemas (CA)

Premiere Seats were installed in various Landmark Cinemas during the first half of the year. Premiere Seats are two or three heated recliners grouped together, offering more privacy than standard recliners (enabling cinemagoers to enjoy films in their own bubble) and they are additionally equipped with a coat hook and table. Each auditorium has one or two rows of Premiere Seats. A total of 17 Landmark Cinemas are now fitted with Premiere Seats.



Renovation of the Landmark Cinema in Waterloo (CA)

The Landmark Cinema in Waterloo, Ontario is currently being renovated and equipped with recliners, Premiere Seats, a Laser ULTRA auditorium and IMAX screen. Laser ULTRA is Kinopolis' own Premium Large Format, a combination of 4K laser projection and Dolby Atmos sound for an even more intense film experience. Landmark Cinemas Canada now has 12 Laser ULTRA screens spread throughout the country. The renovation of Landmark Waterloo is due to be completed in October 2023.

Opening of the second Laser ULTRA screen in the US

In June 2023, MJR Theatres opened a Laser ULTRA screen in the MJR MarketPlace cinema in Sterling Heights. After the successful introduction of Laser ULTRA in MJR Brighton last year, this is the Group's second Laser ULTRA venue in the United States. The combination of 4K laser projection and Dolby Atmos sound with heated recliners provides the most premium cinema experience on the market. The cinema also has several rows of VIP Seats (similar to the Premiere Seats in Canada and Cosy Seats in Europe).

Hollywood strike

Following the example of the screenwriters (Writers Guild of America, WGA), who have been on strike since 2 May 2023, the actors union SAG-AFTRA (Screen Actors Guild-American Federation of Television and Radio Artists) also ceased work on 13 July. The screen writers and actors are calling for better pay and working conditions and fear the impact of artificial intelligence (AI) on their work. The strike has brought several productions to a standstill and no promotional work is being carried out by actors. The strike will have some impact on the release calendar in the coming period, as the timing of some blockbusters can be adjusted. The precise impact depends on the duration of the strike and the individual decisions taken by studios. However, there is a lot of film content in the pipeline and Kinopolis is confident to be able to fill its screens with quality local and international films, even if the timing of some Hollywood films is adjusted. Kinopolis estimates that the film industry and cinema sector will not be fundamentally affected by this.

Line-up for the second half of 2023

The most popular films at the moment are 'Barbie', 'Oppenheimer', 'The Meg 2: The Trench', 'Mission Impossible: Dead Reckoning Part One', 'Gran Turismo' and 'Elemental'. The following blockbusters are due to hit cinemas in the coming weeks and months: 'The Nun 4', 'Dragonkeeper', 'Expendables 4', 'After Everything', 'Trolls', 'Killers of the Flower Moon', 'Dune: part two', 'The Marvels', 'Napoleon', 'Wish', 'Wonka' and 'Aquaman and the Lost Kingdom'. The local film programme includes 'Wil' and 'Het Smelt' in Flanders, 'Les Trois Mousquetaires: Milady', '3 jours max' and 'Une année difficile' in France, 'De Tatta's 2' and 'Bon Bini: Bangkok Nights' in the Netherlands and 'Me he hecho viral' and 'Ocho Apellidos Marroquíes' in Spain. Live opera and ballet will be complemented by art, sport and concerts.



Financial calendar

Thursday, 26 October 2023
Thursday, 22 February 2024
Thursday, 25 April 2024
Wednesday, 8 May 2024

Business update for the third quarter of 2023
Annual results for 2023
Business update for the first quarter of 2024
General Meeting

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About Kinopolis

Kinopolis Group NV was formed in 1997 as a result of the merger of two family-run cinema groups and was listed on the stock exchange in 1998. Kinopolis offers an innovative cinema concept which serves as a pioneering model within the industry. In addition to its cinema business, the Group is also active in film distribution, event organization, screen publicity and property management.

In Europe, Kinopolis Group NV has 63 cinemas spread across Belgium, the Netherlands, France, Spain, Luxembourg, Switzerland and Poland. Since the acquisition of Canadian movie theatre group Landmark Cinemas and American movie theatre group MJR Theatres, Kinopolis also operates 38 cinemas in Canada and 10 in the US.

In total, Kinopolis Group currently operates 111 cinemas worldwide, with a total of 1,138 screens and more than 200,000 seats. Kinopolis' employees are all committed to giving millions of visitors an unforgettable movie experience. More information on www.kinopolis.com/corporate.



Condensed consolidated income statement

IN '000 €	Note	30/06/2023	30/06/2022
Revenue	8	285 261	228 028
Cost of sales		-216 122	-181 192
Gross result		69 139	46 836
Marketing and selling expenses		-12 622	-9 386
Administrative expenses		-13 999	-13 199
Other operating income		930	3 665
Other operating expenses		- 363	- 49
Operating result		43 084	27 866
Financial income		670	473
Financial expenses		-15 978	-16 041
Result before tax		27 776	12 298
Income tax expenses		-6 997	-3 229
RESULT FOR THE PERIOD		20 779	9 068
Attributable to:			
Owners of the Company		20 768	9 075
Non-controlling interests		11	- 7
RESULT FOR THE PERIOD		20 779	9 068
Basic earnings per share (€)		0,77	0,34
Diluted earnings per share (€)		0,76	0,33

The notes are an integral part of the condensed interim financial statements.



Condensed consolidated statement of profit or loss and other comprehensive income

IN '000 €	30/06/2023	30/06/2022
Result for the period	20 779	9 068
Result for the period	20 779	9 068
Items to be reclassified to profit or loss if specific conditions are met in the future:		
Translation differences on intra-group non-current borrowings in foreign currencies	-1 369	14 647
Translation differences of financial statements in foreign currencies	- 546	4 986
Cash flow hedges - effective portion of changes in fair value	300	22
Income taxes relating to the components of other comprehensive income to be reclassified to profit or loss in subsequent periods	- 75	- 618
Other comprehensive income for the period, net of income taxes	-1 690	19 037
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	19 089	28 106
Attributable to:		
Owners of the Company	19 078	28 094
Non-controlling interests	11	12
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	19 089	28 106

The notes are an integral part of the condensed interim financial statements.



Condensed consolidated statement of financial position

ASSETS

IN '000 €	Note	30/06/2023	31/12/2022
Intangible assets		11 731	11 408
Goodwill	16	176 434	174 870
Property, plant and equipment		473 242	482 512
Right-of-use assets	14	322 771	333 462
Investment property		15 420	15 878
Deferred tax assets	15	20 151	21 142
Non-current tax assets		1 653	1 653
Derivative financial instruments			349
Other receivables		4 956	4 896
Other financial assets		27	27
Non-current assets		1 026 386	1 046 197
Inventories		7 708	7 688
Trade and other receivables	9	29 435	41 051
Current tax assets		5 117	6 810
Cash and cash equivalents		45 585	67 751
Derivative financial instruments		648	
Assets classified as held for sale	10	688	
Current assets		89 182	123 299
TOTAL ASSETS		1 115 568	1 169 496

EQUITY AND LIABILITIES

IN '000 €	Note	30/06/2023	31/12/2022
Share capital		18 952	18 952
Share premium		1 154	1 154
Consolidated reserves	11	142 196	130 009
Translation reserve		5 699	7 603
Total equity attributable to owners of the Company		168 002	157 719
Non-controlling interests	17	11	- 91
Total equity		168 013	157 628
Loans and borrowings	13	383 457	463 193
Lease liabilities	14	326 593	335 375
Provisions for employee benefits		805	791
Provisions		1 864	2 093
Deferred tax liabilities		10 857	11 133
Other payables		4 777	5 044
Non-current liabilities		728 353	817 629
Bank overdrafts		0	0
Loans and borrowings	13	85 000	28 378
Lease liabilities	14	34 176	34 996
Trade and other payables	9	98 202	127 732
Provisions		65	173
Current tax liabilities		1 759	2 960
Current liabilities		219 202	194 239
TOTAL EQUITY AND LIABILITIES		1 115 568	1 169 496

The notes are an integral part of the condensed interim financial statements.



Condensed consolidated statement of cash flow

IN '000 €	Note	30/06/2023	30/06/2022
Result before tax		27 776	12 298
Adjustments for:			
Depreciations and amortisations		40 513	40 174
Provisions and impairments		-1 616	198
Provisions for employee benefits		14	28
Government grants		- 384	- 356
Adjustments to right-of-use assets and lease liabilities		- 125	
(Gains) Losses on sale of property, plant and equipment		- 9	- 31
Change in fair value of derivative financial instruments and unrealised foreign exchange results		147	815
Unwinding of non-current receivables and provisions		- 15	- 58
Share-based payments		18	72
Amortisation of refinancing transaction costs		263	289
Interest expenses and income		12 499	12 675
Forgiveness of lessee's lease payments	14	- 147	-2 782
Change in inventories		- 6	- 900
Change in trade and other receivables	9	14 276	2 052
Change in trade and other payables	9	-34 090	-11 861
Cash flow from operating activities		59 115	52 612
Income taxes paid / received		-5 858	- 563
Net cash flow - used in / + from operating activities		53 257	52 049
Acquisition of intangible assets		-1 549	- 788
Acquisition of property, plant and equipment and investment property		-15 349	-6 904
Advance lease payments	14	- 104	
Acquisition of subsidiaries, net of acquired cash	16	-5 496	
Proceeds from sale of investment property, intangible assets and property, plant and equipment		9	148
Net cash flow used in investing activities		-22 489	-7 545
Acquisition of non-controlling interests	17	- 691	
Payment of lease liabilities incl. forgiveness of lessee's lease payments	14	-12 595	-12 720
Proceeds from loans and borrowings	13	5 000	0
Repayment of loans and borrowings	13	-28 378	-61 400
Interest paid		-3 697	-4 552
Interest received		329	
Paid interest related to lease liabilities	14	-4 778	-5 214
Sale of treasury shares	11	623	1 045
Purchase of treasury shares	11	-1 638	
Dividends paid	11	-7 016	
Net cash flow - used in / + from financing activities		-52 841	-82 840
+ INCREASE / - DECREASE IN CASH AND CASH EQUIVALENTS		-22 072	-38 336
Cash and cash equivalents at beginning of the period		67 751	75 283
Cash and cash equivalents at end of the period		45 584	38 620
Effect of exchange rate fluctuations on cash and cash equivalents		- 95	1 673
+ INCREASE / - DECREASE IN CASH AND CASH EQUIVALENTS		-22 072	-38 336

The notes are an integral part of the condensed interim financial statements.



Condensed consolidated statement of changes in equity

2023										
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN '000 €	Note	ATTRIBUTABLE TO OWNERS OF THE COMPANY						NON- CONTROLLING INTERESTS	TOTAL EQUITY	
		SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	HEDGING RESERVE	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS			
At 31 December 2022		20 106	7 603	587	-21 017	2 888	147 555	- 91	157 628	
Result for the period							20 768	11	20 779	
Result for the period							20 768	11	20 779	
Items to be reclassified to profit or loss if specific conditions are met in the future:										
Translation differences			-1 893					- 11	-1 904	
Cash flow hedges - effective portion of changes in fair value				300					300	
Income taxes relating to the components of other comprehensive income to be reclassified to profit or loss in subsequent periods			- 11	- 75					- 86	
Other comprehensive income for the period, net of income taxes			-1 904	225				- 11	-1 690	
Total comprehensive income for the period			-1 904	225			20 768	0	19 089	
Dividends to the shareholders		11					-7 016		-7 016	
Sale of treasury shares		11			286		337		623	
Purchase of treasury shares		11			-1 638				-1 638	
Share-based payments						- 106	124		18	
Acquisition of non-controlling interests, without changes in control		17					- 794	103	- 691	
Total transactions with owners, recorded directly in equity					-1 352	- 106	-7 349	103	-8 703	
At 30 June 2023	0	20 106	5 699	812	-22 369	2 782	160 975	11	168 013	
2022										
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN '000 €	Note	ATTRIBUTABLE TO OWNERS OF THE COMPANY						NON- CONTROLLING INTERESTS	TOTAL EQUITY	
		SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	HEDGING RESERVE	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS			
At 31 December 2021		20 106	20 106	- 54	304	-21 497	3 268	118 604	- 79	120 649
Result for the period							9 075	- 7	9 068	
Result for the period							9 075	- 7	9 068	
Items to be reclassified to profit or loss if specific conditions are met in the future:										
Translation differences			19 615					18	19 633	
Cash flow hedges - effective portion of changes in fair value				22					22	
Income taxes relating to the components of other comprehensive income to be reclassified to profit or loss in subsequent periods			- 612	- 5					- 618	
Other comprehensive income for the period, net of income taxes			19 003	16				18	19 037	
Total comprehensive income for the period			19 003	16			9 075	12	28 106	
Sale of treasury shares						480	565		1 045	
Share-based payments							- 162	234	72	
Total transactions with owners, recorded directly in equity						480	- 162	799	1 116	
At 30 June 2022		20 106	20 106	18 949	320	-21 017	3 106	128 479	- 67	149 873

The notes are an integral part of the condensed interim financial statements.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 June 2023

1. Information about the Company

Kinepolis Group NV (the 'Company') is a company based in Belgium. The condensed consolidated interim financial statements of Kinepolis Group NV for the period ended 30 June 2023 include the Company and its subsidiaries (together referred to as the 'Group').

The unaudited condensed consolidated interim financial statements were approved for publication by the Board of Directors on 14 August 2023.

2. Statement of compliance

The condensed consolidated interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with the International Financial Reporting Standard (IFRS) IAS 34 'Interim Financial Reporting', as published by the International Accounting Standards Board (IASB) and approved by the European Union. They do not contain all the information required for the complete set of financial statements prepared in accordance with IFRS, and should be read in conjunction with the Group's consolidated annual financial statements for the financial year ended 31 December 2022.

The Group's consolidated annual financial statements for the financial year 2022 are available on the corporate Kinepolis website, and are available free of charge from Investor Relations upon request.

3. Summary of the significant accounting principles

The accounting policies, used by the Group in these condensed consolidated interim financial statements, are in accordance with the policies applied by the Group in the consolidated annual financial statements for the financial year 2022.

The amendments to standards that were effective from 1 January 2023 have no material impact on the condensed consolidated interim financial statements for the six months ended 30 June 2023.

Amendments to standards that are not yet applied by the Group

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods ending 31 December 2023, and have not been applied in preparing these condensed consolidated interim financial statements.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements:

- Classification of Liabilities as Current or Non-current Date (issued on 23 January 2020);
- Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020); and
- Non-current Liabilities with Covenants (issued on 31 October 2022)



Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current, issued on 23 January 2020, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments:

- specify that an entity's right to defer settlement must exist at the end of the reporting period;
- clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- clarify how lending conditions affect classification; and
- clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

On July 15, 2020, the IASB issued **Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1)** deferring the effective date of the January 2020 amendments by one year.

On October 31, 2022, the IASB issued **Non-current liabilities with Covenants**, which amends IAS 1 and specifies that covenants (i.e. conditions specified in a loan arrangement) to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements.

All of the amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The amendments have not yet been endorsed by the EU.

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback, issued on 22 September 2022, introduce a new accounting model which will impact how a seller-lessee accounts for variable lease payments in a sale-and-leaseback transaction.

Under this new accounting model for variable payments, a seller-lessee will:

- include estimated variable lease payments when it initially measures a lease liability arising from a sale-and-leaseback transaction; and
- after initial recognition, apply the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains.

These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

The amendments apply retrospectively for annual periods beginning on or after 1 January 2024 with early application permitted. These amendments have not yet been endorsed by the EU.

Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules, issued 23 May 2023, provide a temporary mandatory relief from accounting for deferred tax that arises from legislation implementing the GloBE model rules. Under the relief, companies are effectively exempt from providing for and disclosing deferred tax related to top-up tax. However, they need to disclose that they have applied the relief. The relief is effective immediately and applies retrospectively. It will apply until the IASB decides either to remove it or to make it permanent.

The amendments also require new disclosures once tax law is enacted but before top-up tax is effective and after top-up tax is effective. These new disclosures apply from 31 December 2023. The amendments do not introduce new disclosure requirements in the financial statement in interim periods ending on or before 31 December 2023. These amendments have not yet been endorsed by the EU.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements, issued on 25 May 2023, introduce additional disclosure requirements for companies that enter into supplier finance arrangements. The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available. These amendments have not yet been endorsed by the EU.



4. Going concern principle

The Group considered the impact of the Covid-19 pandemic as a short-term impact that did not change the underlying parameters of its business model, which is why the Company adopted a going concern principle in preparing the condensed consolidated interim financial statements..

5. Risks and uncertainties

There are no fundamental changes to the risks and uncertainties for the Group as set out in the 2022 Report of the Board of Directors. The information on risks and uncertainties has been included in the 2022 annual report (Chapter 11 Corporate Governance).

6. Government grants and support measures as a result of the Covid-19 pandemic

As a result of the outbreak of the Covid-19 virus, the governments, in the various countries where Kinopolis is active, have taken support measures. The support measures are fading out and the amounts obtained during the first half of the year 2023 are more limited than in 2022 and 2021. At 30 June 2023, the Group has recognised a rent forgiveness for € 0.1 million, compared to € 2.8 million for H1 2022. Furthermore, the Group has recognised € 0.1 million in 'Other operating income', for H1 2023, linked to a Canadian rent abatement awarded for the prior year period February to April 2022. An amount for employee retention tax credit in the United States is pending but not provided for due to uncertainty.

7. Segment information

Segment information is given for the Group's geographic segments. The Group's activities are managed and monitored on a country basis. The main geographic markets are Belgium, France, Canada, Spain, The Netherlands, United States and Luxembourg. The Polish and Swiss activities are combined in 'Other' geographical segments. The different countries constitute operating segments, in accordance with the internal reporting to the CEO and CFO of the Group.

During the first half of 2023, no impairment indicators occurred and consequently, no impairment test was executed. For the Cash Generating Unit 'United States', which has a limited headroom, the EBITDA for first half 2023, was higher than anticipated in the impairment test executed at year end 2022.



30 June 2023										
SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	CANADA	SPAIN	THE NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS*	NOT ALLOCATED	TOTAL
Segment revenue	83 569	43 497	69 399	25 748	31 844	30 601	9 129	2 365		296 152
Intersegment revenue	-10 872	- 19								-10 891
Revenue	72 697	43 478	69 399	25 748	31 844	30 601	9 129	2 365		285 261
Segment result	11 303	10 299	6 128	3 768	4 199	3 894	2 661	832		43 084
Financial income									670	670
Financial expenses									-15 978	-15 978
Result before tax										27 776
Income tax expenses									-6 997	-6 997
RESULT FOR THE PERIOD										20 779
Capital expenditure	3 383	2 319	4 189	2 222	651	3 554	522	57		16 898

30 June 2023										
SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	CANADA	SPAIN	THE NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS*	NOT ALLOCATED	TOTAL
Segment assets	88 288	137 470	301 503	120 112	177 305	174 450	21 802	23 109	71 528	1 115 568
Segment equity and liabilities	49 031	49 375	230 284	49 004	27 240	53 965	6 935	649	649 084	1 115 568

* The other operating segment includes Poland and Switzerland. None of these segments met the quantitative thresholds for reportable segments in 2023.

30 June 2022										
SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	CANADA	SPAIN	THE NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS*	NOT ALLOCATED	TOTAL
Segment revenue	62 996	31 385	56 734	18 069	26 645	23 778	6 666	1 961		228 234
Intersegment revenue	- 189	- 16								- 205
Revenue	62 806	31 369	56 734	18 069	26 645	23 778	6 666	1 961		228 028
Segment result	9 579	5 804	3 604	610	4 730	2 039	1 393	108		27 866
Financial income									473	473
Financial expenses									-16 041	-16 041
Result before tax										12 298
Income tax expenses									-3 229	-3 229
RESULT FOR THE PERIOD										9 068
Capital expenditure	1 676	1 966	2 080	706	227	825	183	32		7 692

31 December 2022										
SEGMENT INFORMATION IN '000€	BELGIUM	FRANCE	CANADA	SPAIN	THE NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS*	NOT ALLOCATED	TOTAL
Segment assets	94 866	137 955	311 667	120 518	183 993	179 470	22 273	22 673	96 079	1 169 495
Segment equity and liabilities	60 928	53 467	241 260	50 660	33 886	57 483	7 851	669	663 291	1 169 496

* The other operating segment includes Poland and Switzerland. None of these segments met the quantitative thresholds for reportable segments in 2022.

8. Revenue

The table below shows the breakdown of revenue by activity, product or service offered by the Group.



IN '000 €	30/06/2022	30/06/2023
Box office	120 515	152 403
In-theatre sales	70 896	92 216
Business-to-business	26 930	27 949
Brightfish	2 051	3 957
Film distribution	1 571	2 069
Technical department	31	16
TOTAL IFRS 15	221 994	278 610
Real estate	6 034	6 651
TOTAL	228 028	285 261

9. Trade & other receivables and payables

Thanks to strict collection management, the trade and other receivables have decreased from € 41.0 million end of last year to € 29.4 million end of June 2023. The trade and other payables decreased significantly from € 127.7 million end of 2022 to € 98.2 million due to the payment early January '23 of 2022 supplier invoices. Additionally, the last quarter of the year is typically the most important in revenue and expenses (e.g. movie rental invoices, food & beverage purchases, marketing expenses, royalties, ...) which invoices are paid the year after.

10. Assets held for sale

In April 2023, the Building Winnipeg Towne in Canada was transferred from Investment property to Assets held for sale. The building was offered for sale on the real estate market, and a purchase offer was received. The possible buyer is performing a due diligence confirming the offer.

11. Equity

DIVIDENDS TO THE SHAREHOLDERS

The Company's General meeting of Shareholders of 10 May 2023 approved the payment of a gross dividend of € 26 cents per share entitled to dividend for the financial year 2022. The total amount of dividend was € 7.0 million and was paid out as from 16 May 2023.

SHARE BUYBACK PROGRAM

On 12 June 2023 the Company announced the launch of a share buyback program, starting on 13 June 2023, in which an independent intermediary has been given a discretionary mandate to buy back - on behalf of Kinopolis Group NV - up to 200,000 own shares on Euronext Brussels between 13 June 2023 and 16 August 2023, for a maximum amount of € 10,000,000.

The share buyback will be carried out within the conditions specified in the authorization by the Extraordinary General Meeting of May 10, 2023, by which the Board of Directors is authorized to buy back own shares, under certain conditions, to cover share options.

During the course of the program, the Company weekly publishes updates related to the share buyback. We refer to the Group website www.corporate.kinopolis.com.

More information will be included in the financial statements at year end, as the final result for the share buyback and the share option program are not yet finally known.



12. Liquidity risk

The Group's goal is to ensure that there is sufficient financing for the long term. The financing need is determined on the basis of the strategic long-term plan. Various credit forms are used to guarantee the continuity and flexibility of the financing, including bonds, credit lines and bank loans. The Group's liquidity is managed through the in-house bank, Kinopolis Financial Services NV.

The 'covenant holiday' that was agreed during the Covid-19 pandemic was cancelled end of April 2023. As per 30 June 2023, Kinopolis Group did meet the covenants:

- Net Financial Debt/adjusted EBITDA: 3.2 (max 3.75)
- Interest cover (adjusted EBITDA/net interest expense): 8.1 (min 4.5)

Per 30 June 2023 Kinopolis Group had € 165.1 million of available financial resources, (31 December 2022: € 179.8 million) consisting of cash and cash equivalents and available credit lines. The Group pursues a prudent financial policy, which results in an average maturity of 2.8 years for the outstanding financial liabilities per 30 June 2023. There are no more significant financial maturities in 2023. A € 80 million repayment early 2024 can be envisaged through a mixture of using existing credit lines, cash at bank or through refinancing opportunities.

The free cash flow decreased from € 25.7 million in the first half of 2022 to € 22.3 million in the first half 2023, mainly due to a decrease of working capital and higher maintenance capital expenditures. The net financial debt, excluding lease liabilities, decreased slightly to € 422.6 million at 30 June 2023 compared to € 423.5 million at 31 December 2022.

13. Financial instruments

FINANCIAL LIABILITIES - FUTURE CASH FLOWS

The following table gives an overview of the contractual maturities for the non-discounted financial liabilities, including the estimated interest payments.

IN '000 €	31/12/2022				30/06/2023			
	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL
Private placement of bonds	11 723	415 754	0	427 477	10 598	414 668	0	425 266
Public bond	16 513	0	0	16 513	0	0	0	0
Trade payables	73 408	0	0	73 408	43 034	0	0	43 034
Loans and borrowings with credit institutions	3 423	80 700	0	84 123	82 527	0	0	82 527
Other loans	12 520	0	0	12 520	5 018	0	0	5 018
Non-derivative financial liabilities	117 587	496 454	0	614 041	141 177	414 668	0	555 845
Interest rate swaps	0	- 349	0	- 349	- 648	0	0	- 648
Derivative financial instruments	0	- 349	0	- 349	- 648	0	0	- 648
TOTAL	117 587	496 105	0	613 692	140 529	414 668	0	555 197

Kinopolis is only required to comply with conditions relating to, among others, the maximum debt ratio (covenants) on its bank debt. This relates to the roll-over credit of € 120.0 million (no outstanding draw per 30 June 2023) and the credit, taken out at the beginning of 2021, for an amount of € 80.0 million. No covenants apply to the majority of the other debts. There is only an increase in interest on the private placement of 2019 if a specific debt ratio is exceeded.



The public bond (€ 15.9 million) and the commercial paper (€ 12.5 million) were reimbursed during the first half 2023, and a new borrowing of commercial paper of € 5.0 million was done in May 2023 (visible in the above table under the caption 'other loans'). This new borrowing lowers the availability of the RCF with the same amount.

FAIR VALUE

The fair value is the amount at which an asset can be traded or a liability settled in an orderly transaction between well-informed, willing parties, following the arm's length principle.

The following table discloses the actual fair value and the carrying amount of the main interest-bearing financial loans and borrowings (measured at amortised cost).

IN '000 €	31/12/2022		30/06/2023	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Private placement of bonds - fixed interest rate	384 600	346 322	384 600	341 296
Public bond - fixed interest rate	15 878	15 613	0	0
Interest-bearing loans - variable interest rate	92 500	92 500	85 000	85 000
Bank overdrafts	0	0	0	0
Transaction costs refinancing	- 1 407	- 1 407	- 1 143	- 1 144
TOTAL	491 571	453 028	468 457	425 152

The majority of the financial loans and borrowings concern private placements of bonds with institutional investors. These are often material transactions as part of their long-term strategy.

The fair value of the other non-derivative financial assets (loans and borrowings and receivables) and liabilities, except lease liabilities, (measured at amortised cost) is equal to the carrying amount.

14. Leases

LEASES AS LESSEE

At 30 June 2023, the Group has a lease liability of € 360.4 million (31 December 2022: € 370.4 million) and a right-of-use asset of € 322.8 million (31 December 2022: € 333.5 million). During 2023 the lease liabilities decreased with € 9.6 million and the right-of-use assets with € 10.7 million.



RIGHT-OF-USE ASSETS

IN '000 €	Land and buildings	Cars	In-theatre sales	Projection equipment	TOTAL
Acquisition value	431 068	5 535	1 835	3 929	442 367
Depreciation and impairment losses	-101 793	-4 107	-1 067	-1 938	-108 905
Net carrying amount at 31/12/2022	329 275	1 428	768	1 991	333 462
New leases	0	778	0	0	778
Acquisition through business combinations	1 346	0	0	0	1 346
Expired leases and disposals	125	0	0	0	125
Transfer to other categories	0	0	0	103	103
Adjustments	1 388	207	0	0	1 595
Depreciations	-12 950	-660	-130	-284	-14 024
Effect of exchange rate fluctuations	-614	0	0	0	-614
Acquisition value	432 944	5 822	1 688	4 036	444 490
Depreciation and impairment losses	-114 374	-4 069	-1 050	-2 226	-121 719
Net carrying amount at 30/06/2023	318 570	1 753	638	1 810	322 771

LEASE LIABILITIES

IN '000 €	TOTAL
NET CARRYING AMOUNT AT 31/12/2022	370 371
New leases	778
New leases through business combinations	1 346
Interest	4 778
Repayment	-17 321
Forgiveness of lessee's lease payments	-147
Adjustments	1 595
Effect of exchange rate fluctuations	-631
NET CARRYING AMOUNT AT 30/06/2023	360 769

The RealD 3D equipment used by the Group is included under the right-of-use assets (€ 1.8 million). As these assets are fully prepaid, there is no outstanding lease liability for these assets.

NEW LEASES

The new leases consist out of cars (€ 0.8 million). The new lease mentioned as 'acquisition through business combinations' (€ 1.3 million) concerns the building of Kinopolis Belfort (see also note 16).

ADJUSTMENTS

During 2023 a number of leases for land and buildings were adjusted, mainly due to indexations or new negotiations for future lease payments and changes to the contractual term. There have also been adjustments to the leases of cars. All this led to an adjustment of the lease liabilities and the right-of-use assets of € 1.6 million.



RENT CONCESSIONS AS A RESULT OF THE COVID-19 PANDEMIC

As a result of the Covid-19 pandemic, the Group has obtained rent concessions from the lessor for part of the lease agreements, mainly related to land and buildings. If the rent concessions resulting directly from the Covid-19 pandemic meet the conditions, they are treated as if they were not lease modifications. The rent concessions are then processed in the same way as a negative variable lease payment, and are therefore directly included in the income statement within 'Other operating income', as part of 'Operating result'. Those rent concessions faded out, and per 30 June 2023 the Group only obtained € 0.1 million concerning the rent of a building in Canada for the period February to April 2022 (30 June 2022: € 2.8 million) rent concessions.

IMPACT ON THE CONSOLIDATED RESULT AND THE STATEMENT OF CASH FLOW

Per 30 June 2023 the Group has € 14.0 million (30 June 2022: € 14.1 million) depreciations on right-of-use assets and € 4.8 million (30 June 2022: € 5.2 million) interest on lease liabilities included in the consolidated income statement. Per 30 June 2023 the Group repaid € 17.1 million lease liabilities (30 June 2022: € 17.9 million), of which € 4.8 million (30 June 2022: € 5.2 million) was interest. In the consolidated statement of cash flow this can be found under 'Cash flow from financing activities'.

FINANCIAL LIABILITIES – FUTURE CASH FLOWS

The following table gives an overview of the contractual maturities of the non-discounted lease liabilities at 30 June 2023 and 31 December 2022.

IN '000 €	31/12/2022				30/06/2023			
	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL
Non-discounted lease liabilities	35 407	124 216	287 729	447 351	34 569	124 211	275 243	434 023

15. Deferred tax assets

Deferred tax assets on tax losses carried forward are only recognised if future taxable profits will be available to recover these losses, based on budgets and estimates for the next five years. The budgets and estimates are further extended to future expected taxable profits in order to analyse the recoverability of the losses and credits.

For tax losses carried forward and unused tax credits amounting to € 11.4 million (31 December 2022: € 11.4 million) no deferred tax asset was recognised in the balance sheet as, based on our budgets and estimates, it seems unlikely that sufficient taxable profits will be available in the foreseeable future to be able to benefit from the tax benefit.

For tax losses carried forward and unused tax credits amounting to € 115.9 million (31 December 2022: € 123.2 million) a deferred tax asset was recognised in the balance sheet. The decrease in these losses is mainly attributable to the improved results in Belgium (€ +2.3 million) and Canada (€ +4.8 million), and to the effect of exchange rate fluctuations of the American Dollar and Canadian Dollar (€ 0.2 million). For these losses, it is probable that sufficient taxable profit will be available. The Group bases itself on the assumptions used for the impairment test in the annual report of December 2022 (Chapter 14 Financial Report – Notes to the consolidated financial statements – Note 10).



16. Business combinations

ACQUISITIONS 2023

As of 29 March 2023 Kinepolis Group has taken over a French company 'Pathé Belfort' from the Pathé network in the east of France. All the shares were purchased. The cinema complex is leased and has 14 screens with a total of 2,562 seats located in the east of France not far from Mulhouse, between Strasbourg and Lyon.

The transaction has an enterprise value of € 5.5 million. The inclusion of the cinema Belfort in the consolidation scope of the Group as of 29 March 2023, the date on which the effective control was acquired, resulted in preliminary determined goodwill of € 2.5 million. Final goodwill calculation still is ongoing.

The goodwill originates from strengthening the position of Kinepolis in eastern France, synergy benefits and being able to offer the Kinepolis film experience to even more visitors. This acquisition fits perfectly into the expansion strategy of the Group.

As of 30 June 2023, the cinema Belfort contributed € 0.9 million revenue and € 0.2 million EBITDA. The Belfort acquisition is the second acquisition from Pathé after Amnéville in December 2022. The transaction expenses linked to both acquisitions were € 0.3 million, and were already recognized in the 2022 figures as part of the administrative expenses.

NET IDENTIFIABLE ASSETS AND LIABILITIES

IN '000 €	30/06/2023
Property plant & equipment and intangible assets	1 768
Right-of-use assets (building)	1 346
Inventories	13
Current trade and other receivables	1 835
Lease liability	- 1 346
Bank overdrafts	- 1
Current trade and other payables	- 602
TOTAL	3 013

GOODWILL CALCULATION

IN '000 €	30/06/2023
Net identifiable assets and liabilities	3 013
Goodwill	2 483
Acquisition of a subsidiary	5 496

Given the fact that the acquisition was only recent (end of March 2023), the fair value of the net identifiable assets and liabilities was preliminary determined to calculate the goodwill arising from this acquisition. This analysis will be finetuned within a period of twelve months following the acquisition date, in line the Amnéville goodwill calculation.

17. Non-controlling interests

In May 2023, the Group acquired the remaining 0,7% non-controlling interests in Landmark Cinemas Holding LTD, increasing its participation from 99,3% to 100%. The following table summarises the effect of changes in the Company's ownership in Landmark Cinemas Holding LTD:



IN '000 €	30/06/2023
Carrying amount of NCI acquired	- 103
Consideration paid to non-controlling interests in cash	- 691
Decrease in equity attributable to owners of the Company	- 794

18. Transactions with related parties

There are no additional transactions with related parties other than those disclosed in the 2022 annual report (Chapter 14 Financial Report - Notes to the consolidated financial statements - Note 31).

19. Subsequent events after 30 June 2023

Except for the additional information provided in the first part of the press release, no additional material subsequent events have occurred after 30 June 2023.

20. Other disclosures

For additional information, reference is made to the key message of the Board of Directors (see pages 3 to 11 of this condensed interim financial statements).

STATEMENT OF MANAGEMENT RESPONSIBILITY

Eddy Duquenne, CEO of Kinepolis Group NV declares that, to the best of his knowledge, the condensed consolidated interim financial statements, which have been prepared in accordance with the International Financial Reporting Standards ('IFRS'), give a true and fair view of the net assets, the financial position and the results of Kinepolis Group NV. The interim financial report provides a true and fair view of the development and results of the Company and of the Group's position.



Glossary and APMs

The glossary below also contains Alternative Performance Measures (APMs) that are aimed to improve the transparency of financial information.

Gross result

Revenue – cost of sales

Operating result (EBIT)

Gross result – marketing and selling expenses – administrative expenses + other operating income – other operating expenses

Adjusted operating result

Operating result after eliminating adjustments; is used to reflect the operating result from normal operating activities

EBITDA

Operating result + depreciations + amortisations + impairments + movements in provisions

EBITDAL

EBITDA less costs related to lease contracts (excl. rent abatements and common charges, these are already part of EBITDA and should therefore not be included in the deduction)

Adjusted EBITDA

EBITDA after eliminating adjustments; is used to reflect the EBITDA from normal operating activities

Adjustments

This category primarily includes results from the disposal of fixed assets, impairment losses on assets, provisions, costs from restructuring and acquisitions and other exceptional income and expenses

Financial result

Financial income – financial expenses

Effective tax rate

Income tax expenses / result before tax

Adjusted result

Result for the period after eliminating adjustments; is used to reflect the result from normal operating activities

Result for the period, share of the Group

Result attributable to equity holders of the Company

Basic result per share

Result for the period, share of the Group / (average number of outstanding shares – average number of treasury shares)

Diluted result per share

Result for the period, share of the Group / (average number of outstanding shares – average number of treasury shares + number of possible new shares that must be issued under the existing share option plans x dilution effect of the share option plans)

Dividend

Payment of the result of a company to its shareholders

Pay-out ratio

The pay-out ratio indicates which part of the net result is being paid to the shareholders

**Capital expenditure**

Capitalised investments in intangible assets, property, plant and equipment and investment property

Gross financial debt

Non-current and current financial liabilities

Net financial debt

Financial debt after deduction of cash and cash equivalents and tax shelter investments

Net financial debt excl. lease liabilities

Financial debt excluding lease liabilities after deduction of cash and cash equivalents and tax shelter investments

ROCE (Return on capital employed)

Adjusted EBIT / (average non-current assets – average deferred tax assets + average assets classified as held for sale + average trade receivables + average inventories – average trade payables)

Current ratio

Current assets / current liabilities

Free cash flow

Cash flow from operating activities – maintenance capital expenditures for intangible assets, property, plant and equipment and investment property – interest paid