



# KINEPOLIS GROUP

## ÉTATS FINANCIERS INTERMÉDIAIRES RÉSUMÉS

### 30 juin 2023

Information réglementée – 17 août 2023 – Non audité





## ÉTATS FINANCIERS INTERMÉDIAIRES RÉSUMÉS AU 30 JUIN 2023

Analyse des résultats (Communiqué de presse)	3
Condensed consolidated income statement	12
Condensed consolidated statement of profit or loss and other comprehensive income	13
Condensed consolidated statement of financial position	14
Condensed consolidated statement of cash flow	15
Condensed statement of changes in equity	16
Notes to the condensed consolidated interim financial statements 30 June 2023	
1. Information about the Company	17
2. Statement of compliance	17
3. Summary of significant accounting principles	17
4. Going concern principle	19
5. Risks and uncertainties	19
6. Government grants and support measures as a result of the Covid-19 pandemic	19
7. Segment information	19
8. Revenue	20
9. Trade & other receivables and payables	21
10. Assets held for sale	21
11. Equity	21
12. Liquidity risk	22
13. Financial instruments	22
14. Leases	23
15. Deferred tax assets	25
16. Business combinations	26
17. Non-controlling interests	26
18. Transactions with related parties	27
19. Subsequent events after 30 June 2023	27
20. Other disclosures	27
Statement of management responsibility	27
Glossary and APMs	28



## Analyse des résultats (Communiqué de presse)

### Chiffre d'affaires au plus haut niveau jamais atteint au premier semestre de 2023

Au cours du premier semestre de 2023, Kinopolis a enregistré une hausse de son chiffre d'affaires de 25,1 % par rapport à la même période en 2022, et de 19,8 % par rapport au premier semestre de l'année record qu'était 2019. L'EBITDA(L) et les revenus par visiteur ont également atteint leur plus haut niveau.

Ceci avec une fréquentation toujours inférieure à celle d'avant la pandémie (-5,3 % par rapport au S1 de 2019), répartie sur un parc cinématographique désormais plus vaste. Cette base plus large souligne le potentiel de croissance en cas d'évolution positive - attendue - du taux de fréquentation lorsque l'offre de films internationaux aura totalement récupéré.

Le niveau élevé du chiffre d'affaires par visiteur reflète une demande accrue de vivre une expérience plus complète et donc d'expériences cinématographiques « premium ». Kinopolis continue donc d'investir dans le renforcement de la capacité de ses formats premium et dans de nouveaux produits au sein de ses cinémas afin de proposer une offre diversifiée et adaptée aux différents publics.

Les plans « Entrepreneurship » et « Star » élaborés par Kinopolis au cours des dernières années en prévision de chiffres de fréquentation moins élevés et d'une demande accrue d'expériences, portent doublement leurs fruits à mesure que la demande du marché augmente.

### Principales réalisations au S1 2023

- ★ Reprise du cinéma à Belfort (FR)
- ★ Accord pour 6 nouvelles salles IMAX (ouverture à l'automne 2023) et 2 mises à niveau de salles IMAX existantes
- ★ Poursuite du déploiement des Premiere Seats, VIP Seats et de la technologie Laser ULTRA pour une expérience cinématographique haut de gamme en Amérique du Nord

### Chiffres clés S1 2023<sup>1</sup>

- ★ Les **produits totaux** s'élevaient à 285,3 millions €, soit une augmentation de 25,1 % par rapport à la même période en 2022, ou de 19,8 % par rapport à la même période en 2019.
- ★ Kinopolis a réalisé ce chiffre d'affaires record avec 16,8 millions de **visiteurs**, soit une hausse de 22,8 % par rapport au premier semestre de 2022 ou 94,7 % des visiteurs accueillis au cours du premier semestre de 2019.
- ★ Les **ventes par visiteur** (tickets, boissons et snacks) ont continué leur progression par rapport à 2022.

<sup>1</sup> Chiffres du 1er janvier au 30 juin 2023.



- ★ Au premier semestre, l'**EBITDA** s'élevait à 82,0 millions €, contre 68,2 millions € en 2022 et 69,2 millions € en 2019, et l'**EBITDAL** (EBITDA ajusté pour les loyers) s'élevait à 64,3 millions €, contre 50,4 millions € en 2022 et 55,3 millions € en 2019. L'**EBITDAL** par visiteur est passé de 3,68 € au premier semestre de 2022 à 3,83 € au premier semestre de 2023.
- ★ Le **bénéfice total** s'élevait à 20,8 millions €, plus du double du bénéfice enregistré au premier semestre de 2022.
- ★ Le **flux de trésorerie libre** s'élevait à 22,3 millions €.
- ★ L'**endettement financier net (EFN)**, hors dettes de location, est resté relativement stable avec 422,6 millions €, malgré d'importants investissements consentis dans la maintenance et les expériences cinématographiques premium, des mouvements de fonds de roulement et une reprise.

#### **Eddy Duquenne, CEO Kinepolis Group, à propos du premier semestre :**

« Nous avons connu un excellent premier semestre, enregistrant des chiffres record alors que les chiffres de fréquentation n'ont pas encore retrouvé les niveaux d'avant la pandémie. Le premier semestre a confirmé les observations de 2022 : les chiffres de fréquentation se rétablissent proportionnellement à l'augmentation de l'offre de films internationaux. Des blockbusters tels que « Avatar 2 » et « Super Mario Bros. le film » ont mené la barque au cours du premier semestre. Et au cours des dernières semaines, nous avons assisté au succès phénoménal de « Barbie » et de « Oppenheimer » (qui ne fait pas partie des chiffres publiés aujourd'hui).

La forte demande d'expériences cinématographiques plus complètes et la poursuite des investissements dans nos offres d'expériences depuis la pandémie, associées au nombre de visiteurs qui continue de croître, nous garantissent un solide potentiel de croissance pour le futur. Sur une base comparable - c'est-à-dire sans les cinémas acquis ou ouverts depuis - nous n'en sommes encore qu'à 74,8 % du nombre de visiteurs enregistré en 2019. Nous pensons que le niveau de fréquentation continuera à évoluer positivement au cours des mois et années à venir.

Nous récoltons aujourd'hui les fruits des ambitieux plans « Entrepreneurship » et « Star » que nous avons mis en place pendant et depuis la pandémie. Des fruits qui ne cessent de croître, car nous continuons à investir dans une expérience cinématographique premium et dans l'expansion de notre Groupe grâce à notre solidité financière retrouvée. »



## Chiffres clés

En millions d'€	S1 2023	S1 2022	% Augmentation / - Diminuation
<b>Produits</b>	<b>285,3</b>	<b>228,0</b>	<b>25,1%</b>
<i>Visiteurs ('000)</i>	<i>16 783</i>	<i>13 668</i>	<i>22,8%</i>
<b>EBITDA</b>	<b>82,0</b>	<b>68,2</b>	<b>20,1%</b>
<i>Marge EBITDA</i>	<i>28,7%</i>	<i>29,9%</i>	<i>- 119 pb</i>
<i>EBITDA / visiteur</i>	<i>4,88</i>	<i>4,99</i>	<i>-2,2%</i>
<b>EBITDAL</b>	<b>64,3</b>	<b>50,4</b>	<b>27,6%</b>
<i>Marge EBITDAL</i>	<i>22,5%</i>	<i>22,1%</i>	<i>44 pb</i>
<i>EBITDAL / visiteur</i>	<i>3,83</i>	<i>3,68</i>	<i>3,9%</i>
<b>EBIT</b>	<b>43,1</b>	<b>27,9</b>	<b>54,6%</b>
<i>Marge EBIT</i>	<i>15,1%</i>	<i>12,2%</i>	<i>288 pb</i>
<b>Résultat</b>	<b>20,8</b>	<b>9,1</b>	<b>129,1%</b>
<i>Résultat par action (en €)</i>	<i>0,77</i>	<i>0,34</i>	<i>128,7%</i>
<b>Flux de trésorerie libre</b>	<b>22,3</b>	<b>25,7</b>	<b>-13,5%</b>

En millions d'€	30/06/2023	31/12/2022	% Évolution
Total des actifs	1 115,6	1 169,5	-4,6%
Capitaux propres	168,0	157,6	6,6%
Endettement financier net excl. dettes de location (EFN)	422,6	423,5	-0,2%



## Explications

### Visiteurs

Au cours du premier semestre, Kinepolis a accueilli 16,8 millions de visiteurs, soit une augmentation de 22,8 % par rapport au premier semestre de 2022 ou 94,7 % des visiteurs accueillis au cours de la même période de 2019. Au deuxième trimestre, Kinepolis a accueilli 12,6 % de visiteurs en plus qu'au deuxième trimestre de 2022 ou 97,9 % des visiteurs accueillis au deuxième trimestre de 2019.

Les films qui ont remporté le plus de succès au cours du premier semestre de 2023 sont « Super Mario Bros. le film », « Avatar 2 », « Les Gardiens de la Galaxie Vol. 3 », « Spider-Man : Seul contre tous - première partie » et « Fast X ». Les films locaux ayant remporté le plus de succès sont « Zillion » en Belgique, « Alibi.com 2 », « Astérix & Obélix : L'Empire du Milieu » et « Les Trois Mousquetaires : D'Artagnan » en France, 'De Tatta's' aux Pays-Bas et 'Moomios' (« Momies ») en Espagne.

Visiteurs (millions)	Belgique	France	Canada	Espagne	Pays-Bas	États-Unis	Luxembourg	Suisse	Total
Nombre de cinémas*	11	17	38	10	20	10	3	1	110
S1 2023	2,87	3,24	4,42	2,13	1,66	2,04	0,39	0,05	16,78
S1 2022	2,63	2,42	3,62	1,58	1,47	1,61	0,30	0,04	13,67
S1 2023 vs S1 2022	9,2%	33,9%	22,1%	34,4%	12,4%	26,7%	29,7%	22,4%	22,8%

Visiteurs (millions)	Belgique	France	Canada	Espagne	Pays-Bas	États-Unis	Luxembourg	Suisse	Total
Nombre de cinémas*	11	17	38	10	20	10	3	1	110
T2 2023	1,29	1,59	2,54	1,17	0,75	1,15	0,19	0,02	8,71
T2 2022	1,34	1,24	2,25	0,88	0,87	0,96	0,16	0,02	7,73
T2 2023 vs T2 2022	-3,9%	28,1%	12,9%	32,1%	-13,9%	20,2%	18,3%	4,5%	12,6%

\* Exploité par Kinepolis. En outre, 1 cinéma (en Pologne) est loué à des tiers.  
Nombre de cinémas au 30/06/2023

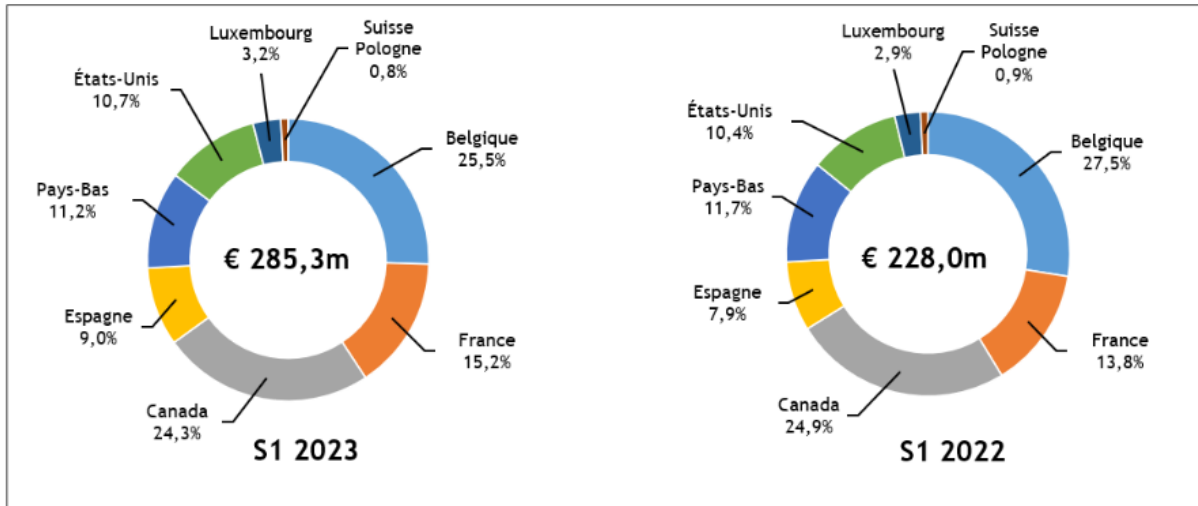
### Produits

Les **produits totaux** s'élevaient au premier semestre à 285,3 millions €, soit une augmentation de 25,1 % par rapport à la même période en 2022 ou 119,8 % des recettes du premier semestre de 2019.

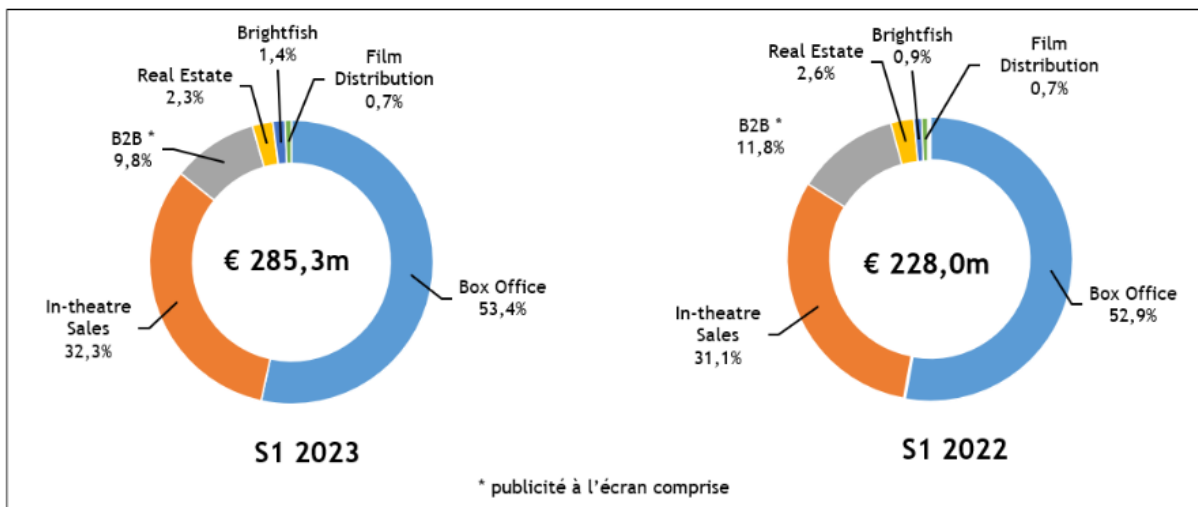
Les produits provenant de la vente de billets (Box Office) ainsi que les produits provenant de la vente de boissons et de snacks (In-theatre Sales) par visiteur ont augmenté par rapport à 2022, grâce au succès des expériences cinématographiques premium et à une augmentation de la consommation.

Les revenus de toutes les autres branches d'activité ont également augmenté par rapport au premier semestre de 2022. C'est aussi le cas par rapport à 2019, à l'exception de la publicité à l'écran et des revenus provenant de la location d'espaces commerciaux dans les cinémas, qui sont toujours en cours de redressement.

## Produits par pays



## Produits par activité



Les produits de la vente de tickets (**Box Office, BO**) ont augmenté de 26,5 % par rapport à la même période en 2022, pour atteindre 152,4 millions €. Les produits BO par visiteur ont augmenté de 3,0 %, notamment grâce à l'importante demande de plus d'expérience (formats premium) et à des augmentations de prix compensatrices de l'inflation.

Les produits de la vente de boissons et de snacks (**In-theatre sales, ITS**) ont enregistré une hausse de 30,1 % par rapport au premier semestre de 2022, pour atteindre 92,2 millions €. Les produits ITS par visiteur ont progressé de 6,5 % (à l'exclusion des recettes des livraisons à domicile), grâce à une augmentation dans pratiquement tous les pays.



Les **produits B2B** ont augmenté de 3,8 % par rapport à la même période en 2022, notamment grâce à une augmentation des revenus provenant de la publicité à l'écran, qui est encore en cours de redressement.

Les **produits immobiliers** ont augmenté de 10,2 % grâce à une cessation des réductions de loyer accordées, une augmentation des revenus locatifs variables, principalement des revenus des parkings, ainsi que des revenus des concessions exploitées par Kinepolis elle-même.

Le chiffre d'affaires de **Brightfish**, la régie publicitaire belge, a augmenté de 92,9 % grâce à un nombre plus important de publicité à l'écran et d'événements. **Kinepolis Film Distribution (KFD)** a vu ses revenus augmenter de 31,7 % grâce aux films à succès sortis fin 2022 (« Zillion », « Les Huit Montagnes ») qui sont restés longtemps à l'affiche.

### Coûts opérationnels

Les **coûts opérationnels** ont augmenté de 37,3 % au cours du premier semestre de 2023, principalement en raison de l'augmentation des coûts de vente et de marketing, et d'une baisse des subventions Covid 19 et des réductions de loyer accordées.

### EBITDA

L'EBITDA s'élevait à 82,0 millions € au premier semestre de 2023. Après ajustement pour les loyers, l'EBITDAL s'est élevé à 64,3 millions €. L'EBITDAL par visiteur a progressé, passant de 3,68 € à 3,83 €.

### Bénéfice de la période

Les coûts financiers nets ont baissé de 15,6 millions € à 15,3 millions €, principalement en raison d'une diminution des coûts financiers IFRS 16.

Le taux d'impôt effectif a atteint 25,2 %, contre 26,3 % pour la même période l'an dernier.

Le bénéfice au cours du premier semestre de 2023 s'élevait à 20,8 millions €, principalement grâce au bon résultat opérationnel, quelque peu compensé par des charges d'impôt sur le bénéfice plus élevées.

Le bénéfice par action s'est élevé à 0,77 €, contre 0,34 € en 2022 et 0,70 € en 2019.

### Flux de trésorerie libre et endettement financier net

Au cours du premier semestre de 2023, un flux de trésorerie libre positif de 22,3 millions € a été réalisé, principalement grâce au bon résultat d'exploitation, malgré le fonds de roulement négatif s'élevant à 19,9 millions €, ainsi que 3,4 millions € d'intérêts payés, des investissements de maintenance d'un montant de 10,2 millions € et 5,9 millions € de charges d'impôt payées.

Au premier semestre de 2023, 10,2 millions € ont été investis dans l'entretien des cinémas (y compris l'achat de projecteurs laser) et 13,0 millions € ont été investis dans l'expansion interne et externe, notamment pour l'acquisition du cinéma Pathé à Belfort (FR), de nouveaux écrans IMAX, la poursuite du déploiement de Premieres Seats au Canada et la rénovation du cinéma Landmark Waterloo (CA).

L'endettement financier net, hors dettes de location, est resté à peu près constant par rapport au 31 décembre 2022, affichant 422,6 millions € à la fin du mois de juin 2023.





## Bilan

Au 30 juin 2023, les actifs non courants (1 026,4 millions €) représentaient 92,0 % du total du bilan (1 115,6 millions €). Ce montant comprend les terrains et les bâtiments (y compris les immeubles de placement) d'une valeur comptable de 377,9 millions €.

Au 30 juin 2023, les capitaux propres s'élevaient à 168,0 millions €. La solvabilité atteignait 15,1 %, contre 13,5 % à la fin 2022.

## Événements importants depuis le 1er janvier 2023

### Achat de 171 projecteurs laser pour 2023

En 2023, Kinopolis mise à nouveau sur une étape importante dans la transition vers la projection laser et a ainsi acheté à Cinionic 171 projecteurs laser qui seront installés cette année. Cet achat devrait entraîner une économie d'énergie supplémentaire d'environ 1,5 GW par an. Au 30 juin 2023, 104 des 171 projecteurs lasers prévus étaient installés. À la fin de 2023, près de 80 % des salles européennes de Kinopolis seront équipées de la projection laser et près de 60 % au niveau du Groupe.

### Reprise du cinéma Pathé à Belfort (FR)

Trois mois après l'acquisition du cinéma Gaumont d'Amnéville, Kinopolis a acquis, le 29 mars 2023, un deuxième cinéma français du réseau Pathé, Les Quais de Pathé à Belfort, en Franche-Comté.

Kinopolis a repris la société Pathé Belfort SAS, qui exploite le cinéma (dont les murs sont loués). Le complexe dispose de 14 salles (dont une salle 4DX) et 2 562 fauteuils et a accueilli près de 500 000 spectateurs en 2019.

### Accord pour 8 sites IMAX en Europe et en Amérique du Nord

Kinopolis Group et IMAX Corporation ont annoncé l'extension de leur partenariat avec un accord portant sur 8 sites IMAX, dont six nouvelles salles IMAX ultramodernes et deux mises à niveau de salles IMAX existantes. Cet accord constitue la base d'une collaboration à long terme, susceptible d'être étendue encore à l'avenir. En Europe, Kinopolis ouvrira une nouvelle salle IMAX en Belgique (Liège), au Luxembourg (Kirchberg), en France (Nîmes) et en Espagne (Madrid). En outre, une nouvelle salle IMAX sera ouverte dans le Michigan, aux États-Unis, et dans l'Ontario, au Canada. Kinopolis collabore actuellement avec IMAX® sur sept sites, cinq au Canada (sous la marque Landmark Cinemas) et deux en Belgique (Anvers et Bruxelles). Ce nouvel accord élargit considérablement l'empreinte IMAX de Kinopolis, permettant à un plus grand nombre de cinéphiles de profiter d'une expérience cinématographique IMAX de premier ordre.

### Lancement d'un programme de rachat d'actions propres

Le 13 juin 2023, Kinopolis Group SA a lancé un programme de rachat d'actions propres, et a, dans ce cadre, donné un mandat discrétionnaire à un intermédiaire pour racheter sur Euronext Brussels - pour le compte de Kinopolis Group SA - un maximum de 200 000 actions propres entre le 13 juin 2023 et le 16 août 2023, pour un montant maximal de 10 millions €. Le rachat d'actions propres aura lieu conformément aux conditions du mandat conféré par l'assemblée générale extraordinaire du 10 mai 2023, par lequel le conseil d'administration a été autorisé à procéder, sous certaines conditions, au rachat d'actions propres en vue de la couverture d'options sur actions. Les résultats du programme de rachat ne sont pas encore définitivement connus à la date de la présente publication.

### Poursuite du déploiement des Premiere Seats dans les cinémas Landmark (CA)

Au cours du premier semestre, des Premiere Seats ont été installés dans plusieurs cinémas Landmark. Il s'agit de deux ou trois sièges inclinables chauffants groupés qui offrent plus d'intimité que les sièges inclinables classiques - afin de profiter du film dans votre bulle. Ces sièges sont également équipés



d'un porte-manteau et d'une tablette. Chaque salle est dotée d'une ou de deux rangées de Premiere Seats. Au total, 17 cinémas Landmark sont désormais équipés de Premiere Seats.

#### **Rénovation du cinéma Landmark de Waterloo (CA)**

Le cinéma Landmark de Waterloo (Ontario) est actuellement rénové et équipé de sièges inclinables ainsi que de Premiere Seats, d'une salle Laser ULTRA et d'une salle IMAX. Laser ULTRA est le propre Premium Large Format de Kinepolis combinant la projection laser 4K avec le son Dolby Atmos pour une expérience cinématographique encore plus intense. Landmark Cinemas Canada possède désormais 12 salles dotées de la technologie Laser ULTRA à travers le pays. La fin des rénovations de Landmark Waterloo est prévue pour octobre 2023.

#### **Ouverture de la deuxième salle Laser ULTRA aux États-Unis**

MJR Theatres a ouvert une salle Laser ULTRA au cinéma MJR MarketPlace à Sterling Heights en juin 2023. Après l'introduction réussie de la technologie Laser ULTRA au MJR Brighton l'année dernière, il s'agit de la deuxième salle Laser ULTRA dont dispose le Groupe aux États-Unis. La combinaison de la projection laser 4K, du son Dolby Atmos et des sièges inclinables chauffants est garante de l'expérience cinématographique la plus qualitative du marché. La salle dispose également de plusieurs rangées de VIP Seats (par analogie avec les Premiere Seats au Canada et les Cosy Seats en Europe).

#### **Grève à Hollywood**

Après les scénaristes (Writers Guild of America, WGA), en grève depuis le 2 mai 2023, le syndicat des acteurs SAG-AFTRA (Screen Actors Guild-American Federation of Television and Radio Artists) a également interrompu le travail, et ce depuis le 13 juillet 2023. Les scénaristes et les acteurs réclament de meilleures conditions salariales et de travail, et craignent l'impact de l'intelligence artificielle (IA) sur leur travail. En raison de la grève, plusieurs productions sont suspendues et les acteurs n'effectuent aucune promotion. Cette grève aura un impact sur le calendrier des sorties au cours de la période à venir, comme la date de sortie de certains blockbusters peut être modifiée. L'impact exact dépendra de la durée de la grève et des décisions prises individuellement par les studios. Cependant, de nombreux films sont dans le pipeline et Kinepolis est confiant de pouvoir proposer des films locaux et internationaux de qualité, même si le calendrier de certains films hollywoodiens est modifié. Kinepolis estime que l'industrie cinématographique et le secteur du cinéma ne seront pas fondamentalement impactés.

#### **Programmation du second semestre de 2023**

Les films les plus populaires en ce moment sont « Barbie », « Oppenheimer », « En eaux très troubles », « Mission impossible : Dead Reckoning Partie 1 », « Gran Turismo » et « Elemental ». Les semaines et mois à venir seront marqués, entre autres, par la sortie des blockbusters suivants : « La Nonne 4 », « Dragonkeeper », « Expendables 4 », « After Everything », « Les Trolls », « Killers of the Flower Moon », « Dune : Deuxième partie », « The Marvels », « Napoleon », « Wish », « Wonka » et « Aquaman et le Royaume perdu ». Au programme des films locaux, on trouve notamment : « Wil » et « Het Smelt » en Flandre, « Les Trois Mousquetaires : Milady », « 3 jours max » et « Une année difficile » en France, « De Tatta's 2 » et « Bon Bini : Bangkok Nights » aux Pays-Bas et « Me he hecho viral » et « Ocho Apellidos Marroquíes » en Espagne. L'opéra et le ballet en direct sont complétés par l'art, du sport et des concerts.



## Calendrier financier

Jeudi 26 octobre 2023  
Jeudi 22 février 2024  
Jeudi 25 avril 2024  
Mercredi 8 mai 2024

Business update troisième trimestre 2023  
Résultats annuels 2023  
Business update premier trimestre 2024  
Assemblée générale

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## À propos de Kinopolis

Kinopolis Group SA a vu le jour en 1997 suite à la fusion de deux groupes de cinéma familiaux et a été cotée en bourse en 1998. Kinopolis offre un concept de cinéma innovant, considéré comme un exemple dans le secteur. Outre son activité cinématographique, le Groupe est également actif dans la distribution de films, l'organisation d'événements, la publicité à l'écran et la gestion immobilière.

Kinopolis Group SA compte, en Europe, 63 cinémas situés en Belgique, aux Pays-Bas, en France, en Espagne, au Luxembourg, en Suisse et en Pologne. Depuis l'acquisition du groupe cinématographique canadien Landmark Cinemas et celle du groupe américain MJR Theatres, Kinopolis compte également 38 cinémas au Canada et 10 aux États-Unis.

Au total, Kinopolis exploite aujourd'hui 111 cinémas, soit 1 138 écrans pour plus de 200 000 places assises. Les collaborateurs de Kinopolis mettent tout en œuvre pour assurer une expérience cinématographique inoubliable à des millions de visiteurs. Plus d'infos sur [www.kinopolis.com/corporate](http://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
<b>Gross result</b>		<b>69 139</b>	<b>46 836</b>
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
<b>Operating result</b>		<b>43 084</b>	<b>27 866</b>
Financial income		670	473
Financial expenses		-15 978	-16 041
<b>Result before tax</b>		<b>27 776</b>	<b>12 298</b>
Income tax expenses		-6 997	-3 229
<b>RESULT FOR THE PERIOD</b>		<b>20 779</b>	<b>9 068</b>
Attributable to:			
Owners of the Company		20 768	9 075
Non-controlling interests		11	- 7
<b>RESULT FOR THE PERIOD</b>		<b>20 779</b>	<b>9 068</b>
<b>Basic earnings per share (€)</b>		<b>0,77</b>	<b>0,34</b>
<b>Diluted earnings per share (€)</b>		<b>0,76</b>	<b>0,33</b>

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
<b>Result for the period</b>	<b>20 779</b>	<b>9 068</b>
<b>Items to be reclassified to profit or loss if specific conditions are met in the future:</b>		
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
<b>Other comprehensive income for the period, net of income taxes</b>	<b>-1 690</b>	<b>19 037</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>19 089</b>	<b>28 106</b>
Attributable to:		
Owners of the Company	19 078	28 094
Non-controlling interests	11	12
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>19 089</b>	<b>28 106</b>

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
<b>Non-current assets</b>		<b>1 026 386</b>	<b>1 046 197</b>
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	
<b>Current assets</b>		<b>89 182</b>	<b>123 299</b>
<b>TOTAL ASSETS</b>		<b>1 115 568</b>	<b>1 169 496</b>

## 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
<b>Total equity attributable to owners of the Company</b>		<b>168 002</b>	<b>157 719</b>
<b>Non-controlling interests</b>	17	<b>11</b>	<b>- 91</b>
<b>Total equity</b>		<b>168 013</b>	<b>157 628</b>
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
<b>Non-current liabilities</b>		<b>728 353</b>	<b>817 629</b>
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
<b>Current liabilities</b>		<b>219 202</b>	<b>194 239</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 115 568</b>	<b>1 169 496</b>

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
<b>Cash flow from operating activities</b>		<b>59 115</b>	<b>52 612</b>
Income taxes paid / received		-5 858	- 563
<b>Net cash flow - used in / + from operating activities</b>		<b>53 257</b>	<b>52 049</b>
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
<b>Net cash flow used in investing activities</b>		<b>-22 489</b>	<b>-7 545</b>
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	
<b>Net cash flow - used in / + from financing activities</b>		<b>-52 841</b>	<b>-82 840</b>
<b>+ INCREASE / - DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>-22 072</b>	<b>-38 336</b>
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
<b>+ INCREASE / - DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>-22 072</b>	<b>-38 336</b>

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			
<b>At 31 December 2022</b>		<b>20 106</b>	<b>7 603</b>	<b>587</b>	<b>-21 017</b>	<b>2 888</b>	<b>147 555</b>	<b>- 91</b>	<b>157 628</b>	
Result for the period							20 768	11	20 779	
<b>Result for the period</b>							<b>20 768</b>	<b>11</b>	<b>20 779</b>	
<b>Items to be reclassified to profit or loss if specific conditions are met in the future:</b>										
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	
<b>Other comprehensive income for the period, net of income taxes</b>			<b>-1 904</b>	<b>225</b>				<b>- 11</b>	<b>-1 690</b>	
<b>Total comprehensive income for the period</b>			<b>-1 904</b>	<b>225</b>			<b>20 768</b>	<b>0</b>	<b>19 089</b>	
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	
<b>Total transactions with owners, recorded directly in equity</b>					<b>-1 352</b>	<b>- 106</b>	<b>-7 349</b>	<b>103</b>	<b>-8 703</b>	
<b>At 30 June 2023</b>	<b>0</b>	<b>20 106</b>	<b>5 699</b>	<b>812</b>	<b>-22 369</b>	<b>2 782</b>	<b>160 975</b>	<b>11</b>	<b>168 013</b>	
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			
<b>At 31 December 2021</b>		<b>20 106</b>	<b>20 106</b>	<b>- 54</b>	<b>304</b>	<b>-21 497</b>	<b>3 268</b>	<b>118 604</b>	<b>- 79</b>	<b>120 649</b>
Result for the period							9 075	- 7	9 068	
<b>Result for the period</b>							<b>9 075</b>	<b>- 7</b>	<b>9 068</b>	
<b>Items to be reclassified to profit or loss if specific conditions are met in the future:</b>										
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	
<b>Other comprehensive income for the period, net of income taxes</b>			<b>19 003</b>	<b>16</b>				<b>18</b>	<b>19 037</b>	
<b>Total comprehensive income for the period</b>			<b>19 003</b>	<b>16</b>			<b>9 075</b>	<b>12</b>	<b>28 106</b>	
Sale of treasury shares						480	565		1 045	
Share-based payments							- 162	234	72	
<b>Total transactions with owners, recorded directly in equity</b>						<b>480</b>	<b>- 162</b>	<b>799</b>	<b>1 116</b>	
<b>At 30 June 2022</b>		<b>20 106</b>	<b>20 106</b>	<b>18 949</b>	<b>320</b>	<b>-21 017</b>	<b>3 106</b>	<b>128 479</b>	<b>- 67</b>	<b>149 873</b>

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. Based on the current text this would be applicable for the current report which is not the case.

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
<b>Revenue</b>	<b>72 697</b>	<b>43 478</b>	<b>69 399</b>	<b>25 748</b>	<b>31 844</b>	<b>30 601</b>	<b>9 129</b>	<b>2 365</b>		<b>285 261</b>
<b>Segment result</b>	<b>11 303</b>	<b>10 299</b>	<b>6 128</b>	<b>3 768</b>	<b>4 199</b>	<b>3 894</b>	<b>2 661</b>	<b>832</b>		<b>43 084</b>
Financial income									670	670
Financial expenses									-15 978	-15 978
<b>Result before tax</b>										<b>27 776</b>
Income tax expenses									-6 997	-6 997
<b>RESULT FOR THE PERIOD</b>										<b>20 779</b>
<b>Capital expenditure</b>	<b>3 383</b>	<b>2 319</b>	<b>4 189</b>	<b>2 222</b>	<b>651</b>	<b>3 554</b>	<b>522</b>	<b>57</b>		<b>16 898</b>

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
<b>Revenue</b>	<b>62 806</b>	<b>31 369</b>	<b>56 734</b>	<b>18 069</b>	<b>26 645</b>	<b>23 778</b>	<b>6 666</b>	<b>1 961</b>		<b>228 028</b>
<b>Segment result</b>	<b>9 579</b>	<b>5 804</b>	<b>3 604</b>	<b>610</b>	<b>4 730</b>	<b>2 039</b>	<b>1 393</b>	<b>108</b>		<b>27 866</b>
Financial income									473	473
Financial expenses									-16 041	-16 041
<b>Result before tax</b>										<b>12 298</b>
Income tax expenses									-3 229	-3 229
<b>RESULT FOR THE PERIOD</b>										<b>9 068</b>
<b>Capital expenditure</b>	<b>1 676</b>	<b>1 966</b>	<b>2 080</b>	<b>706</b>	<b>227</b>	<b>825</b>	<b>183</b>	<b>32</b>		<b>7 692</b>

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
<b>TOTAL IFRS 15</b>	<b>221 994</b>	<b>278 610</b>
Real estate	6 034	6 651
<b>TOTAL</b>	<b>228 028</b>	<b>285 261</b>

## 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](http://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
<b>Non-derivative financial liabilities</b>	<b>117 587</b>	<b>496 454</b>	<b>0</b>	<b>614 041</b>	<b>141 177</b>	<b>414 668</b>	<b>0</b>	<b>555 845</b>
Interest rate swaps	0	- 349	0	- 349	- 648	0	0	- 648
<b>Derivative financial instruments</b>	<b>0</b>	<b>- 349</b>	<b>0</b>	<b>- 349</b>	<b>- 648</b>	<b>0</b>	<b>0</b>	<b>- 648</b>
<b>TOTAL</b>	<b>117 587</b>	<b>496 105</b>	<b>0</b>	<b>613 692</b>	<b>140 529</b>	<b>414 668</b>	<b>0</b>	<b>555 197</b>

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
<b>TOTAL</b>	<b>491 571</b>	<b>453 028</b>	<b>468 457</b>	<b>425 152</b>

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
<b>Net carrying amount at 31/12/2022</b>	<b>329 275</b>	<b>1 428</b>	<b>768</b>	<b>1 991</b>	<b>333 462</b>
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
<b>Net carrying amount at 30/06/2023</b>	<b>318 570</b>	<b>1 753</b>	<b>638</b>	<b>1 810</b>	<b>322 771</b>

## LEASE LIABILITIES

IN '000 €	TOTAL
<b>NET CARRYING AMOUNT AT 31/12/2022</b>	<b>370 371</b>
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
<b>NET CARRYING AMOUNT AT 30/06/2023</b>	<b>360 769</b>

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
<b>TOTAL</b>	<b>3 013</b>

### GOODWILL CALCULATION

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

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
<b>Decrease in equity attributable to owners of the Company</b>	<b>- 794</b>

## 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