ANNUAL REPORT **2024**

BEYOND THE SCREEN

INNOVATING CINEMA FOR GREATER VALUE



ANNUAL REPORT **2024**

SHEDDING LIGHT ON OUR SUSTAINABLE VALUE CREATION

Our Annual Report 2024 captures a year of purpose-driven innovation. With a distinct vision on the future of cinema, we want to create greater value for all. Like the light that illuminates a screen to bring stories to life, this report offers insights into how our vision blends sound financial performance with ambitious ESG commitments.

We invite you to look beyond the screen and explore the way Kinepolis is shaping a sustainable future while delivering moments of wonder and unforgettable cinematic experiences.

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TOP 5 MOVIES 2024: ***Inside Out 2*** *© Disney*

WORD FROM THE CHAIR AND CEO

JOOST BERT & EDDY DUQUENNE



Ladies and gentlemen,
Dear shareholder, customer and employee,

In many ways, 2024 was like a great film: we started with bated breath, gained more and more confidence in a positive outcome as the story unfolded, and left the theatre with a smile.

The first five months of the year were challenging because of a rather limited film offering due to the long Hollywood strike in 2023. But the tide turned in June thanks to the record-breaking results of 'Inside Out 2'. A strong film summer - which also included 'Deadpool & Wolverine' and 'Despicable Me 4' - set the tone for a successful second half of the year, helped by a solid family offering in the final weeks of the year (think 'Moana 2', 'Wicked' and 'Mufasa: The Lion King').

However, the rock-solid second half of the year - which was record-breaking in both revenue and financial result - could not fully compensate for the first five months of the year. Consequently, all financial parameters related to visitor volume, for the full year, decreased compared to 2023. Looking at the results per visitor, however, we see a different story …

In 2024, the average visitor again spent more, in exchange for more experience. The increasing demand for experiential extras - such as enhanced image and sound, seating comfort, catering, and events - along with Kinepolis' investments in premium concepts, is clearly paying off.

Moreover, the Kinepolis strategy - with its increased focus on premiumization, innovation, and fostering a self-learning corporate culture - ensures that, even with current visitor levels, the Group has regained its pre-pandemic financial strength. This evolution is illustrated by a more than healthy cash flow and a further reduction of our net financial debt.

In a context where Hollywood has not yet fully recovered and the film calendar is becoming increasingly filled, this creates significant opportunities for the future. A future in which we also want to further expand the Group, always based on the potential for improvement we believe we can achieve.

In 2024, our focus was mainly on internal expansion, or rolling out premium movie experiences. After several IMAX openings in 2023, we opened no less than 22 new ScreenX theatres and 10 new Laser ULTRA theatres in 2024. We also further rolled out our premium seating concepts, with an expansion of VIP, Premiere and Cosy Seats, as well as the introduction of Loungers, reclining seats specially designed for the front row(s) of the theatre. Especially in our 'newer' markets - Canada and the US - several premium concepts have been introduced and/or expanded, with positive results. We will continue on this momentum in 2025, with several new IMAX screens already planned.

Over the past year, a number of acquired cinemas - such as Kinepolis Amnéville, Belfort and Béziers - were also completely renovated to include premium concepts. Investments that swiftly repay themselves through enhanced customer satisfaction and increased revenue.

We'll continue to cultivate our self-learning corporate culture, as this is the backbone of our three-pillar strategy aimed at being the best cinema operator, best marketer and best real estate manager. At Kinepolis, we start from the improvement ideas of our employees. A highlight of 2024 was the first edition of our Innovation Lab Summit, a two-day international conference where employees from various countries pitched their ideas to an international audience and jury. The presentation of the Kinepolis Innovation Awards was the crowning glory after two days filled with inspiration, camaraderie and fun.

The fun, passion, and hard work of our employees are reflected in our customers' experiences. We are fortunate to provide relaxation and a space to share emotions with others. Cinema is about surrendering to a story, escaping everyday reality, and exploring a different perspective. It's like a ray of light in sometimes dark times. Creating that space remains the most beautiful and rewarding job in the world.

Living up to our purpose is something we can only do well if each of us feels good and can be ourselves. When we not only contribute to an economic story but also make a positive contribution to the community and environment we are all part of.

While this has always been part of our intrinsic values and intentions, this annual report features a more extensive ESG reporting for the first time, in line with the requirements of the Corporate Sustainability Reporting Directive (CSRD). Although this inevitably results in a more technical report, we hope to pleasantly surprise you with stories that demonstrate that respect for people, the environment and society is woven into our company's DNA and strategy.
Kinepolis would not be able to achieve its ambitious objectives without the commitment and trust of its employees, movie lovers, partners, investors and other stakeholders. We are grateful to each of them and make every effort to earn that trust every day.

Happy reading and … see you at the movies!

Eddy Duquenne

CEO Kinepolis Group

Joost Bert

Chair Board of Directors

‘CINEMA IS ABOUT SURRENDERING TO A STORY, ESCAPING EVERYDAY REALITY, AND EXPLORING A DIFFERENT PERSPECTIVE. IT’S LIKE A RAY OF LIGHT IN SOMETIMES DARK TIMES. CREATING THAT SPACE REMAINS THE MOST BEAUTIFUL AND REWARDING JOB IN THE WORLD.’



OUR PURPOSE

Beyond the screen, we create sustainable value for all our stakeholders, including our employees, customers, shareholders, partners and local communities, while preserving our natural environment.

WHY?

Enrich people's lives through the power of movies.

WHAT?

Movies entertain, inspire and connect people. Kinepolis brings that power to life by creating the **ultimate movie experience**.

HOW?

Kinepolis wants to be the **best cinema operator**, by wowing visitors with unique entertainment options and business experiences in the best possible circumstances.

Kinepolis wants to be the **best marketer**, by closely interacting with visitors and providing all of them a tailored offering.

Kinepolis wants to be the **best real estate manager**, by optimally managing, valorizing and further developing its premises.

2024 AT A GLANCE

JANUARY

FEBRUARY

FEBRUARY 14
End of share buyback program

Opening ScreenX theatres
at Kinepolis Brussels, Braine l'Alleud, Brétigny-sur-Orge, Nancy, Enschede



MARCH

Opening Laser ULTRA theatres
at Kinepolis Thionville and MJR Westland



APRIL

APRIL 22
Capital Markets Day Kinepolis Group

Opening ScreenX theatres
at Kinepolis Liège, Bruges, Kortrijk, Béziers, Landmark Guildford, Landmark St. Catharines

SCREENX

MAY



MAY 30
Inauguration of the renovated Kinepolis Amnéville (FR)

MAY 8
Appointment of two new directors: EDK Mgmt (Els De Keukelaere) and Lupus AM BV (Jo De Wolf)

Opening Laser ULTRA theatres
at Kinepolis Brussels, Braine l'Alleud, Bruges, Kortrijk, Landmark Kanata and Whitby

LASER ULTRA

JUNE



JUNE 20
Kinepolis wins 2024 Milestone Award at CineEurope (Barcelona, ES)

JUNE 12-13
Kinepolis Innovation Lab Summit





ONGOING
Roll-out of premium seating concepts (Premiere Seats, VIP Seats, Cosy Seats, Loungers)



Opening ScreenX theatres
at MJR MarketPlace, Landmark Country Hills, Kinepolis Bourgoin

JULY

Opening ScreenX theatres
at Kinepolis Fenouillet, Mulhouse, Belval, Alicante, Mataró, Almere, Breda, MJR Waterford



AUGUST

Opening Laser ULTRA theatre
at Kinepolis Rocourt

LASER ULTRA

SEPTEMBER

SEPTEMBER 19
Announcement of agreement for a yet to be build, rented cinema in Madrid (ES)

OCTOBER

OCTOBER 1
Start of operations at the acquired cinema in Almería (ES)

OCTOBER 14
Start of Mr Pieter-Jan Sonck as CFO of Kinepolis Group

NOVEMBER

NOVEMBER 20
Opening Landmark 8 Windsor (Ontario, CA)

NOVEMBER 28
Opening 'Singcity by Kinepolis' karaoke concept (Ghent, BE)

SiNGCiTY
By Kinepolis

DECEMBER

DECEMBER 4
Launch Cosy Loungers in the Netherlands (Leidschendam)

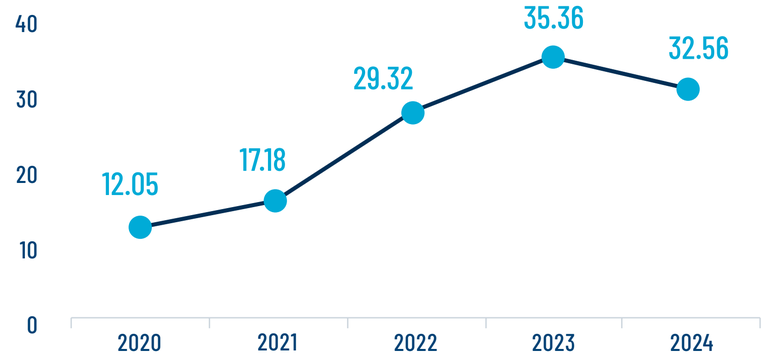


KEY FIGURES AND RATIOS

COUNTRY	NUMBER OF COMPLEXES*	VISITORS (MILLIONS) IN 2023**	VISITORS (MILLIONS) IN 2024**	COMPARISON
Belgium	11	6.39	5.61	-12.2%
France	18	6.54	6.45	-1.5%
Canada	36	9.12	8.59	-5.8%
Spain	11	4.81	4.30	-10.5%
Netherlands	19	3.49	2.79	-20.1%
United States	10	4.09	4.00	-2.3%
Luxembourg	3	0.82	0.73	-10.2%
Other (Poland, Switzerland)	2	0.10	0.09	-15.0%
TOTAL	**110**	**35.36**	**32.56**	**-7.9%**

** Number of cinema complexes on publication date. This includes the owned complex Cinema City in Poznań (Poland), which is operated by Cineworld.*
*** Visitor numbers are in millions and do not include Cinema City in Poznań (Poland).*

VISITOR NUMBERS (MILLIONS) PER YEAR*



CONSOLIDATED INCOME STATEMENT (IN '000 €)	2020	2021	2022	2023	2024
Revenue	176 282	266 393	499 908	605 475	578 189
EBITDA	17 188	72 667	150 250	186 864	165 539
EBITDAL	- 13 981	38 510	113 975	151 364	130 944
Adjusted EBITDA*	17 961	72 555	150 817	188 167	167 336
Adjusted EBITDAL*	- 13 208	38 398	114 542	152 667	132 741
Result	**- 69 111**	**- 25 506**	**27 535**	**56 075**	**40 463**
Adjusted result*	**- 68 326**	**- 24 706**	**28 540**	**57 952**	**41 811**

** Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively (2020 - 2024)*
The impact of share-based payments and their net tax effect for 2020-2024 is as follows (in '000, before and after tax, respectively):
2020: € 469, € 352
2021: € 293, € 220
2022: € -145, € -109
2023: € 2 227, € 1 664
2024: € 1 691, € 1 268

ANNUAL GROWTH RATES	2020	2021	2022	2023	2024
Revenue	-68,0%	51,1%	87.7%	21.1%	-4.5%
EBITDA	-90.0%	322.8%	106.8%	24.4%	-11.4%
EBITDAL	-109.8%	375.4%	196.0%	32.8%	-13.5%
Adjusted EBITDA*	-89.7%	304.0%	107.9%	24.8%	-11.1%
Adjusted EBITDAL*	-109.1%	390.7%	198.3%	33.3%	-13.1%
Result	**-227.1%**	**63.1%**	**208.0%**	**103.6%**	**-27.8%**
Adjusted result*	**-220.8%**	**63.8%**	**215.5%**	**103.1%**	**-27.9%**

** Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively (2019 - 2024)*

CONSOLIDATED BALANCE SHEET (IN '000 €)	2020	2021	2022	2023	2024
Non-current assets	1 097 121	1 079 631	1 046 197	1 005 365	994 964
Current assets	71 059	115 447	123 299	161 662	149 466
TOTAL ASSETS	**1 168 180**	**1 195 078**	**1 169 496**	**1 167 027**	**1 144 430**
Equity	126 496	120 649	157 628	193 844	225 890
Non-current provisions and deferred tax liabilities	16 126	15 590	14 017	12 791	13 412
Non-current loans and borrowings	469 882	478 494	463 193	383 695	289 458
Non-current lease liabilities	358 317	354 271	335 375	323 196	319 565
Current loans and borrowings	76 599	71 557	28 378	96 000	114 600
Current lease liabilities	35 295	36 296	34 996	34 391	35 639
Trade and other payables	84 778	116 967	132 776	121 015	143 561
Others	687	1 254	3 133	2 095	2 306
TOTAL EQUITY AND LIABILITIES	**1 168 180**	**1 195 078**	**1 169 496**	**1 167 027**	**1 144 430**

DATA PER SHARE*	2020	2021	2022	2023	2024
Revenue	6.56	9.90	18.54	22.50	21.62
EBITDA	0.64	2.70	5.57	6.94	6.19
EBITDAL	-0.52	1.43	4.23	5.63	4.90
Adjusted EBITDA***	0.67	2.70	5.59	6.99	6.26
Adjusted EBITDAL***	-0.49	1.43	4.25	5.67	4.96
Result	-2.57	-0.95	1.02	2.08	1.51
Adjusted result***	-2.54	-0.92	1.06	2.15	1.56
Equity. share of the Group	4.71	4.49	5.85	7.20	8.45
Gross dividend**			0.26	0.55	0.55
Pay-out ratio			25%	26%	37%

** Calculated based on the weighted average number of shares for the relevant period.*

*** Calculated based on the number of shares eligible for dividend.*

**** Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively (2020 - 2024)*

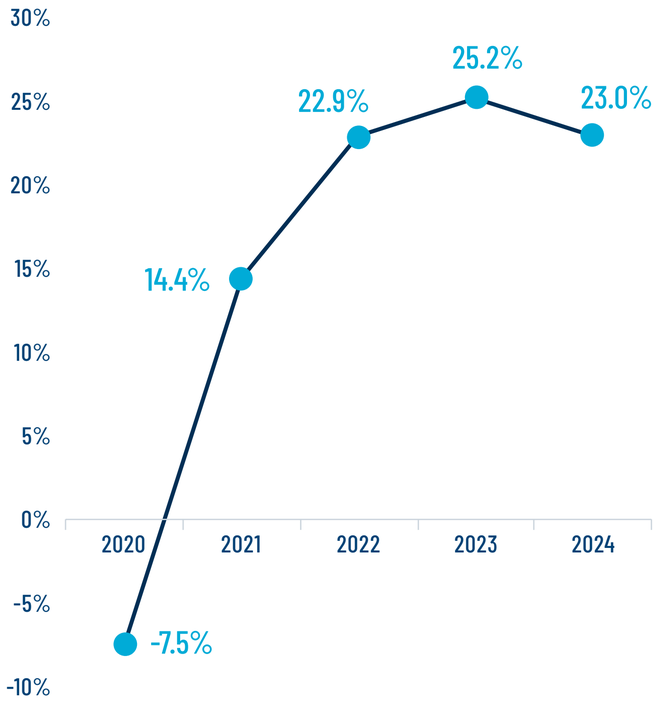
PROFITABILITY RATIOS	2020	2021	2022	2023	2024
EBITDA / Revenue	9.8%	27.3%	30.1%	30.9%	28.6%
EBITDAL / Revenue	-7.9%	14.5%	22.8%	25.0%	22.6%
Adjusted EBITDA / Revenue*	10.2%	27.2%	30.2%	31.1%	28.9%
Adjusted EBITDAL / Revenue*	-7.5%	14.4%	22.9%	25.2%	23.0%
Result / Revenue	-39.2%	-9.6%	5.5%	9.3%	7.0%

FINANCIAL STRUCTURE RATIOS EXCL. LEASE LIABILITIES	2020	2021	2022	2023	2024
Net financial debt	513 281	474 465	423 516	378 311	319 349
Net financial debt / EBITDAL	-36.71	12.32	3.72	2.50	2.44
Net financial debt / Adjusted EBITDAI*	-38.86	12.36	3.70	2.48	2.41
Net financial debt / Equity	4.06	3.93	2.69	1.95	1.41
Equity / Total equity and liabilities	16.3%	15.0%	19.7%	23.9%	28.6%
Current ratio	46.0%	63.0%	77.0%	76.0%	59.4%
ROCE excl. IFRS 16*	-10.0%	-1.8%	9.2%	15.4%	12.1%

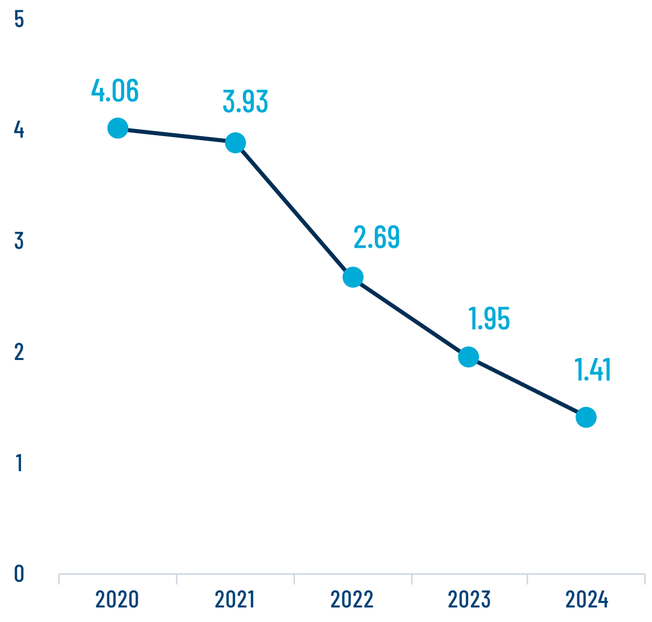
FINANCIAL STRUCTURE RATIOS INCL. LEASE LIABILITIES	2020	2021	2022	2023	2024
Net financial debt	906 892	865 032	793 887	735 898	674 553
Net financial debt / EBITDA	52.76	11.90	5.28	3.94	4.07
Net financial debt / Adjusted EBITDA*	50.49	11.92	5.26	3.91	4.03
Net financial debt / Equity	7.17	7.17	5.04	3.80	2.99
Equity / Total equity and liabilities	10.8%	10.1%	13.5%	16.6%	19.7%
Current ratio	37.0%	52.0%	63.0%	65.0%	52.0%
ROCE*	-6.1%	-0.5%	6.9%	11.1%	8.8%

** Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively (2020 – 2024)*

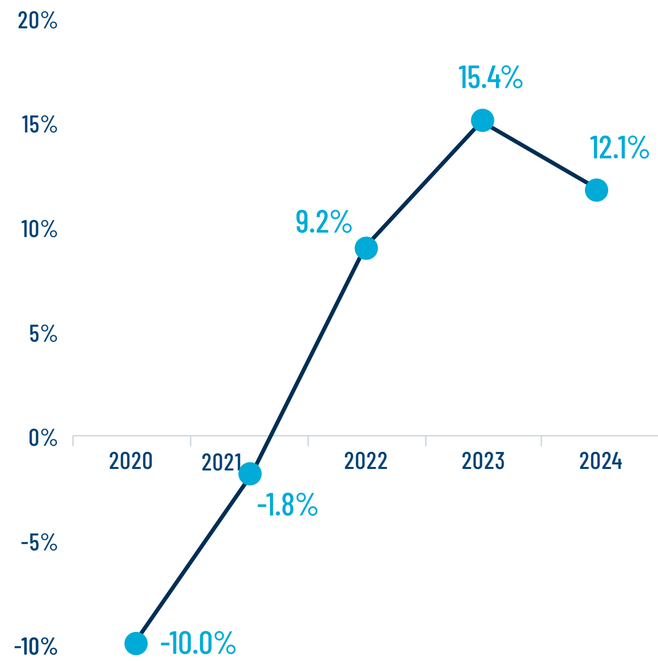
ADJUSTED EBITDAL / REVENUE*



NET FINANCIAL DEBT / EQUITY (EXCL. LEASE LIABILITIES)



ROCE EXCL. IFRS 16*



** Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively (2020 – 2024)*

KINEPOLIS GROUP SHAREHOLDER INFORMATION

INTRODUCTION

The Kinepolis Group share (ISIN: BE0974274061 / mnemo: KIN) has been listed on Euronext Brussels since 9 April 1998, currently under compartment A (Large Caps).

INVESTOR ENGAGEMENT

The Investor Relations team maintains a close relationship with investors and financial analysts throughout the year. The CEO and CFO also prioritize interactions with the investment community.

During the year 2024, Kinepolis Group participated in 9 roadshows and in 5 investor conferences across Europe and the US. Additionally, in April 2024, Kinepolis Group organized its first-ever Capital Markets Day for institutional investors, financial analysts, and the financial press. The management team provided a comprehensive behind-the-scenes look.

In November 2024, Kinepolis Group participated in the Finance Avenue conference in Brussels, which was attended by nearly 4 000 Belgian private investors and where CEO Eddy Duquenne was delighted to share his insights and thoughts on the global cinema market and its future. Additionally, Kinepolis Group has been a company sponsor of the VFB (Flemish investor federation) for over 25 years. Together, we frequently organize 'behind the scenes' company visits.

All presentations from investor events and financial results are available on the Investor Relations section of the Kinepolis Group corporate website (corporate.kinepolis.com), along with the 2025 financial calendar[1].

1 For the financial calendar 2025, we also refer to p. 289 of this annual report.

KINEPOLIS GROUP SHAREHOLDER INFORMATION

NUMBER OF SHARES

	2020	2021	2022	2023	2024
Number of shares at 31 December	27 365 197	27 365 197	27 365 197	27 365 197	27 365 197
Weighted average number of ordinary shares [1]	26 884 346	26 900 080	26 965 643	26 907 356	26 747 060
Weighted average number of diluted ordinary shares [2]	27 158 344	27 186 753	27 268 287	27 564 765	27 180 810

(1) *Weighted average number of ordinary shares: average number of outstanding shares – average number of treasury shares.*

(2) *Weighted average number of diluted ordinary shares: average number of outstanding shares – average number of treasury shares + number of possible new shares that must be issued under the existing stock option plans x dilution effect of the stock option plans.*

SHARE TRADING

	2020	2021	2022	2023	2024
Closing price as per 31 December (in €)	34.75	54.80	38.78	44.70	39.40
Market value at closing price (in € '000)	950 941	1 499 613	1 061 222	1 223 224	1 078 189
Lowest price of the year (in €)	18.8	32.1	35.0	38.00	33.50
Highest price of the year (in €)	62.0	58.3	61.3	49.30	45.00
Traded volume per year	19 055 736	13 831 920	6 580 808	5 785 365	4 718 754
Average traded volume per day	74 147	53 612	25 606	22 688	18 433

Source: Euronext



‘DESPITE LOWER VOLUME LEVELS, WE MAINTAINED A ROBUST FREE CASH FLOW PERFORMANCE AND STRONG CASH CONVERSION IN 2024, ENABLING US TO FURTHER DELEVERAGE. THE FACT THAT WE HAVE REGAINED OUR PRE-PANDEMIC FINANCIAL STRENGTH POSITIONS US IDEALLY FOR THE YEAR AHEAD.’

PIETER-JAN SONCK APPOINTED AS CFO IN 2024

NOTES TO THE FINANCIAL RESULTS

After a weak first half of the year due to the impact of the Hollywood strike, a stronger film offering from June onwards ensured a successful summer and year-end.

However, the second half could not fully compensate for the first five months, resulting in lower visitor-related results for the full year 2024 compared to the previous year. Nevertheless, Kinepolis managed to restore its financial strength to 2019 levels, helped by a continued increase in revenue per visitor due to stronger demand for premium products.

REVENUE

In 2024, Kinepolis welcomed 32.6 million visitors, a decrease of 7.9% compared to 2023. Total revenue amounted to € 578.2 million, down 4.5% from the previous year. Revenue from visitor-related activities, specifically ticket sales and sales of drinks and snacks, decreased by 5.1%.

Revenue from ticket sales (Box Office, BO) decreased by 5.4% to € 301.5 million. BO revenue per visitor increased by 2.8%, thanks in part to the success of premium cinema experiences and inflation-compensating price increases. Revenue from the sale of drinks and snacks (In-theatre Sales, ITS) decreased by 4.5% to € 184.0 million. ITS revenue per visitor (excluding home delivery revenue) increased by 3.6%, thanks to higher consumption per visitor and inflation-compensating price increases.

Revenue from B2B activities increased by 1.7%, mainly due to an increase in revenue from 'Sales & Events' (+2.3%), partly offset by a slight decrease in screen advertising revenue (-0.4%). Revenue from real estate was up 9.1%, mainly due to higher rental income in Belgium, France and Poland, driven by the impact of new tenants and indexations.

Revenue from Brightfish, the Belgian screen advertising sales house, fell 16.2%, and revenue from Kinepolis Film Distribution (KFD) decreased by 35.4% to € 3.1 million in 2024.

COST OF SALES

In 2024, the cost of sales decreased by 1.3% compared to 2023 (from € 445.1 million to € 439.4 million). This decrease is mainly attributed to the decrease in activities during 2024, which resulted in lower operating costs (including film rights, drinks and snacks). This decrease was partly offset by inflation, rising personnel costs and fixed costs such as depreciations and rent.

OPERATING COSTS

Operating costs increased in 2024 compared to 2023 (€ 56.7 million vs € 54.4 million), mainly due to rising personnel costs.

ADJUSTED EBITDA

Adjusted EBITDA was € 167.3 million in 2024. After adjustment for rent, adjusted EBITDAL amounted to € 132.7 million. Adjusted EBITDAL per visitor decreased from € 4.32 to € 4.08 due to the volume effect.

Net financial expenses decreased slightly to € 26.6 million in 2024 from € 30.2 million in 2023. The decrease is mainly due to a decrease in interest costs.

RESULT FOR THE PERIOD

The effective tax rate was 27.0% compared to 26.0% in the same period the year before.

The net result amounted to € 40.5 million, whereas the adjusted result amounted to € 41.8 million. The result per share was € 1.51 versus € 2.08 in 2023; the adjusted result per share was € 1.56 versus € 2.15 in 2023.

"KINEPOLIS MANAGED TO RESTORE ITS FINANCIAL STRENGTH TO 2019 LEVELS, HELPED BY A CONTINUED INCREASE IN REVENUE PER VISITOR DUE TO STRONGER DEMAND FOR PREMIUM PRODUCTS."

FREE CASH FLOW AND NET FINANCIAL DEBT

A positive free cash flow of € 98.3 million was achieved in 2024, up 15.0% from € 85.5 million in 2023. This increase was mainly due to positive working capital developments, lower net financial expenses and reduced tax payments, although this was partly offset by the lower operational cash flow from operational activities.

In 2024, € 42.6 million was invested, including € 18.5 million in maintenance for existing cinema complexes. € 11.5 million was invested in internal expansion, notably in the opening of new ScreenX and Laser ULTRA theatres, the further rollout of premium cinema experiences, energy-saving investments and ICT developments. In addition, € 12.6 million was invested in external expansion, including the opening of Landmark Windsor (CA), further renovation of Kinepolis Béziers and Belfort (FR) and the opening of Kinepolis Almería (ES).

Net financial debt, excluding lease liabilities, decreased from € 378.3 million at the end of 2023 to € 319.3 million at the end of 2024, thanks to the positive free cash flow.

BALANCE SHEET

Fixed assets (€ 995.0 million) made up 86.9% of the balance sheet total (€ 1 144.4 million) on 31 December 2024. This includes land and buildings (including investment property) with a carrying value of € 357.5 million. On 31 December 2024, equity amounted to € 225.9 million versus € 193.8 million at the end of 2023. Solvency was 19.7% versus 16.6% at the end of 2023.

DIVIDEND

At the General Meeting, to be held on 14 May 2025, the Board of Directors will propose to pay a gross dividend of € 0.55 per share for the 2024 period. The dividend will be made available from 20 May 2025 (ex-date: 16 May 2025, record date: 19 May 2025).

ESG HIGHLIGHTS 2024

Kinepolis' ESG priorities originate from and are linked to the Company's 3-pillar strategy. In addition to our first-time reporting in line with the Corporate Sustainability Reporting Directive (CSRD), which is a highlight in itself, several actions and metrics related to our ESG priorities deserve to be highlighted alongside our 2024 financial results.

More information on each of these topics can be found in the sustainability statement in this report.

BEST
CINEMA OPERATOR

BEST
MARKETER

BEST
REAL ESTATE MANAGER

Development and empowerment of employees

Employee well-being, diversity and inclusion

Customer experience excellence

Green and resilient building and infrastructure

Responsible waste management

Business integrity and good governance

Development, empowerment and well-being of employees

- 12.5% of employees is actively involved in the yearly improvement exercise and operating reviews (= % business owners vs. total employees)
- Launch of the new learning platform Movie Lover Academy in Canada
- First edition of the Kinepolis Innovation Lab Summit, with employees from various countries pitching innovative ideas
- 87% response rate in yearly employee engagement survey (People Satisfaction Index)
- Yearly performance cycle for all employees
- Diverse workforce: 50.2% of all employees is female, 23.3%% of top management and 37.5% of the Board of Directors

Customer experience excellence

- Continuous customer feedback through the Customer Satisfaction Index: 490 619 surveys completed (+1% vs. 2023)
- 30 million € investments in maintenance and rollout of premium cinema concepts
- Diversified film offering: international film offerings continuously complemented by world cinema, local and alternative content

Green and resilient building and infrastructure

- Carbon footprint of 131 876 tCO_2eq (location-based) or 132 484 tCO_2eq (market-based) in 2024, including first-time measurement of Scope 3 emissions
- Energy consumption of 219.3 MWh/million € revenue
- 65% of all screens equipped with laser projection, leading to annual energy savings of 6 GWh
- 7 additional cinemas equipped with tailored Building Management Systems
- Permeable parking and rain garden for Kinepolis Nîmes (FR)

Responsible waste management

- First consolidated data collection and reporting
- Action plans in development per country
- First cinema chain in the Netherlands to introduce deposit return machines for collecting and recycling bottles and cans

Business integrity and good governance

- Implementation of whistleblowing procedure in North America, based on upgraded European procedure and tools which were implemented in 2023
- Set-up and validation of ESG governance structure

2024 MILESTONE AWARD

At the CineEurope convention in Barcelona, Spain, Kinepolis received the 2024 Milestone Award in recognition of its outstanding achievements within European cinema exhibition and its constant efforts to offer the best experience to cinema-goers. The CineEurope Awards are an initiative of the European cinema federation UNIC (International Union of Cinemas), with the support of Film Expo Group. The photo features a large part of Kinepolis' European and Group management.



OUR BRANDS

Kinepolis Group consists of three strong brands: Kinepolis in Europe, Landmark Cinemas in Canada and MJR Theatres in the USA. These brands have established their own unique identities, operate in distinct contexts, and serve varying audiences. With dedicated strategies, they have become household names in their respective home markets. And yet, our brands are so much the same. Think of them as three rays of light that stem from a single purpose: to enrich people's lives through the power of movies.

KINEPOLIS, OUR BRAND IN EUROPE

The origins of Kinepolis Group date back to the late 1960s when Albert Bert took over the local cinema in Harelbeke (Belgium) from his father and expanded it into a two-screen cinema. Over the years, he opened more cinemas, with an increasing number of screens, laying the foundation for the multiplex concept. In 1988, he and his sister-in-law, Marie Rose Claeys-Vereecke, opened Kinepolis Brussels, the world's first megaplex with 25 screens.

The Bert and Claeys families merged their interests into Kinepolis Group in 1997, and since 2006, the Bert family has been the sole family shareholder. Kinepolis went public in 1998 and has been led by CEO Eddy Duquenne since 2008. Under his leadership, the Group has significantly expanded since 2014, partly due to the acquisition of Landmark Cinemas Canada and American MJR Theatres.

KLUB, KINEPOLIS' ART HOUSE CINEMA BRAND

In 2018, Kinepolis developed an alternative cinema concept and brand for a small cinema in the center of Metz, France. KLUB's programming consists of 90% art house films.



LANDMARK CINEMAS, OUR BRAND IN CANADA

Landmark Cinemas is the second-largest cinema group in Canada. Founded in 1965, it was primarily a group of smaller, regional cinemas until it, along with TriWest Capital, acquired 22 Empire cinema complexes in Ontario and Western Canada in 2013. Kinepolis Group acquired Landmark Cinemas at the end of 2017, marking its entry into the North American market. The Canadian cinemas continue to operate under the registered Landmark Cinemas brand.

MJR THEATRES, OUR BRAND IN THE USA

MJR Digital Cinemas was founded in 1980 by Mike Mihalich and grew into a group of 10 multi- and megaplexes in Michigan (Metro Detroit area). Kinepolis Group acquired the American cinema group in October 2019, establishing its first foothold in the United States. The American cinema complexes continue to operate under the registered MJR Theatres brand.

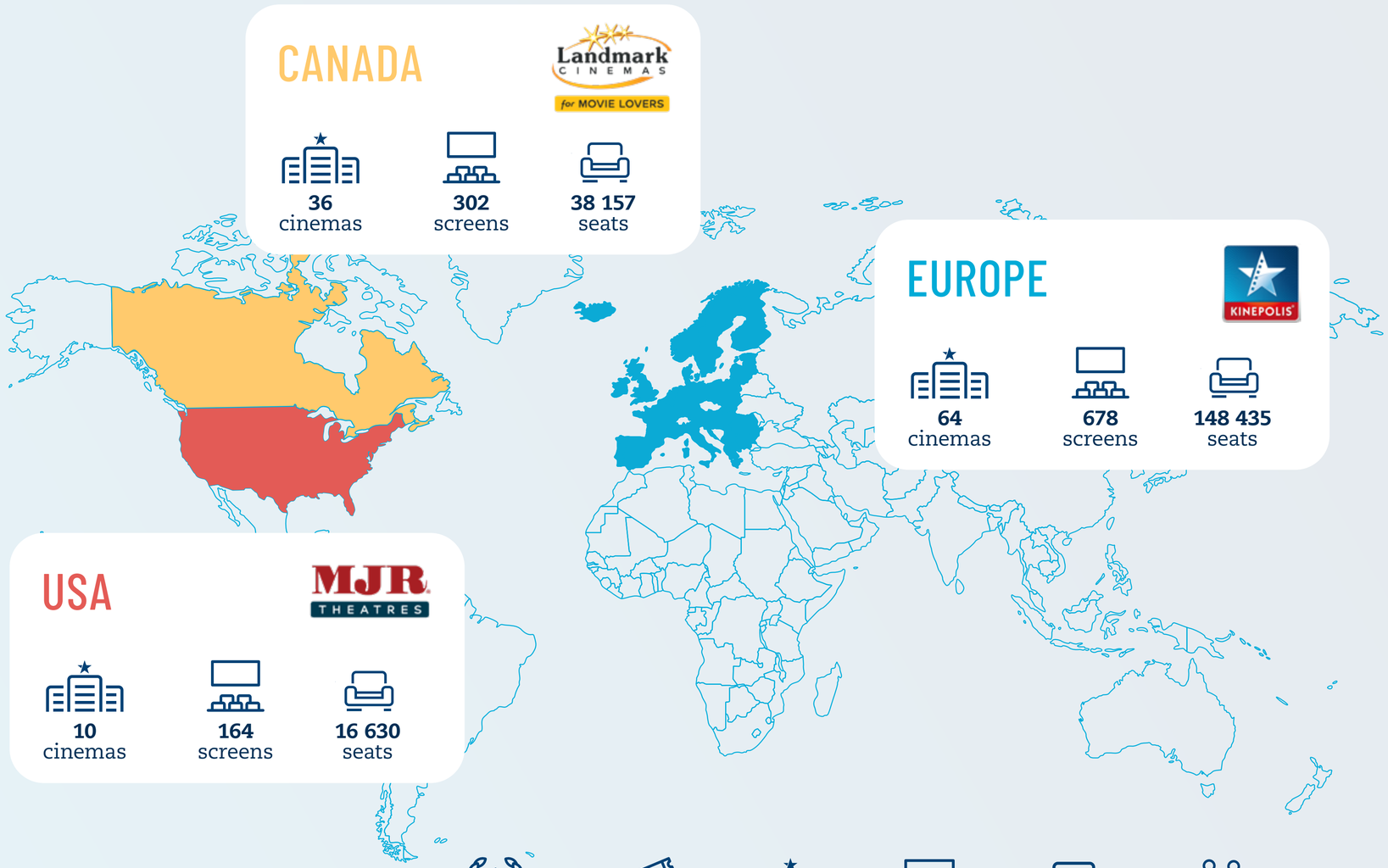
KINEPOLIS WORLDWIDE

On the date of this publication, Kinepolis Group has 110 cinema complexes in its portfolio (1), of which 50 are owned, totalling 1 144 screens and more than 200 000 seats.

In Europe, Kinepolis has **64 cinemas** spread across Belgium, the Netherlands, France, Spain, Luxembourg, Switzerland, and Poland.

Since the acquisition of Landmark Cinemas Canada in 2017, Kinepolis operates **36 cinemas** in Canada.

Since the acquisition of MJR Theatres in 2019, Kinepolis also has **10 cinemas** in Michigan (USA).



CANADA

Landmark CINEMAS for MOVIE LOVERS

36 cinemas
302 screens
38 157 seats

USA

MJR THEATRES

10 cinemas
164 screens
16 630 seats

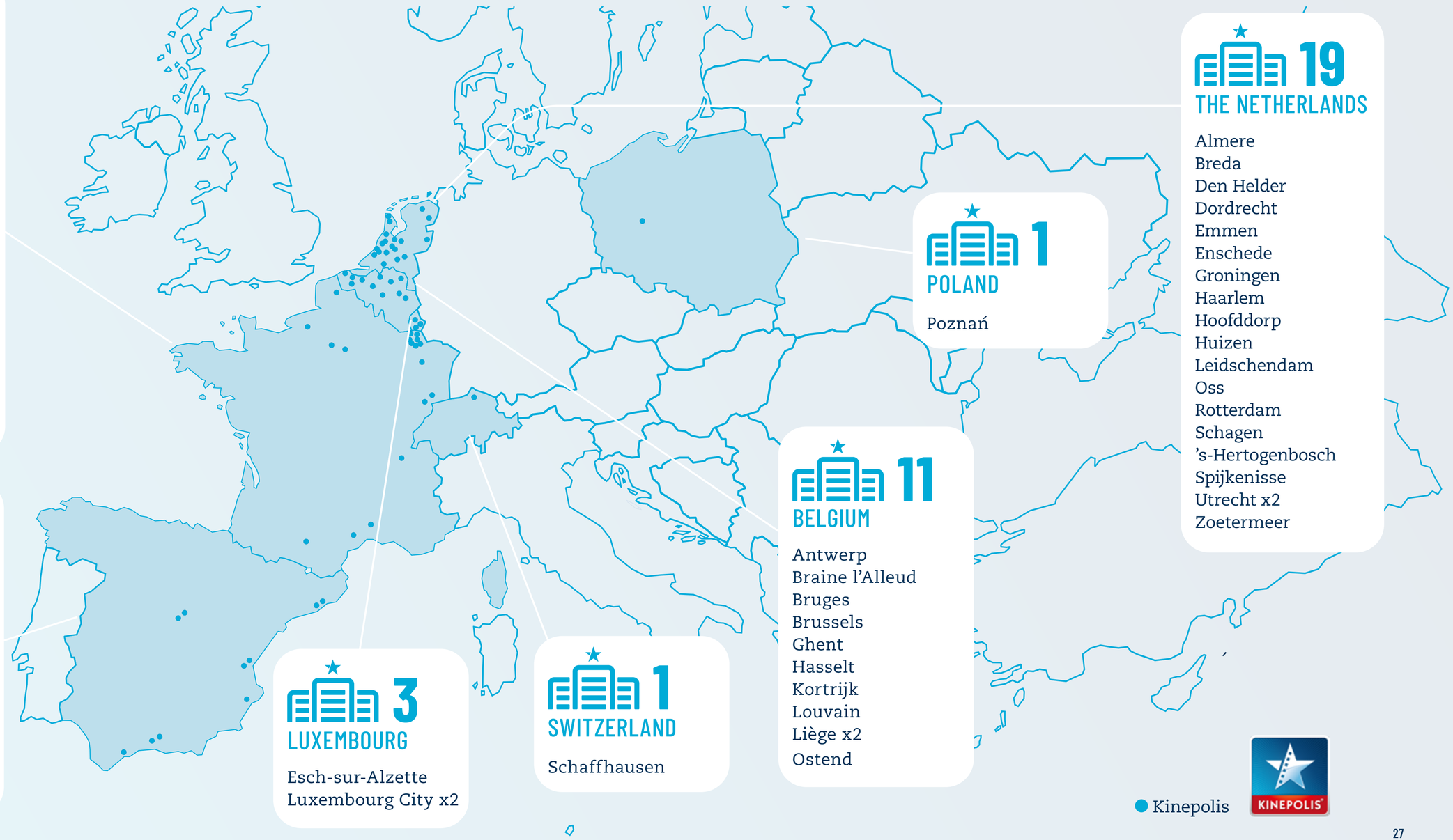
EUROPE

KINEPOLIS

64 cinemas
678 screens
148 435 seats

9 countries
32.6 million visitors in 2024
110 cinemas
1 144 screens
203 222 seats
3 633 employees
(Headcount December 2024)

(1) On the date of this publication, part of the real estate portfolio and whether or not used for cinema activities. Includes one complex operated by Cineworld (Poznań, PL), whose screens and seats are not counted in the total.



18 FRANCE

Amnéville
Belfort
Béziers
Bourgoin
Brétigny-sur-Orge
Fenouillet
Lomme
Longwy
Metz x4
Mulhouse
Nancy
Nîmes
Rouen Saint-Sever
Servon
Thionville

11 SPAIN

Almería
Alicante
Alzira
Barcelona
Granada x2
Madrid x2
Marbella
Mataró
Valencia

3 LUXEMBOURG

Esch-sur-Alzette
Luxembourg City x2

1 SWITZERLAND

Schaffhausen

1 POLAND

Poznań

11 BELGIUM

Antwerp
Braine l'Alleud
Bruges
Brussels
Ghent
Hasselt
Kortrijk
Louvain
Liège x2
Ostend

19 THE NETHERLANDS

Almere
Breda
Den Helder
Dordrecht
Emmen
Enschede
Groningen
Haarlem
Hoofddorp
Huizen
Leidschendam
Oss
Rotterdam
Schagen
's-Hertogenbosch
Spijkenisse
Utrecht x2
Zoetermeer

● Kinepolis

10 BRITISH COLUMBIA

Courtenay
Cranbrook
Fort St. John
Kelowna
Nanaimo
New Westminster
Penticton
Port Alberni
Surrey (Guildford)
West Kelowna (Xtreme)

11 ALBERTA

Calgary (Country Hills)
Calgary (Shawnessy)
Calgary Market Mall
Drayton Valley
Edmonton (City Centre)
Edmonton (Spruce Grove)
Edmonton (Tamarack)
Edson
Fort McMurray
St. Albert
Sylvan Lake

2 SASKATCHEWAN

Regina
Saskatoon

3 MANITOBA

Brandon
Winkler
Winnipeg (Grant Park)

10 ONTARIO

Bolton
Hamilton (Jackson Sq.)
Kanata
Kingston
London
Orleans
St. Catharines
Waterloo
Whitby
Windsor

10 MICHIGAN

Adrian
Brighton
Chesterfield
Clinton Township
Sterling Heights
Troy (GDC)
Troy (Southgate)
Warren
Waterford
Westland

Landmark Cinemas

MJR Theatres

NEWLY ADDED CINEMAS IN 2024

Kinepolis Almería
Since 1 October 2024, Kinepolis operates a cinema in the Mediterráneo commercial centre, in the city centre of Almería. This cinema (formerly known as 'Cines Monumental') has 10 screens and 2 608 seats. It is a leased cinema, i.e., without acquisition of the cinema property.

Landmark Windsor
On 20 November 2024, Landmark Cinemas opened a new cinema at the Mikhail Centre in Windsor, Ontario. Landmark Windsor has eight screens, 724 seats, and is equipped with recliners as standard. The cinema also features Premiere Seats, a Laser ULTRA theatre, and new innovations such as loungers for the front row and self-service kiosks for the sale of snacks and drinks.

Coming soon
In 2024, Kinepolis signed an agreement for a brand new, leased cinema of up to 12 screens in Madrid, in a yet-to-be-built commercial centre right next to the airport. This centre will be the largest outdoor commercial centre in Spain, located in the Valdebebas district, which is in full residential development.



QUICK
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TOP 5 MOVIES 2024: ***Moana 2*** © *Disney*

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INTRODUCTION

Sirius Black said it best in Harry Potter and the Order of the Phoenix: “We’ve all got both light and dark inside us. What matters is the part we choose to act on. That’s who we really are.” This quote perfectly captures Kinepolis’ vision on sustainability. For us, it’s more than just a commitment – it’s an integral part of our identity.

For nearly a decade, we have integrated Environmental, Social and Governance (ESG) principles into the core of our operations. Our Corporate Social Responsibility (CSR) and Green Star initiatives reflect our dedication to these principles. Since 2017, Kinepolis has adhered to the Non-Financial Reporting Directive (NFRD) and in 2024, we have strengthened our commitment and reporting by aligning with the new Corporate Sustainability Reporting Directive (CSRD). Like timeless movie classics, our sustainability efforts aim to leave a lasting impact, driving positive change for our stakeholders and communities.





‘AT KINEPOLIS, WE SEE ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FACTORS NOT AS AN END GOAL, BUT AS A VITAL FRAMEWORK THAT UNDERPINS OUR STRATEGIC OBJECTIVES. WE HARNESS ESG PRINCIPLES TO DRIVE INNOVATION, EFFICIENCY, AND RESPONSIBILITY THROUGHOUT OUR ORGANIZATION.’

EDDY DUQUENNE CEO KINEPOLIS GROUP

BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENTS

In the reporting year 2024, Kinepolis prepared its sustainability statements in accordance with the **European Sustainability Reporting Standards (ESRS)**. These standards were published by the European Commission (EC) on 22 December 2023, following the **Corporate Sustainability Reporting Directive (CSRD - Directive (EU) 2022/2464)** adopted in December 2022 and transposed into Belgian Law on 28 November 2024.

The sustainability statements are prepared on a consolidated basis, covering the entire group of companies, consistent with the scope of the financial statements. No deviations were made from the disclosure requirements or definitions as set out by the ESRS.

Certain metrics include value chain data estimated using indirect sources, such as sector-average data or other proxies. For these metrics, we have disclosed the basis for preparation and resulting level of accuracy in the corresponding disclosure:

- Disclosure Requirement E1-5 – Energy consumption and mix
- Disclosure Requirement E1-6 – Gross scopes 1, 2, 3 and total GHG emissions

For certain metrics significant estimation uncertainty or significant outcome uncertainty exists. For these metrics, we have disclosed the sources and nature of the estimation uncertainties, the assumptions made regarding the future and the factors affecting the uncertainties in the corresponding disclosure:

- Disclosure Requirement E1-5 – Energy consumption and mix
- Disclosure Requirement E1-6 – Gross scopes 1, 2, 3 and total GHG emissions
- Disclosure Requirement E5-5 – Resource outflows (Waste)

In our double materiality assessment of impacts, risks and opportunities, we considered:

- Upstream value chain: Direct and indirect suppliers (e.g., Film studios)
- Downstream value chain: Direct customers, both B2B and B2C customers.

Relevant policies, actions and targets are disclosed in the topical sections. Metrics like GHG emissions also include upstream and downstream data.

THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

At Kinepolis, ESG is treated as a fundamental component, not an additional layer. When implementing or adapting policies to comply with the Corporate Sustainability Reporting Directive (CSRD), we aim to integrate these into existing Kinepolis frameworks as much as possible, reflecting the Company's long-term strategy to create sustainable value. Consequently, ESG-related responsibilities are embedded within our existing administrative, management and supervisory bodies. Sustainability reporting involves collaboration across governance, operations, IT, HR, finance and compliance teams, supported by a dedicated organization to align practices with legislation.

Kinepolis' administrative, management and supervisory bodies actively incorporate ESG risks, impacts and opportunities (IROs) into the oversight of the Company's ESG strategy, decision-making processes and risk management, as detailed in the following sections. Additionally, they play a crucial role in our materiality assessment, described in the section titled "Materiality assessment - A multi-step approach" on page 56. The information related to the general procedures, policies, targets, composition and diversity of the administrative, management and supervisory bodies is not included in the ESG report but is part of the Corporate Governance Report, as required by EU legislation.

BOARD LEVEL

Effective governance is key to embedding ESG at Kinepolis. The Board of Directors integrates ESG objectives into the long-term strategy and monitors progress as outlined in the Corporate Governance Charter. Considering the above principle, no ESG-specific committees have been set up at the Board of Directors level. Specific ESG topics (such as ESG-related remuneration and the control of ESG reporting) are being managed within the already existing committees.

ESG objectives are linked to executive remuneration in a similar manner to other strategic objectives. This aspect was therefore integrated into the current activities of the Remuneration Committee. The responsibility of the Audit Committee was expanded to include the audit of non-financial reporting and ESG aspects were integrated into the existing risk management and audit activities.

The following table outlines how the Board of Directors, Remuneration Committee and Audit Committee have incorporated ESG responsibilities into their existing structures and processes:

BODY	RESPONSIBILITIES
Board of Directors	• **Strategy alignment:** Ensure ESG objectives are ingrained within strategic goals, aligning them with the Company's overarching vision. • **Monitoring:** Oversee and monitor the progress of ESG objectives.
Remuneration Committee	• **Remuneration alignment:** Establish a direct link between ESG objectives and the remuneration of Executive Management, incentivizing alignment with ESG-linked KPIs.
Audit Committee	• **Non-financial reporting monitoring** • **Risk management:** Integrate ESG aspects into existing risk management and audit responsibilities.

For the composition, relevant ESG experience and diversity at Board level, we refer to the Corporate Governance part of the annual report. During each Board meeting, ESG topics are brought to the attention of the Board members. This includes all information that is required for ESG monitoring by the Board including information about material ESG impacts, risks and opportunities, the results and effectiveness of policies, actions, metrics and targets and any other sustainability-related concerns.

EXECUTIVE MANAGEMENT

Executive Management drives the implementation of Kinepolis' ESG strategy, turning high-level objectives into actionable initiatives. The CEO has primary responsibility in overseeing and executing the global ESG strategy, including:

BODY	RESPONSIBILITIES
CEO	• **Oversee and execute the global ESG strategy** • **Translate strategic objectives:** Convert strategic ESG objectives into tangible, lower-level targets and actionable business initiatives. • **Chair ESG Steering Committee** • **Integrate target setting:** Ensure that annual ESG target setting becomes an integral part of the budgeting process, aligning financial and non-financial goals seamlessly.

For the integration of sustainability-related performance in incentive schemes of Executive Management, we refer to the Corporate Governance part of the annual report. Specific sustainability performance metrics, including GHG emission reduction targets, are not yet part of these incentive schemes.

NON-EXECUTIVE MANAGEMENT

Non-Executive Management, encompassing both operational and administrative roles, is responsible for executing the ESG strategy, conducting monthly reporting and monitoring progress against targets and objectives. This management team is supported by the ESG Steering Committee and various ESG Expert Committees.

ESG STEERING COMMITTEE

The ESG Steering Committee supports Executive and Non-Executive Management in bridging ESG strategy and implementation. This multidisciplinary body ensures consistent focus on ESG matters, unifying initiatives, content and reporting. Meeting monthly, with other ESG experts included as needed, the Committee plays a key role in driving compliance and advancing the Company's ESG commitments. Its key responsibilities include:

BODY	RESPONSIBILITIES
ESG Steering Committee	• **ESG framework:** Establish an integrated framework to define ESG principles, implement policies and report outcomes, including identifying risks, updating materiality assessments, setting metrics, integrating data, assigning ownership and raising awareness through training and communication. • **Strategic alignment:** In close collaboration with the Board of Directors and management, the Committee establishes tactical ESG metrics and targets that align with strategic objectives and meet SMART criteria (Specific, Measurable, Achievable, Relevant, Time-bound). Expert Committees propose these targets, which are reviewed and approved by the ESG Steering Committee. • **Project approval:** Approve, prioritize and monitor ESG projects, ensuring resources are available for execution. • **ESG KPI monitoring** • **Compliance:** Ensure compliance with CSRD non-financial reporting requirements and transparent stakeholder communication. • **Continuous improvement**: Treat ESG as an ongoing process. Continuously assess and enhance the ESG performance based on feedback and results. • **Direction:** Direction of design, development, execution and continuous improvement of the ESG strategy, goals, policies, actions. • **Stakeholder engagement:** Foster dialogue on ESG matters.

The ESG Steering Committee at Kinepolis is chaired by the Executive Management (CEO), ensuring alignment of ESG initiatives with the Company's vision. The Chair is supported by an ESG General Coordinator, responsible for coordinating ESG activities, developing the ESG framework, setting policies and managing internal communications. The Committee also includes coordinators for ESG Compliance, Business Intelligence (BI) and Reporting, as well as the ESG Topic Experts chairing the ESG Expert Committees.



The Committee comprises management and staff with expertise in ESG, operations, governance, finance, HR and communications. All members are experienced professionals, trained in ESG legislation and have access to internal experts and external consultants.

ESG EXPERT COMMITTEES

Kinepolis has established ESG Expert Committees for each key sustainability topic, consisting of specialists and relevant business owners. These committees possess expertise in the Company's strategic and operational processes, and foster knowledge sharing, strategy development and coordination of ESG actions across cinemas. Together with the ESG Steering Committee, they are responsible for implementing the ESG policies outlined in this report.



STATEMENT ON SUSTAINABILITY DUE DILIGENCE

As a leading global cinema chain, Kinepolis is dedicated to upholding responsible management practices across its operations and value chains. When working with third-party entities, such as film distributors or other suppliers, the Company strives to ensure they uphold its ethical standards. Kinepolis is committed to creating value for all stakeholders by identifying and reducing negative impacts on both the environment and people linked to its operations.

Key due diligence elements include:

CORE ELEMENTS OF DUE DILIGENCE	SECTIONS IN THE SUSTAINABILITY REPORT
Embedding due diligence in governance, strategy and business model	Page 35 The role of the administrative, management and supervisory bodies
Engaging with affected stakeholders in all key steps of the due diligence	Page 54 Interests and views of stakeholders
Identifying and assessing adverse impacts	Page 56 Materiality assessment - A multi-step approach
Taking actions to address those adverse impacts	Refer to all actions and policies outlined in this report as a response to the identified IROs
Tracking the effectiveness of these efforts and communicating	Page 35 The role of the administrative, management and supervisory bodies

Our commitment lies in preventing or alleviating adverse impacts wherever feasible. In the reporting year 2024, no significant adverse impacts were identified.

RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

While sustainability risks have been part of the Group's enterprise risk management framework for several years, the initial double materiality assessment and detailed ESG risk assessment were conducted independently. The Corporate Governance section provides a broad overview of ESG risks, whereas this report offers a more detailed, CSRD-aligned risk overview in the following sections.

The ESG Steering Committee identifies and prioritizes ESG IROs based on the double materiality analysis. The ESG General Coordinator regularly reports findings from this assessment and related internal control reviews to the Board.

For sustainability reporting, key risks include data quality, regulatory compliance and operational challenges. To address these risks, we have implemented a robust internal control system to ensure the accuracy, reliability and integrity of sustainability data. Local data from each cinema complex is collected and consolidated by our Business Intelligence (BI) department, with multiple layers of controls to ensure high-quality reporting.

These controls include:

- **Standardized and automated reporting procedures:** Uniform protocols are applied across all complexes to reduce errors and ensure consistency.
- **Regular monitoring:** Monthly reviews of data across periods, complexes and countries.
- **Employee training and awareness:** Regular training ensures that employees understand and adhere to sustainability reporting requirements.
- **Documentation and record-keeping:** Comprehensive record-keeping systems ensure a clear audit trail for all sustainability data.

BUSINESS MODEL, MARKET POSITION, VALUE CHAIN AND STRATEGY

BUSINESS MODEL

Kinepolis Group NV, formed in 1997 from a merger of two family-run cinema groups and listed on the stock exchange since 1998, is a diversified media company primarily operating in the cinema industry. Kinepolis generates revenue through several key activities:

Customer groups include general moviegoers, corporate clients for event hosting, advertisers targeting cinema audiences and film distributors. We refer to the section 'Strategy' for the link between the key activities and the ESG goals of the Company.

BOX OFFICE SALES (BO)
(52.1% of total revenue)

The primary revenue stream comes from **selling cinema tickets**. This segment's performance is influenced by several factors, including the quality and appeal of films, the popularity of premium formats such as 3D, 4DX, IMAX and premium seating, as well as seasonal factors like weather and holidays. Kinepolis aims to maximize seat occupancy by offering a diverse range of films and cultural events throughout the year.

IN-THEATRE SALES (ITS)
(31.8% of total revenue)

This segment involves the **sale of beverages, snacks and non-food items** within cinema complexes. Innovations such as self-service shops, self-service ordering kiosks at select locations and a wide selection of food and drink options tailored to different audience tastes drive the success of ITS.

BUSINESS-TO-BUSINESS (B2B) AND BRIGHTFISH
(13.1% of total revenue)

Business-to-Business (B2B) revenue is driven by both sales and events, as well as advertising. The **sales and events** segment leverages Kinepolis' versatile infrastructure to host corporate events, conferences and private screenings, while also generating income from product placements and targeted promotions. **Advertising revenue** is generated through in-theatre advertising, including contributions from Brightfish, a Belgian Kinepolis subsidiary, which provides a range of media channels in and around cinemas, allowing businesses to connect with audiences in a highly targeted way.

REAL ESTATE
(2.5% of total revenue)

The **real estate portfolio** includes 50 cinemas, with revenue streams coming from parking income and the lease of commercial spaces to complementary businesses such as shops and cafes, which benefit from the footfall generated by the cinemas.

FILM DISTRIBUTION
(0.5% of total revenue)

Through Kinepolis Film Distribution (KFD), Kinepolis **distributes international and domestic films** in Belgium and Luxembourg.

MARKET POSITION

Kinepolis operates in a very competitive and fragmented market. Our theatres face varying levels of competition depending on their location. The Company operates multiplexes in Belgium, France, the Netherlands, Switzerland, Canada, the United States, Spain and Luxembourg. For a detailed overview, we refer to the 'Kinepolis worldwide' section on p. 26 of this annual report. The Company holds significant market shares in these regions (except Switzerland), with an absolute market leader position in Belgium and Luxembourg.

COUNTRY	BELGIUM	CANADA	FRANCE	NETHERLANDS	UNITED STATES	SPAIN	LUXEMBOURG	SWITZERLAND
Complexes	11	36	18	19	10	11	3	1
Screens	138	302	199	144	164	167	22	8
Revenue (M€)	153.2	141.3	88.4	55.5	64.6	51.5	19.0	4.7
Visitors ('000)	5 612	8 590	6 447	2 785	3 999	4 304	734	87
Total employees	452	1 438	420	467	487	274	41	53

VALUE CHAIN

Kinepolis' value chain is designed to deliver an exceptional cinematic experience while maintaining operational efficiency and sustainability. On the following pages, we made a simplified graphical overview of the value chain of our most significant activities being **Box Office, In-theatre Sales, Business-to-Business and Real Estate.**

Box Office – Value chain

The value chain begins with the acquisition of films from a diverse range of distributors. Kinepolis ensures a robust selection of films, spanning various genres and languages, to cater to the diverse tastes of its audience. Development of films is performed by different international and national film studios and includes film development, financing, production, distribution and promotion. Kinepolis fosters strong partnerships with studios and local distributors to gain early insights into upcoming film release schedules and anticipated performance.

To reduce reliance on major studios, Kinepolis adopts an active programming approach. Its programming teams continually enhance offerings with local and multicultural content, independent films, documentaries and cultural events, tailored to the local market context. This has proved to be a valuable hedge when Hollywood content is less available or appealing. The Group also actively participates in industry associations like UNIC (The International Union of Cinemas) and NATO (National Association of Theatre Owners) to advocate for and support the broader interests of the cinema industry.

After development, films are rented out by distributors to cinemas in exchange for rental fees. Kinepolis is showing films in Europe through Kinepolis, in Canada through Landmark Cinemas and in the United States through MJR Theatres. The marketing efforts for a film are often shared by the film distributors and the cinema operators.

The box office sales process at Kinepolis ensures a seamless customer experience through efficient ticket sales across various channels, careful screening and theatre management, and well-maintained facilities. Promotions, premium services and special screenings enhance customer satisfaction, while advanced projection and sound technology deliver top-quality viewing. Additional revenue is generated through in-theatre advertising, all supported by attentive customer service before, during, and after visits.



Despicable Me 4 *© Universal Pictures*

BOX OFFICE - STANDARD VALUE CHAIN

DEVELOPMENT

MARKETING

FILM DEVELOPMENT

–

FINANCING

–

FILM PRODUCTION

–

FILM DISTRIBUTION

Film Studios

EXPLOITATION

CINEMATIC RELEASE

STREAMING

–

OTHER

–

SCREEN ADVERTISING

CONSUMPTION

TICKET SALES

–

SCREENING MANAGEMENT

–

FACILITY MANAGEMENT

–

PROMOTION

–

CUSTOMER SUPPORT

–

CUSTOMER EXPERIENCE

–

PROJECTION & SOUND

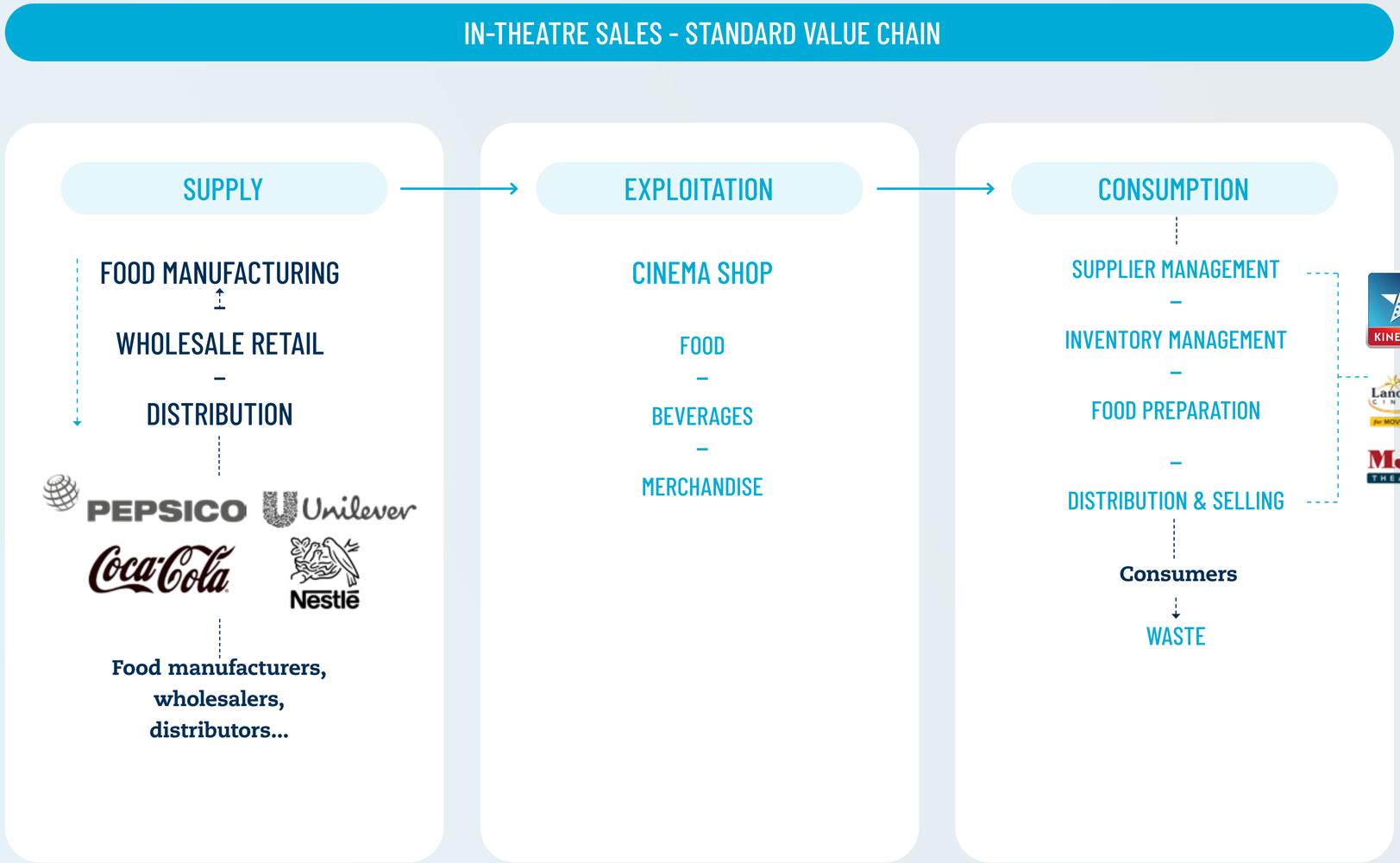
CONSUMERS

IN-THEATRE SALES – VALUE CHAIN

In-Theatre Sales is a key revenue segment, focusing on beverages, snacks and merchandise within cinemas.

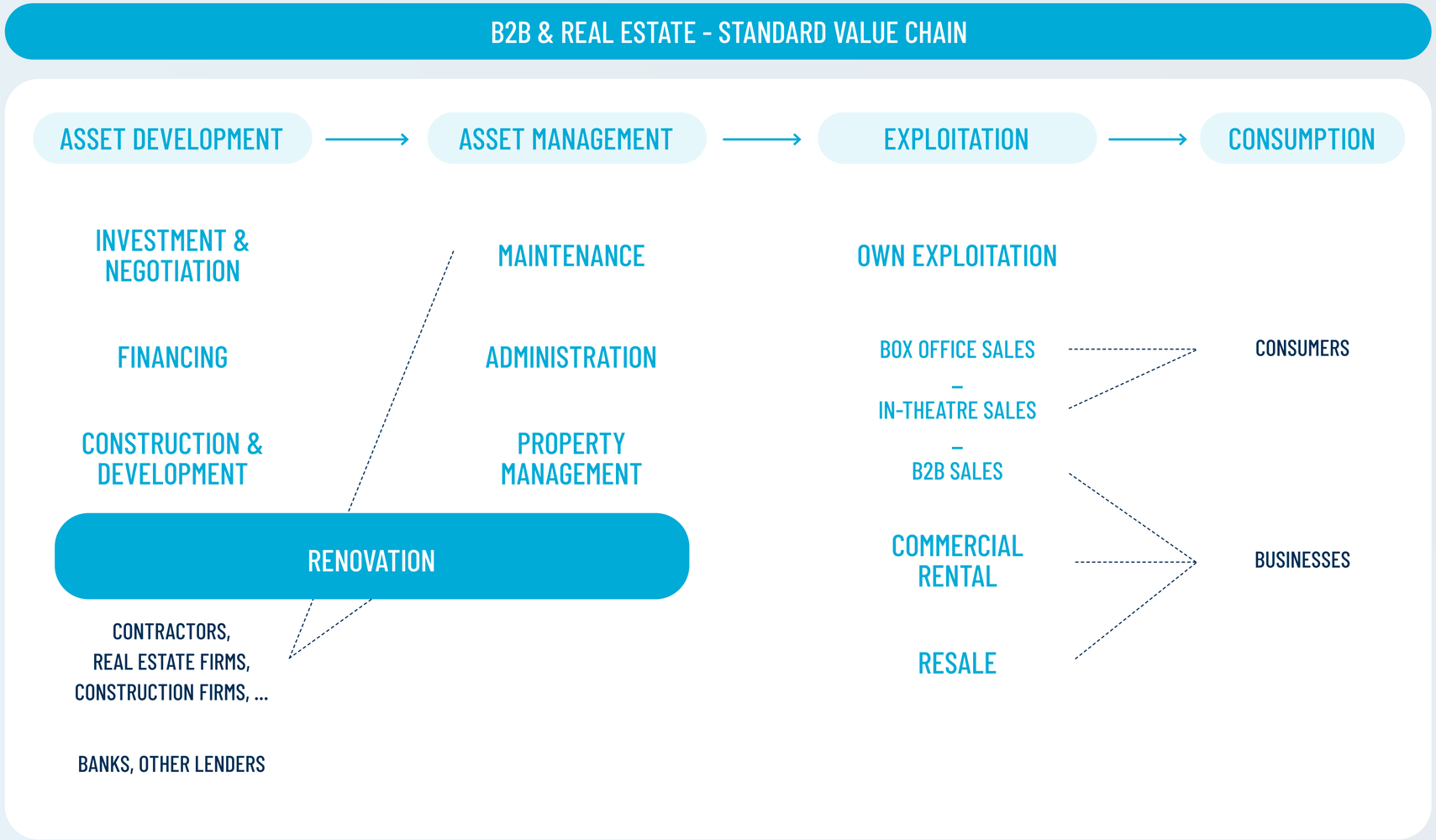
The process starts with maintaining strong supplier relationships to ensure a consistent supply of quality products. To manage risks, the Company maintains strict quality control standards and prioritizes suppliers with strong labour and environmental practices. Inventory is carefully managed to balance product availability with avoiding overstocking.

Kinepolis operates self-service shops, concession stands and kiosks in strategic locations, ensuring easy access for customers. Staff are trained to handle transactions efficiently and deliver excellent service. Key activities include supplier management, inventory control, food preparation and the strategic setup of sales points for optimal customer service.



BUSINESS-TO-BUSINESS AND REAL ESTATE – VALUE CHAIN

Kinepolis has expanded its business model to maximize the use of its real estate assets beyond traditional cinema operations. In the asset development phase, Kinepolis invests in, negotiates and renovates facilities to create versatile spaces that enhance the cinema experience while serving other purposes. Ongoing maintenance and regular renovations keep properties in top condition. While cinema operations remain central, Kinepolis also generates revenue through B2B sales, hosting events (e.g., corporate events, conferences, private screenings) and renting spaces to external tenants, enhancing both space utilization and customer experience.



STRATEGY

Kinepolis wants to enrich people's lives through the power of movies and as such create sustainable value for its stakeholders. Kinepolis does so by creating the ultimate movie experience and excel in the way cinemas are operated, customers are being listened to and cinema real estate is managed.

The company's three-pillar strategy is fuelled by its Environmental, Social and Governance (ESG) priorities. By linking its ESG commitments to its strategic pillars, Kinepolis ensures that sustainable practices form the core of its operations and growth strategy.

KINEPOLIS WANTS TO BE THE BEST CINEMA OPERATOR



Kinepolis strives to provide the highest quality cinema experience by maintaining top-tier operational excellence. This includes investing in cutting-edge technology and flexible logistical operations to create an immersive and seamless experience for moviegoers. Whether it's a casual night out or a corporate event, Kinepolis aims to make every visit exceptional.

KINEPOLIS WANTS TO BE THE BEST MARKETER



Kinepolis' marketing approach centers around understanding and engaging with its audience. Through comprehensive customer insights and relationship-building, Kinepolis provides a tailored experience that caters to the preferences and needs of its visitors. This strategic focus enables the company to build lasting relationships with customers and deliver a personalized entertainment experience.

KINEPOLIS WANTS TO BE THE BEST REAL ESTATE MANAGER



Owning and managing a significant portion of its cinema real estate allows Kinepolis to maintain high-quality infrastructure and operations, while minimizing the Company's risk profile and offering the flexibility to adapt to changing market conditions. The Company is dedicated to optimizing the use and development of its real estate, ensuring that its venues remain state-of-the-art entertainment destinations.

KINEPOLIS WANTS TO BE THE BEST CINEMA OPERATOR



A yearly improvement exercise based on business ownership, a self-learning organization and innovation culture serves as the backbone for this strategic pillar. (see S1, p. 96)

KINEPOLIS WANTS TO BE THE BEST MARKETER



Kinepolis' digital marketing strategies and active programming policy are fundamental to this strategic pillar, alongside the expansion of its offering with premium formats for an unrivalled experience. (see S4, p. 127)

KINEPOLIS WANTS TO BE THE BEST REAL ESTATE MANAGER



The use of innovative, sustainable techniques and materials to enhance building performance, the leasing of commercial spaces to third parties and the timely redevelopment of real estate are key elements of this strategic pillar.

The potential for improvement, derived from the extensive expertise in these three areas, forms **the foundation of Kinepolis' expansion strategy**.
Since 2014, Kinepolis is introducing its unique cinema concept to new markets, thus creating additional value for all its stakeholders.



ESG PRIORITIES

Kinepolis conducted a materiality assessment in consultation with stakeholders, identifying five core ESG priorities that are intrinsically linked to its three strategic pillars. These ESG priorities not only align with the Company's strategy but also adhere to the European Sustainability Reporting Standards (ESRS). Each ESG priority forms the backbone of - or at least significantly contributes to - the strategic goals of being the best marketer, cinema operator and real estate manager.

BUSINESS INTEGRITY

ESRS G1 - Governance

Kinepolis wants to be	Kinepolis wants to be	Kinepolis wants to be
the best cinema operator	**the best marketer**	**the best real estate manager**

DEVELOPMENT, EMPOWERMENT AND WELL-BEING OF EMPLOYEES	CUSTOMER EXPERIENCE EXCELLENCE	GREEN AND RESILIENT BUILDING & INFRASTRUCTURE	RESPONSIBLE WASTE MANAGEMENT
ESRS S1 – Own Workforce	ESRS S4 - Consumers	ESRS E1 – Climate Change	ESRS E5 – Resource Use

DEVELOPMENT, EMPOWERMENT AND WELL-BEING OF EMPLOYEES

Pillar Link: Best Cinema Operator

Kinepolis places strong emphasis on the development and well-being of its employees, as its human capital is the Company's greatest asset in its quest for continuous improvement. By investing in a self-learning organization and promoting bottom-up innovation, the Company links personal growth to business growth. Indeed, promoting creativity and entrepreneurship among its workforce as well as fostering accountability at all levels of the organization generates numerous growth opportunities, while boosting employee engagement and pride. As such, empowering and taking good care of employees - by providing a workplace where employees feel motivated, safe and valued - goes beyond maximizing positive impact on employees but directly supports Kinepolis' goal of being the best cinema operator.

CUSTOMER EXPERIENCE EXCELLENCE

Pillar Link: Best Marketer & Best Cinema Operator

Customer experience is Kinepolis' core product. The Company's dedication to delivering the 'ultimate movie experience' resonates in each of its 3 pillars. From engaging with customers through relationship marketing to offering a premium experience in a state-of-the-art cinema, Kinepolis optimally manages each aspect of the customer journey to ensure that visitors enjoy a relaxing night or day out. Customer experience excellence is more than just operational; it is a key marketing tool that differentiates Kinepolis in a competitive market. The importance of customer satisfaction as a key metric in everything the Company undertakes, underlines its commitment to customer experience.



GREEN AND RESILIENT BUILDING & INFRASTRUCTURE

Pillar Link: Best Real Estate Manager

Sustainable value creation is only possible with cinema infrastructure that is resilient, environmentally friendly and future-proof. The Company strives to improve the energy efficiency of its operations and buildings annually and is committed to systematically reducing its carbon footprint, towards CO_2 neutrality on the long-term. Sustainable new construction and renovation contribute to mitigating the Company's environmental impact. Conversely, if required, adapting infrastructure to the impacts of climate change is also an important part of the Company's real estate management moving forward.

RESPONSIBLE WASTE MANAGEMENT

Pillar Link: Best Cinema Operator & Best Real Estate Manager

Kinepolis is committed to minimizing, sorting and recycling waste across its operations. This initiative is vital for maintaining operational excellence and supports the Company's goal of being the best cinema operator by ensuring efficient and sustainable use of resources. Additionally, by focusing on responsible waste management in its cinemas and real estate properties, Kinepolis enhances the environmental footprint of its venues, contributing to its strategy as the best real estate manager.

BUSINESS INTEGRITY

Pillar Link: All pillars

Business integrity forms the basis of Kinepolis' governance framework and touches every aspect of the Company's operations. Kinepolis does not compromise on ethical business practices, whether in the Company's marketing activities, cinema operations and real estate management strategies.

As demonstrated above, Kinepolis' strategy and business model are built for resilience by integrating its core Environmental, Social and Governance priorities across its three strategic pillars: cinema operations, marketing and real estate management. This alignment enables Kinepolis to effectively address material impacts, risks and opportunities.

In line with ESRS 1, Kinepolis evaluates resilience across short-, medium- and long-term time horizons.

SHORT-TERM	MEDIUM-TERM	LONG-TERM
Continuous improvements in customer experience and operational efficiency.	Ongoing commitment to nurturing employee growth and securing employee well-being. Enhanced energy efficiency and waste management practices, with measurable improvements in environmental impact.	Achieving CO_2 neutrality and maintaining adaptive, climate-resilient infrastructure that supports the Company's growth and sustainability goals.

PREMIUM MOVIE EXPERIENCES OFFERED

For years, Kinepolis has been dedicated to enhancing the movie-going experience through significant investments in premium technologies and seating comfort. Our portfolio includes cutting-edge formats like IMAX, Laser ULTRA, 4D, and ScreenX, alongside diverse seating concepts in Europe and North America. The continued roll-out of these innovations in 2024 align with our 'premiumization' strategy, meeting customer demand for enriched experiences while expanding our product range to cater to the preferences of diverse audiences.

PREMIUM SEATING

Cosy Seats and Cosy Seats Plus (Europe)
Ultra comfortable seats, with extra-wide armrests featuring a convenient small table for drinks and snacks and a coat hook, while offering more space and privacy. The 'Cosy Seat Plus' concept includes a footrest for the legs. Kinepolis has one to three rows of Cosy Seats in most of its European theatres.



Recliners (North America)
Fully reclining, automated seats with footrest, which guarantee a 100% relaxed moviegoing experience. Landmark Cinemas Canada and MJR Theatres fully equipped most of their multiplexes with recliner seating in a full-stadium configuration.



Premiere Seats (CA) or VIP Seats (US)
Two or three heated recliners that provide more privacy than standard recliners, featuring a coat hook and table, inspired by the European Cosy Seats. This concept was launched in Kinepolis' Canadian theatres in 2020 as Premiere Seats and introduced in the US in 2022 as VIP Seats.



LUX Loungers (US, CA) or Cosy Loungers (Europe)
The Loungers replace standard front-row seating with lounger-style seats, equipped with swivel tables, separate motorized seat backs and headrests, and heated backs. In 2024, these loungers were rolled out in select MJR and Landmark theatres. A European version, named Cosy Loungers, was introduced for the first time in December 2024 in the Netherlands.



PREMIUM TECHNOLOGY FORMATS

Laser ULTRA
Laser ULTRA is Kinepolis' proprietary premium large format, combining the stunning clarity of 4K laser projection with the enveloping sound of Dolby Atmos, making you feel like you're right in the heart of the action.

ScreenX
ScreenX is the world's first multi-projection technology, providing moviegoers with a 270° viewing experience by extending the scenes onto the side walls.

4D
4D cinema technology (4DX and MX4D) elevates the experience of action-packed blockbusters far beyond traditional cinema. With special effects like moving seats, weather simulations, and scent effects, all perfectly synchronized with the on-screen action, this revolutionary technology engages all the senses, making movie-watching even more immersive and intense.

IMAX
IMAX theatres feature towering screens that extend from floor to ceiling and wall to wall, providing an immersive viewing experience. The technology includes state-of-the-art image and sound quality and specialized theatre geometry, ensuring that every seat offers an optimal view and sound quality. Kinepolis opened several new IMAX screens in recent years. All new locations are equipped with IMAX Laser, specially developed to deliver crystal clear, lifelike images for a unique movie experience.

64
Laser ULTRA screens

15
4D screens

26
ScreenX screens

12
IMAX screens

388
3D screens

81
Screens with Dolby Atmos



INTERVIEW

Premium formats make American movie-goers come back for more

—

JOEL KINCAID, VICE PRESIDENT OF OPERATIONS AT MJR THEATRES

In 2024, Kinepolis expanded its premium movie experiences across multiple markets, including the US. Joel Kincaid, Vice President of Operations at MJR Theatres, shares insights into the progress made and customer feedback.

HOW DID MJR RESPOND TO TRENDS AMONG US MOVIE-GOERS IN 2024?

'Coming out of the pandemic, our guests have shown an appetite for more premiumization across all levels of our business. This past year we have been expanding existing concepts while introducing new premium concepts. We continued to expand our 'VIP Seat' concept to meet the growth in demand. This included the successful implementation of the concept on slope flooring, which allowed us the opportunity to expand this concept to additional locations and auditoriums which we previously were not capable of doing.

'BEYOND EXISTING PREMIUM CONCEPTS, WE ARE ALSO INVESTING IN ALTERNATIVE ENTERTAINMENT OFFERINGS AND ELEVATING OUR FOOD AND MERCHANDISE OPTIONS.'

Additionally, we expanded our Laser ULTRA concept to our Westland location and opened Michigan's first ScreenX at our Waterford location. In late 2024, we successfully opened a second ScreenX in our Sterling Heights location and have plans for a third in Q1 of 2025.

Lastly, we have introduced another premium seating format known as 'LUX Loungers' across all PLF concepts. This concept is designed to bring an elevated experience to the front rows, which are typically less desirable. We have seen early signs of success in this concept and have plans to expand it in the future.'

DO THESE PREMIUM CONCEPTS BOOST CUSTOMER SATISFACTION AND REVENUE?

'The introduction of premium concepts has been well-received and there remains strong guest sentiment to continue to elevate the movie-going experience. Financial results are strong, with consistent growth in key performance indicators. The Laser ULTRA brand is growing, and IMAX remains the gold standard in PLF, showing excellent results at our Southgate location. ScreenX has also exceeded financial expectations, showing strong repeat business and higher NPS scores among animated titles.'



HOW PREMIUM ARE YOU WILLING TO GO IN THE NEXT YEARS?

'We've successfully implemented premium concepts, in part due to the lack of such options across the MJR brand prior to the pandemic. While there's still room for growth, we anticipate reaching a saturation point in the next few years and have already began exploring new opportunities. The US theatrical market is sophisticated, with cinemas investing in non-traditional entertainment to stabilize business during non-peak seasons. We're excited to introduce a state-of-the-art gaming and entertainment lounge as one of several new concepts we are exploring in this category. Beyond premium formats and entertainment concepts, our Food & Beverage and non-food product offerings continue to become more sophisticated. In 2024, we saw an increase of 20% in the hot food category as an example of this evolution. In 2025, we'll continue expanding premium concepts, including our third ScreenX, Laser ULTRA, more VIP Seats and piloting some exciting new offerings to enhance the guest experience.'



INTERESTS AND VIEWS OF STAKEHOLDERS

The following page outlines an overview of the primary stakeholders of Kinepolis, their expectations and concerns, the communication channels used to engage with them and the frequency of these communications. The insights from these engagements are communicated to the management and supervisory bodies through periodic reports, meetings and ongoing interactions. To ensure that the expectations and concerns are taken into account for Kinepolis, each main stakeholder group was taken into account when performing the double materiality assessment.

The **Customer Satisfaction Index** (CSI) and **People Satisfaction Index** (PSI) are the key stakeholder engagement tools at Kinepolis, driving both its operational and strategic direction. The CSI gathers comprehensive feedback on the customer experience, allowing for targeted improvements at team, cinema and national levels. The PSI, measuring employee well-being, is reviewed annually by managers in dedicated team meetings to foster continuous improvement. Both indices are integral to Kinepolis' governance, with results reported to the Board and linked to the bonus structure for business owners. This ensures customer and employee satisfaction are key drivers of accountability and performance, reinforcing Kinepolis' focus on service excellence and a motivated workforce

STAKEHOLDERS	EXPECTATIONS & CONCERNS	ENGAGEMENT CHANNELS	COMMUNICATION FREQUENCY	VALUE CHAIN MAPPING	TYPE OF MATERIALITY
Investors (User of sustainability statements + Affected Stakeholder)	• Return on investment • Corporate governance • Business integrity • Information disclosure	• Annual and interim financial reports • General meeting • Investor roadshows • Stakeholder survey	Multiple times per year	Own operations	Financial & Impact Materiality
Employees (Affected Stakeholder)	• Wellbeing of employees • Career development & learning • Healthy and safe working environment	• Employee satisfaction survey (PSI) • Regular meetings and trainings • Internal communications channels • Stakeholder survey • Standard consultation channels (works councils, prevention committees) and complaints channels (e.g., whistleblowing, confidential advisors, etc.)	Multiple times per week	Own operations	Financial & Impact Materiality
B2C Customers (Affected Stakeholder)	• High-quality customer experience • Immersive movie-watching experience • Satisfaction of customers' diversified needs and accessibility	• Customer satisfaction survey (CSI) • Daily interaction with customer-facing staff • B2C events (incl. customer interviews) • Consumer complaint mailbox	Daily (at each visit)	Downstream	Impact Materiality
B2B Customers (Affected Stakeholder)	• Reliable and efficient service • Effective advertising • Sustainable cinema operations and infrastructure	• B2B events • Face-to-face meetings • Stakeholder survey	Multiple times per week	Downstream	Impact Materiality
Suppliers (User of sustainability statements + Affected Stakeholder)	• Fair and impartial procurement • Win-win cooperation	• Business visits • Regular meetings • Stakeholder survey	Multiple times per year	Upstream	Impact Materiality
Society and communities (Affected stakeholders)	• Community engagement • Business compliance • Environmental awareness • Responsible waste management	• Participation of local theatre management in local community platforms • Schools program • Employment of students • In-kind support for local charities	Ongoing	Downstream	Impact Materiality
Government (User of sustainability statements + Affected Stakeholder)	• Regulatory Compliance • Employment • Tax contributions • Public Safety and Health	• Regulatory filings	Ad hoc	Own operations	Financial & Impact Materiality
Banks (User of sustainability statements)	• Financial stability • Creditworthiness	• Financial statements • Frequent meetings	Ad hoc	Own operations	Financial & Impact Materiality

MATERIALITY ASSESSMENT - A MULTI-STEP APPROACH

Kinepolis conducted a comprehensive double materiality assessment to guide its sustainability and risk management strategies. This assessment, initiated in 2021 and re-evaluated in 2024, aimed to evaluate material issues from both impact (inside-out) and financial (outside-in) perspectives and incorporates the following processes:

TOPIC SELECTION → STAKEHOLDER SURVEY → DOUBLE MATERIALITY ANALYSIS → VALIDATION

TOPIC SELECTION

The topic selection phase was structured to ensure a comprehensive view of the relevant social, environmental and economic issues pertinent to Kinepolis' operations.

- **Long-list development:** Initial topics were identified through cross-industry benchmarks, referencing globally accepted frameworks like the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and ISO 26000 standards. This phase involved input from key management representatives across departments, including Real Estate, HR, Marketing, Legal, Operations and Audit.
- **Pre-selection workshops:** Senior management, including the CEO, CFO and department directors participated in workshops to refine the list, prioritizing topics that align with Kinepolis' strategic goals.
- **Short-list material topics:** This pre-selection phase resulted in a refined list of 15 high-priority topics. These include, for example, ethical procurement, customer experience, content diversity, green infrastructure and employee well-being.



#	TOPIC	DEFINITION
1	**Affordable entertainment of premium quality**	Providing a top quality cinema experience, accessible to the widest possible audience
2	**Social meeting place**	Bringing people together to share experiences and emotions
3	**People development and empowerment**	Developing employees to get the best out of themselves, empowering them to act as entrepreneurs and innovators, to contribute directly to Kinepolis' results and impact on stakeholders
4	**Employee wellbeing, diversity and inclusion**	Protecting employees' wellbeing and promoting diversity and inclusion in the workforce
5	**Ethical and sustainable procurement**	Ensuring ethical and sustainable procurement in all our activities
6	**Business ethics**	Ensuring integrity in our day-to-day management and activities (including anti-bribery, anti-corruption, human rights, integrity in advertising, etc.)
7	**Customer experience**	Offering a relaxing and entertaining experience by listening to and responding to the needs and wishes of our customers
8	**Content diversity and customized offering**	Meeting the needs and wishes of diverse audiences, including minorities, by means of a diverse and customized offering
9	**Waste management**	Raising awareness on and optimally managing food waste and non-food waste
10	**Social inclusion**	Making our entertainment accessible to people with disabilities and vulnerable groups
11	**Charitable support**	Utilizing our infrastructure as a cinema operator to support community, social, and environmental projects
12	**Customer privacy and data protection**	Protecting customers' privacy and data
13	**Green and resilient building and infrastructure**	Improving energy and water efficiency of our buildings and activities and ensuring resilience of our real estate, i.e. making sure our infrastructure is future proof and optimally prepared to the potential impacts of climate change
14	**Mobility and geographical accessibility**	Ensuring our infrastructure is easily accessible by different means of transportation and promoting green mobility
15	**Customer and employee safety and security**	Ensuring safe and secure facilities for customers and employees

STAKEHOLDER SURVEY

Subsequently, Kinepolis conducted an extensive stakeholder survey to understand the views and expectations of stakeholders, both in terms of the impact of Kinepolis on its environment and the risks and opportunities for the Company arising from sustainability issues. The stakeholder survey was based on the 15 pre-selected topics, but stakeholders were also given the opportunity to suggest any missing topics. Although the materiality assessment and the associated stakeholder survey pre-date the publication of the CSRD and ESRS, the principle of double materiality was already applied.

- **Survey and participation**: Conducted in 2021, this survey reached over 7 900 stakeholders, including employees, top investors, key suppliers, B2C customers and Board members. Response rates were robust across all categories, providing a representative sample.
  - **› Impact materiality:**
    Each stakeholder was asked to rank the five most important topics, assigning a score from 5 (most important) to 1 (least important). We then calculated the average score for each topic within each stakeholder group. To ensure equal weighting, we averaged these group-specific scores across all stakeholder groups to determine the final score for each topic. For instance, employee development and empowerment, green and resilient building and infrastructure and customer experience scored high on impact due to their potential to affect multiple external stakeholders.
  - **› Financial materiality:**
    Additionally, the stakeholder was asked to rate the topic in terms of associated risks and opportunities. The result was calculated in an equal way as impact materiality. The high-scoring topics were affordable entertainment of premium quality and customer experience.

- **Qualitative interviews:** Kinepolis complemented the survey with in-depth interviews with key stakeholders, including high-priority investors and select theatre managers. These interviews provided deeper insights into stakeholder expectations.

In addition to the evaluation of the materiality of pre-selected ESG topics, the stakeholder survey - using additional questions on the topics identified as most material - also provided the management with valuable qualitative information for the implementation of the strategy. It can be noted that when analysing the scoring of all stakeholder groups, we see consistency across all stakeholder groups enforcing our confidence that an accurate materiality assessment and topic pre-selection has been performed.

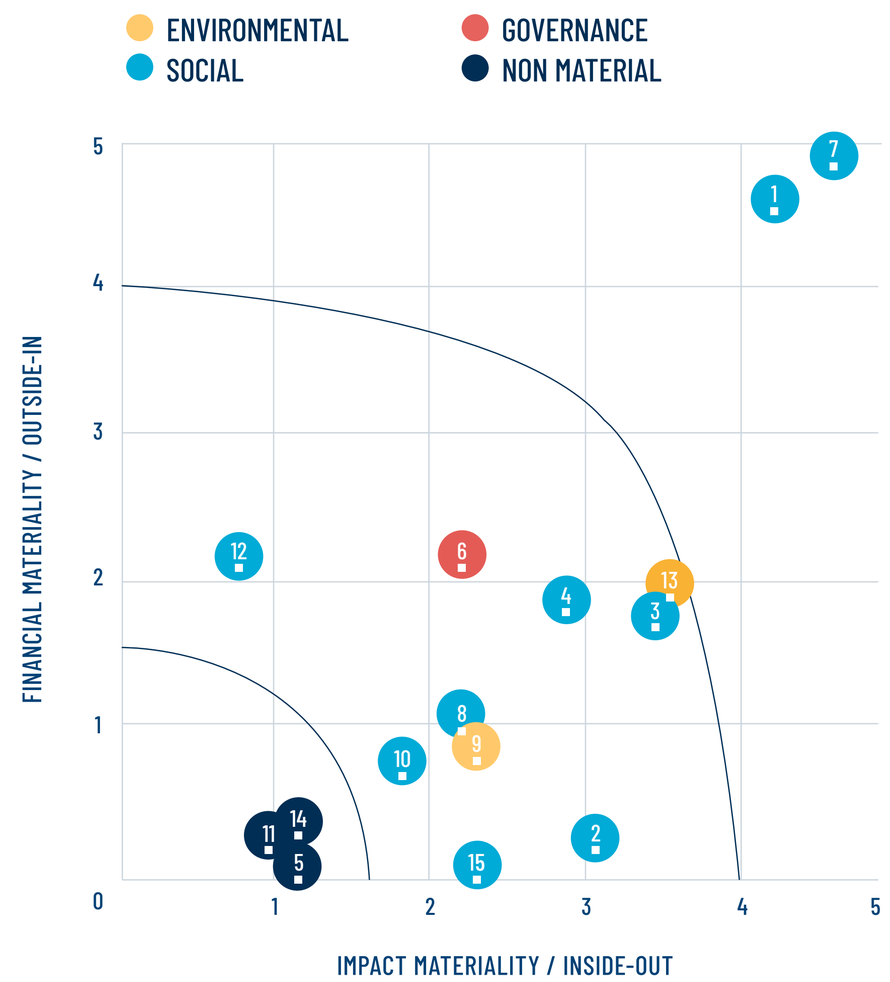


MATERIALITY MATRIX

Based on the survey and by combining the outputs from our impact and financial materiality analysis, we created a materiality matrix to visualize the priorities for Kinepolis. Topics scoring above 4 out of 5, were designated ‘highly material’ and are integral to Kinepolis’ strategy, while topics scoring below 1.5 were considered immaterial.

#	TOPIC NAME	IMPACT MATERIALITY	FINANCIAL MATERIALITY	MATERIAL
1	Affordable entertainment of premium quality	4.3	4.5	Material
2	Social meeting place	3.1	0.2	Material
3	People development and empowerment	3.5	1.7	Material
4	Employee well-being, diversity and inclusion	2.9	1.8	Material
5	Sustainable procurement	1.1	0	Not Material
6	Business ethics	2.2	2.1	Material
7	Customer experience	4.7	4.8	Material
8	Content diversity and customized offering	2.2	1	Material
9	Waste management	2.3	0.8	Material
10	Social inclusion	1.8	0.7	Material
11	Charitable support	0.9	0.2	Not Material
12	Customer privacy and data protection	0.7	2.1	Material
13	Green and resilient building and infrastructure	3.6	1.9	Material
14	Mobility and geographical accessibility	1.1	0.3	Not Material
15	Customer and employee safety and security	2.3	0	Material

DOUBLE MATERIALITY ANALYSIS



MATERIALITY VALIDATION

Although the materiality assessment took already into account the double materiality concept and stakeholder consultation principle, it was done pre-CSRD. As such several additional activities were performed to make sure that the materiality assessment is compliant with the relevant ESRS standards:

- **Validation exercises:**
  - **› Right-to-left exercise:** Almost all ESRS topics/sub-topics/sub-sub-topics had been considered in the analysis. ESRS topics that had not been considered initially were assessed as not material, which has been confirmed by the Board.
  - **› Left-to-right exercise:** All pre-selected material topics were able to be mapped to applicable ESRS topics, as can be seen in the table.
  - **› Value chain and legal risks:** As the value chain and legal and compliance related risks were not explicitly considered during the initial assessment, Kinepolis scanned all material and immaterial ESRS topics again to identify potential IROs that had not been identified or considered initially. Additional IROs have been identified and assessed qualitatively. These IROs are all linked to material topics. No additional material CSRD topics resulted from the exercise.

- **Reassessment and Board approval:** The ESG Steering Committee and the Board of Directors revalidated the findings in 2024. Topics with material impact were formally re-evaluated based on severity, scale and likelihood of occurrence and this analysis was shared with senior management for final approval.

- **Alignment with ESRS standards:** Each material topic was carefully aligned with the relevant ESRS topic standards. For each matching ESRS topic, all sub-topics from ESRS 1, Section 14 were determined material. However, specific exclusions were made based on the outcomes of the materiality assessment:
  - **› ESRS E5 - Resource Use and Circular Economy:** Only the 'waste' sub-topic was deemed material, as other aspects of resource use and circularity were assessed to have limited relevance or impact on the organization's cinema activities, value chain and stakeholders.
  - **› ESRS G1 - Governance, Risk Management and Internal Control:** All sub-topics were considered material, except for payment practices, political influence, and lobbying activities, which were excluded due to their limited significance in the company's operational context and low stakeholder concern.
  - **› ESRS S1 - Own Workforce:** The sub-topic persons with disabilities was not determined material because current workforce composition did not identify it as a key area of risk or opportunity, although this will remain under periodic review.
  - › We assessed the IROs linked to ESRS E2 (Pollution), E3 (Water and Marine Resources), E4 (Biodiversity and Ecosystems), ESRS S2 (Workers in the Value Chain), and ESRS S3 (Affected Communities) and determined that these topics were not material based on the materiality assessment, as our value chain and engagement with workers did not reveal significant impacts, risks or opportunities warranting their inclusion and our operations do not have a direct or significant impact on local communities, with stakeholders not highlighting this area as a key concern.

ENVIRONMENT	SOCIAL	GOVERNANCE
• Green and resilient building and infrastructure • Waste management	• Employee well-being, diversity and inclusion • People development and empowerment • Customer Experience • Content diversity and customized offering • Customer and employee safety • Data privacy of customers	• Business ethics
• ESRS E1 – Climate Change • ESRS E5 – Resource Use and Circular Economy (Only waste part)	• ESRS S1 – Own Workforce (excluding persons with disabilities) • ESRS S4 – Consumers and End-users	• ESRS G1 – Business Conduct (excluding political influence, lobbying activities and payment practices)

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL(S)

Based on the materiality assessment, Kinepolis conducted a detailed analysis of all material impacts, risks and opportunities (IROs) per material sub-topic. Management actively oversees the identification and evaluation of material sustainability-related impacts, risks and opportunities. This ESG-related risk management is a collaborative effort led by the ESG Steering Committee, ESG Expert Committees and the Audit Committee engaging all stakeholders and concentrating on the full value chain. For ESRS E1, Climate Change, the risk assessment was based on TCFD guidelines (Task Force on Climate-related Financial Disclosures). For each identified impact and risk, Kinepolis assessed the risk level (e.g., high, medium, low) based on scale, scope and likelihood, including factors such as regulatory, financial, reputational and operational implications.

RISK CLASSIFICATION	DEFINITION
Lower Risk	Limited exposure or impact, minimal likelihood and contained scope
Medium Risk	Moderate exposure with a specific but limited impact on the Company and the environment
Higher Risk	High likelihood and significant potential impact, relevant across Kinepolis' operations

For each material topic, we added a description on how the IROs interact with Kinepolis' strategy and business model. Per ESRS sub-topic, policies, actions, metrics and targets were defined for the specific identified IRO. Per identified IRO, the risk classification was added, a time horizon and whether the risk is applicable in own operations or applicable for key business partners within the wider value chain. All this is documented in the corresponding topic section of this ESG report, as can be seen in the image below.

In our assessment of IROs, we have ensured that any connection to an impact is accurately captured, and any link to a dependency, whether from natural, human, or other resources, is duly included.

FIGURE: STRUCTURE OF OUR ESG REPORT

INTRODUCTION (ESRS 1 and 2)

5 Topics and linked Sub-Topics

ESRS E1 - Climate Change
ESRS E5 - Resource Use and Circular Economy (Only waste part)
ESRS S1 - Own Workforce
ESRS S4 - Consumers and End-users
ESRS G1 - Business Conduct

RISK, OPPORTUNITIES & IMPACTS → POLICIES & ACTIONS → METRICS & TARGETS

For its ESG risk assessment and management, Kinepolis applies the general procedures outlined in the Corporate Governance report, with enhanced detail and focus on ESG-specific risks. This approach adheres to Corporate Governance principles, regulatory requirements and incorporates COSO framework principles. The Corporate Governance section of the annual report provides an overview of our general risk assessment and reporting process, both for operational and ESG-specific risks.

ENVIRONMENTAL INFORMATION

ESRS E1 – CLIMATE CHANGE

INTRODUCTION

Dorothy knew it well in The Wizard of Oz – and so do we at Kinepolis: “There’s no place like home.” Earth is our only home, and protecting it is not just a choice but a responsibility. Unlike Dorothy, however, we can’t simply click our heels and return to the way things were. Instead, we commit to taking action through our ESG strategy, which has climate change at its core.

As a global cinema chain, we are and have always been committed to reducing our carbon footprint and promoting sustainability across our operations. Climate change poses risks to both the environment and our long-term business and we are dedicated to mitigating these impacts through investments in renewable energy, resource optimization and fostering environmental responsibility. This section highlights our key initiatives and achievements related to climate change mitigation and adaptation over the past year. Accomplishments over the last decade, resulting from our Green Star policy first introduced in 2011, can be found in our annual reports and ESG publications since 2017.

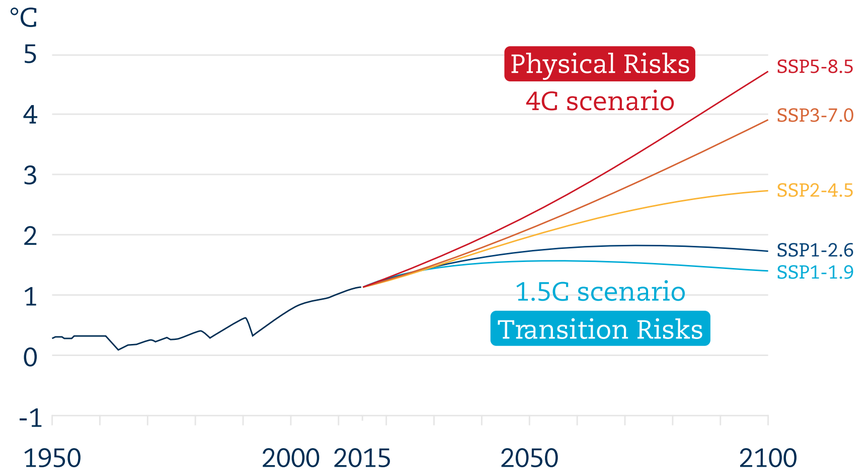
The following pages detail the **key impacts, risks and opportunities** associated with climate change, as well as the **policies** Kinepolis uses to mitigate these risks, reduce negative impacts and leverage opportunities. The General Manager of Real Estate Construction and Maintenance, who also serves as the Chair of the Expert Committee on Climate Change, holds primary responsibility for coordinating the policies’ implementation and overseeing the actions necessary to achieve its objectives. With a background in industrial engineering and two decades of experience in building maintenance and construction, 11 years of which were with Kinepolis, he brings the expertise and leadership required to drive our climate change initiatives forward.

In 2024, specific climate change related targets have not yet been established as we are in the process of finalizing our Science Based Targets initiative (SBTi) Transition Plan. Once this plan is complete - expected in 2025 or 2026 - we will outline general emission reduction targets alongside the expected and achieved GHG emission reductions for each policy and action. This will allow us to set targets that are aligned with SBTi guidelines and grounded in a clear, achievable plan for reducing emissions. Unless explicitly stated otherwise, all policies and actions apply to the entire global organization and are being conducted in the current reporting year 2024. Necessary resources are foreseen to accommodate the planned and ongoing actions, as outlined in the following sections, to mitigate material impacts and dependencies linked to climate change. The effectiveness of these actions is monitored through periodic E1 expert committee meetings.

CLIMATE CHANGE RISK ASSESSMENT

Kinepolis recognizes that climate change presents a wide array of risks and opportunities that can significantly impact its business operations, customer experience and financial performance. The Company has conducted an assessment of both the risks and opportunities linked to climate change based on TCFD guidelines.

Kinepolis faces two main categories of risks driven by climate change: **physical risks** and **transition risks**. A range of climate scenarios, representing a wide spectrum of potential outcomes, was analysed to gain insights into possible IROs that may emerge.





TRANSITION RISKS

We evaluate transition risks aligned with the 1.5°C scenario outlined in the Paris Agreement, focusing on the policy, regulatory, technological and market shifts necessary to achieve a low-carbon economy. The analysis is carried out across multiple timeframes (2 years - 5 years - 10 years, i.e. short term, medium term and long term) and is applicable for all geographical regions (EU and North America) where Kinepolis is active.

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RE-001 - GHG emissions reduction regulations (Policy & Regulations) New GHG emissions regulations and stricter building codes may lead to higher operational costs and significant investments in retrofitting cinemas to meet net-zero standards. Transitioning to renewable energy will also require substantial capital for energy-efficient systems.	Medium Risk	Short & Long Term	Own operations
RE-002 - Renewable energy and energy efficiency (Technology) Transitioning to renewable energy sources may require substantial capital investments.	Medium Risk	Short & Long Term	Own operations
RE-003 - Reputational damage and decrease in stakeholder trust (Market) Failure to meet climate commitments or perceived inaction can damage Kinepolis' brand reputation.	Low Risk	Short & Long Term	Own operations

OPPORTUNITIES: Proactively adopting sustainability practices (e.g., renewable energy, energy-efficient systems) can enhance Kinepolis' reputation, attract eco-conscious consumers, reduce long-term operational costs, and improve access to capital from ESG-focused investors.

PHYSICAL RISKS

To understand the long-term physical impacts of climate change and associated risks, we conducted a scenario-based analysis using two distinct global temperature pathways: a 1.5°C scenario (aligned with global mitigation efforts) and a 4°C scenario (business-as-usual, high-emission future). This allows us to assess the potential impacts of both acute (e.g., storms, floods) and chronic (e.g., rising sea levels, droughts) physical risks to our assets and operations.

We developed a climate risk assessment model to evaluate the physical risks of climate change on our cinema operations. By mapping our theatres across various climate zones using geographic data and the Köppen climate classification we identified key regions and selected representative cinemas. In-depth interviews with local and national cinema managers provided valuable insights on risks and impacts.

REPRESENTATIVE CINEMAS IN RELEVANT CLIMATE ZONES

OCEANIC CLIMATE	HOT-SUMMER MEDITERRANEAN CLIMATE	WARM-SUMMER HUMID CONTINENTAL CLIMATE	COLD SEMI-ARID CLIMATE
Antwerp (BE) Rotterdam (NL)	Barcelona (ES) Alicante (ES)	Whitby (CA, Ontario) Waterloo (CA, Ontario)	Cinemas in parts of central and western Canada

OCEANIC CLIMATE

In oceanic climates, the primary concerns are coastal flooding from rising sea levels and riverine flooding caused by heavy rainfall. These issues threaten infrastructure and disrupt transportation, while intense storms and temperature extremes - heatwaves in summer and cold spells in winter - add to operational costs. Cinemas near rural or forested areas in these regions are also exposed to wildfire risks.

HOT-SUMMER MEDITERRANEAN CLIMATE

In hot-summer Mediterranean climates, heatwaves are expected to become more frequent and severe, leading to increased demand for air conditioning and higher energy expenses during peak summer seasons. Additionally, cinemas located near forests or rural areas face growing wildfire risks, while worsening drought conditions pose operational challenges, including rising water costs.

WARM-SUMMER HUMID CONTINENTAL CLIMATE

Warm-summer humid continental climates face risks from flooding caused by intense rainfall and rising sea levels in coastal areas. In inland regions, wildfires are becoming more frequent, particularly in forested areas like British Columbia and Calgary. Harsh winters with cold snaps are also a concern, raising heating costs, causing operational delays and creating safety hazards due to icy conditions.

COLD SEMI-ARID CLIMATE

In cold semi-arid climates, typically found in parts of central and western Canada, severe winters are a dominant issue, driving up heating costs and causing disruptions in operations and supply chains. These conditions can also create significant safety risks for both staff and customers due to icy and hazardous weather.

Across all these climate zones, recurring challenges such as flooding, extreme temperature fluctuations and intensified storms highlight the widespread vulnerabilities faced by our cinemas. These risks were categorized as acute, such as heatwaves and storms, or chronic, including rising sea levels and prolonged temperature changes and assessed under both 1.5°C and 4°C climate scenarios. We also assessed the impact of Kinepolis' activities on the environment.

ACUTE CLIMATE PHYSICAL RISKS AND IMPACTS:

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RE-004 - Extreme weather events Cinemas in coastal and low-lying areas are at risk of flooding and severe storms. Under 1.5°C, closures, infrastructure damage and higher insurance costs are likely. At 4°C, these events become more frequent and destructive.	Medium Risk 	Medium to Long term 	• Own operations • Upstream
RE-005 - Temperature extremes Heatwaves and cold spells will increase energy costs, with greater extremes under 4°C. Cinemas near dry forests face heightened wildfire risks, causing potential closures and damage.	Medium Risk 	Medium to Long term 	• Own operations • Upstream
RE-006 - Own environmental impact The environmental footprint of the cinema chain primarily includes energy consumption (e.g., powering theatres, HVAC systems and lighting), waste generation (e.g., food packaging, disposable items) and emissions from operations (e.g., transportation of goods, employee or client commutes)	Medium Risk 	Medium to Long term 	• Own operations • Upstream

CHRONIC CLIMATE PHYSICAL RISKS AND IMPACTS:

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RE-007 - Climate change evolutions Cinemas in coastal and drought-prone areas face escalating risks due to climate change. Rising sea levels may require flood defences or relocation, particularly under the 4°C scenario. Concurrently, drought conditions will lead to higher utility costs, water restrictions and stricter regulations, with increased operational challenges as water scarcity worsens.	Medium 	Medium to Long term 	• Own operations • Upstream

Kinepolis can build climate change resilience by incorporating sustainability into its business model across multiple timeframes. Note that in our financial models, management assesses our global operations, including future mitigations and investments, and determines them to be sufficiently resilient. Consequently, no specific climate-related assumptions are applied in our impairment assessments.

SHORT-TERM	MEDIUM-TERM	LONG-TERM
Enhance energy efficiency, reduce GHG emissions, align with building regulations and begin implementing renewable energy sources across operations. Assess flood, storm, wildfire and temperature risks at key locations and implement basic mitigation measures. Optimize water use in drought-prone areas and engage stakeholders with transparent environmental communication.	Scale up renewable energy use, integrate emission-reducing technologies, retrofit buildings for energy efficiency and strengthen infrastructure against intensified storms, wildfires and flooding. Invest in water-saving technologies and reskill employees for sustainable roles.	Achieve carbon neutrality, 100% renewable energy use and future-proof, energy-efficient buildings. Develop adaptive infrastructure for extreme weather events and ensure all venues are resilient to rising sea levels, wildfires and other physical risks. Lead industry efforts in sustainability and environmental stewardship, minimizing Kinepolis' overall environmental impact.

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

At Kinepolis, we are committed to aligning our business strategy with the global push for a sustainable economy. In line with the Paris Agreement and its goal of limiting global warming to 1.5°C, we are developing a comprehensive climate transition plan to achieve Net Zero by 2050, guided by the Science Based Targets initiative (SBTi). This plan will reflect our ongoing efforts to reduce emissions, enhance operational resilience and contribute to climate change mitigation.

Key components of this transition plan will include:

Past efforts →
Investments in energy-efficient technologies, electric car fleets, renewable energy and sustainable building practices, significantly reducing our carbon footprint.

Current mitigation strategies →
Enhancing energy efficiency, expanding renewable energy use and implementing waste reduction programs, with an increasing share of our cinemas powered by green energy.

Future initiatives
Focused on achieving climate neutrality by 2050, further integrating renewable energy, improving energy efficiency and reducing indirect emissions (Scope 3), while eliminating reliance on fossil fuels.

In 2024, Kinepolis committed to the SBTi's long-term reduction target to reach Net Zero by 2050, with a baseline established using the Greenhouse Gas (GHG) Protocol.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

POLICIES AND ACTIONS RELATED TO CLIMATE CHANGE MITIGATION

The following section outlines Kinepolis' key policies aimed at mitigating climate change, enhancing energy efficiency, adapting to climate impacts and promoting renewable energy. We will include the expected and achieved GHG emission reductions for each policy and action as well as general emission reduction targets once our transition plan, aligned with the Science Based Targets initiative (SBTi), is finalized and published (which is expected in 2025 or 2026).



POLICY: GREEN STAR POLICY

Kinepolis aims to minimize its environmental footprint through its 'Green Star' policy, which is based on the following principles:

- **The systematic improvement of energy efficiency through energy-saving techniques and sustainable technology and increase of the percentage of energy consumption from clean sources (PV, Eolic);**
- **Promote the efficient energy use in operations. Application of water-saving techniques;**
- **Sustainable design and implementation of new-build projects;**
- **Sustainable renovation of existing cinemas;**
- **Commitment to a longer lifespan and re-use of materials.**

With these policy measures, Kinepolis aims to make its cinema infrastructure and operations increasingly sustainable, with a view to achieving CO_2 neutrality of its operations in the longer term. The main drivers for the reduction of Kinepolis' scope 1 and 2 emissions in the short to medium term are the implementation of intelligent building management systems tailored to cinemas, increasing sustainability in operations, the development of a tool to simulate energy efficient methods to design a new complex or improve the existing ones and the transition to laser projection.

By aiming for CO_2 neutrality, this policy not only contributes to **climate change mitigation** but also supports **renewable energy deployment** and **energy efficiency** by encouraging the use of renewable energy in new builds and renovations.

ACTION: SUSTAINABLE CINEMA INFRASTRUCTURE IN NEW BUILDS AND RENOVATION

In addition to the comfort of visitors and employees, ecological considerations are central elements in both the design of new cinemas and the renovation of existing buildings minimizing ecological impact, further contributing to **climate change mitigation**.

The following Green Star principles are applied for new-build projects, where feasible:

- Use of certified materials and techniques;
- Adaptation of installations to sustainable energy sources, such as geothermal heating systems in Utrecht and ’s-Hertogenbosch (NL);
- Renewable energy where possible;
- LED lighting;
- Simplicity of maintenance as an important factor in the 'total cost of ownership' (sum of construction and operating costs);
- Multifunctional spaces for different types of use without major renovations;
- Efficient wall and roof insulation;
- Store thermal energy in water, other materials, or building facades to use later when demand is higher;
- Features like shaded glass, sunshades and partial underground construction to reduce energy needs;
- Where feasible, aiming for sustainability certification for new-build projects;
- Water-saving technology in sanitary areas;
- Phasing out of fossil fuels.

Carrying out renovations often provides an ideal opportunity to implement additional measures, such as:

- Additional insulation of roofs;
- Insulation of indoor parking areas;
- Water-permeable outdoor parking areas;
- Rain cisterns;
- Replacement of older lamps and fixtures with LED lighting;
- Renewed control systems for central HVAC management (see further);
- 100% recyclable PVC flooring in shops;
- Water-saving technology in sanitary areas;
- Phasing-out of fossil fuels (e.g., replacement of gas boilers by heat pumps).

EVERY YEAR, MEASURES TO IMPROVE **ENERGY EFFICIENCY** ARE CARRIED OUT IN EXISTING (OFTEN OLDER) CINEMAS, EVEN IF THESE ARE NOT A PART OF LARGER RENOVATIONS.

In addition to the implementation of better building automation and control systems (see further), these include the replacement of remaining fluorescent lighting by LED lighting, installation of motion sensors where they did not yet exist and replacement of gas boilers by heat pumps in select cinemas. In recent years, various energy-saving measures that have since become commonplace in most European Kinepolis cinemas are gradually being implemented in North America.

ACTION: ENERGY EFFICIENCY EXPERTISE CENTER

As part of its efforts to reduce the Company's carbon footprint and optimize its energy consumption, Kinepolis appointed an ‘Efficiency Engineer for Technical Installations’ in 2023 in Europe. This new position is part of the Real Estate department, with the aim of developing a strategy to improve the overall **energy efficiency** of technical installations in cinema complexes.

Key focal points include the renewal of older installations with future-proof technology, new specifications for maintenance and the further roll-out of a centralized building management system and the creation of a theatre energy consumption simulator to analyse and study the dependency of different HVAC systems, isolation materials and theatre configuration with the demand of energy.

ACTION: INTELLIGENT BUILDING MANAGEMENT SYSTEMS

Kinepolis has been able to reduce power consumption year after year through the intensive monitoring and adjustment of its technical systems by intelligent building management systems.

A building management system is a fully computer controlled and automated control system that controls and monitors a building’s technical equipment (including HVAC, lighting, electricity systems). By tailoring this system to the specific nature of cinemas - high, large volumes with varying occupancy - Kinepolis is succeeding in achieving an increasingly greater savings potential.

Kinepolis thereby uses a tailor-made system that is linked, for example, to its ticketing system and with special models based on the geometry of its buildings. Depending on the maturity of the control system of the cinema involved, the implementation of such a tailor-made building management system can lead to energy savings of 25 to 60%, directly addressing both **climate change mitigation** and **energy efficiency**.

ENERGY SAVINGS OF UP TO 60%
THE BENEFIT OF TAILOR-MADE BUILDING MANAGEMENT SYSTEMS.

In 2024, Kinepolis implemented an advanced building management system of this kind in several additional cinemas and the Group anticipates a further roll-out in the future. The knowledge acquired and extensive monitoring per cinema allows Kinepolis to benchmark the energy consumption per cinema and translate this into action plans. In Canada, a similar building management system has been rolled out in 23 complexes.

INTERVIEW

7 cinemas received a tailor-made Building Management System in 2024

—

ERIK VANDEN BERGHE,
GENERAL MANAGER REAL ESTATE CONSTRUCTION & MAINTENANCE

In 2024, Kinepolis introduced its tailor-made Building Management System (BMS) in more cinemas, specifically in Mulhouse, Saint-Julien-Lès-Metz, Nîmes, Longwy, Mataró, Kirchberg, and Schaffhausen. With initial developments dating back to 2018 and a broader roll-out since 2021, this BMS allows Kinepolis to significantly reduce and benchmark the energy consumption of its cinemas.



‘OUR LEVEL OF DETAIL SETS US APART, AS WE CONSIDER EVERYTHING FROM EXPECTED VISITOR NUMBERS TO WEATHER FORECASTS.’

Erik Vanden Berghe, General Manager Real Estate Construction & Maintenance, leads Kinepolis’ Energy Efficiency department and is responsible for the roll-out of the BMS.

—



WHAT MAKES KINEPOLIS’ BMS ‘TAILOR-MADE’?

‘Installing a standard BMS typically saves around 25% in energy consumption in our type of buildings built before 2010. For most companies, this installation with such improvement is the end goal. For us, it is just the beginning. We closely monitor all parameters and results to ensure all installations are operating efficiently. By correcting and eliminating errors, we achieve an additional 25% in energy savings. The final step involves fine-tuning, with a tailor-made approach for each cinema. We consider factors such as expected visitor numbers, weather forecasts, and the dimensions of halls and foyers. We even exchange the heat between highly and less occupied theatres and utilize the heat from the projection booth. This enables us to save another 10 to 15% in energy, resulting in a total energy savings potential of 60% or more. The level of detail we achieve sets us apart and reflects Kinepolis’ mindset in everything we do.’

IS THIS SYSTEM MANAGED CENTRALLY?

‘Yes, it’s what I call ‘Climate as a Service’. Once installed and tuned, our local cinema teams do not need to intervene to manage daily climate conditions; all HVAC systems are managed automatically. This ensures that customers enjoy films in optimal conditions (never too hot, never too cold - within limits of subjectivity), and Kinepolis cinemas benefit from significantly reduced energy costs while being able to monitor all aspects of energy use. During the system’s implementation, we work closely together with the local teams. This has greatly increased internal awareness and knowledge about energy consumption. Another advantage is improved maintenance follow-up for technical installations. Any anomalies are detected by the BMS and addressed immediately.’

WHAT IS PLANNED FOR 2025?

‘We plan to continue the roll-out in 2025 and beyond, focusing on acquiring as much knowledge as possible in Europe. In North America, we currently have a ‘light’ alternative adapted to the local context.’

ACTION: SOLAR PANELS

Kinepolis' cinemas in 's-Hertogenbosch (NL), Braine-l'Alleud (BE) and Pozuelo de Alarcón (Madrid, ES) each have a photovoltaic installation. The installation of solar panels for other cinemas is being evaluated. In Canada, we are in the design and engineering phase of our first installation in Waterloo with both solar and wind generation.

It is important to be aware that Kinepolis can achieve a less-than-optimal return from such installations, as these only cover a relatively limited part of its own consumption, given that cinemas mainly operate in the evening.

Nevertheless, Kinepolis does expect greater use of solar panels in the coming years, by increasing the number of installations depending on the opportunities and developments in energy storing and energy sharing, supporting **climate change mitigation** and **renewable energy deployment**.



ACTION: SUSTAINABLE CINEMA TECHNOLOGY - LASER PROJECTION

The technology evolution in projection systems has greatly facilitated Kinepolis' efforts and performance in terms of **climate change mitigation** and **energy efficiency**. In line with the latest technology developments, Kinepolis has fully opted for laser projection in recent years. Laser projectors ensure a sublime image quality (and a better visual experience for customers), while using 40% less energy than xenon lamp projectors. Moreover, the absence of lamps also reduces the need for cooling and lamp replacement is, of course, now a thing of the past.

Kinepolis took its first steps in laser projection in 2014, opened the first full-laser cinema in Europe (Kinepolis Breda, NL) in 2016 and started its general transition to laser projection in 2018. From 2016 on, all newly opened cinemas have been fully equipped with laser projectors (full laser).

By the end of 2024, 745 of 1 152 screens (or 65% of all Kinepolis, Landmark and MJR screens) were equipped with laser projectors. 64 of these are Laser ULTRA screens (Kinepolis' own Premium Large Format, in which 4K laser projection is combined with Dolby Atmos sound). By the end of 2025, 75% of Kinepolis' projector park worldwide will be laser. In Europe alone, 81% of the Kinepolis screens are currently equipped with laser projectors.

The 745 laser projectors that were in operation at the end of 2024 guarantee energy savings of 6 GWh per year compared to the Xenon equivalent (based on 4 shows a day). The laser upgrades planned for 2025 will further boost those savings to 6.7 GWh per year.

METRIC	2021	2022	2022	2024
% of screens	25%	42%	59%	65%
Energy savings per year	2.0 GWh	3.7 GWh	5.4 GWh	6.0 GWh

ACTION: MOBILITY INITIATIVES

Kinepolis consistently aims to ensure the easy accessibility of its cinema complexes, whether by public transport, bicycle or car and informs customers about this as far as possible via its website. Wherever possible, all European cinemas have secured bicycle parking.

Through the introduction of its structural teleworking policy and by strongly limiting business travel by maximizing the use of video conferencing, Kinepolis contributes to an overall reduction in CO_2 emissions. In 2022, Kinepolis also introduced an updated car policy for its head office as part of the (gradual) electrification of its car fleet. Altogether, Kinepolis' efforts to promote green mobility contribute to **climate change mitigation** by reducing overall emissions.

ACTION: ENERGY SIMULATION TOOL

To optimize energy transmission, storage and usage, Kinepolis has integrated advanced energy simulation capabilities to model and assess energy-saving measures across its theatres. Given the complex calculations needed - accounting for factors such as climate, building materials, architectural design and operational dynamics - an effective simulation tool is essential for evaluating potential energy efficiencies.

To this end, Kinepolis has implemented a dynamic tool, which enables to model multiple variables impacting energy consumption, including environmental and operational factors, within a MATLAB-based environment. This tool is currently operational, with a first simulation focused on testing energy-saving configurations in Antwerp by connecting the air supply and return systems via ducts.

POLICIES AND ACTIONS RELATED TO CLIMATE CHANGE ADAPTATION

POLICY: CLIMATE CHANGE ADAPTATION

Kinepolis has conducted a preliminary climate risk and vulnerabilities assessment (based on TCFD guidelines) to monitor the likelihood of potential physical climate hazards, such as flooding and wildfires. A more comprehensive climate risk and vulnerabilities assessment is scheduled for 2025. Although no Capex plan for climate change adaptation has been worked out yet, the Company takes timely and appropriate action on a per case basis.

For example, in 2024, Kinepolis made significant investments to reduce the risk of flooding on the site of Kinepolis Nîmes (FR), demonstrating the Company's collaborative and proactive approach to climate-related challenges.

PERMEABLE PARKING AND RAIN GARDEN FOR KINEPOLIS NÎMES

In 2024, the previously paved car parks of Kinepolis Nîmes were transformed into permeable surfaces. This change allows for up to 80% of rainwater to be reabsorbed into the groundwater, recharging the ground water tables, while significantly mitigating the risk of flooding.

Additionally, the establishment of a rain garden not only contributes to flood prevention but also encourages the return of biodiversity to the urban environment. This project exemplifies Kinepolis' commitment to sustainable development through impactful collaborations, as the project has been supported and co-funded by the Rhône-Mediterranean-Corsica Water Agency (a public institution under the French Ministry of the Environment), resulting in a mutually beneficial outcome for the Company and the community.



ENERGY CONSUMPTION AND MIX

Kinepolis started measuring and reporting the development of energy consumption in its cinema complexes some years ago. As of 2021, energy consumption for the entire Group (including the North American operations) has been reported both in absolute terms and per million € of turnover.

TABLE: ENERGY INTENSITY BASED ON NET REVENUE DURING REPORTING YEAR 2024

METRIC	2024
Total energy consumption (MWh)	**126 797**
Total net revenue (In million €)	**578.2**
Energy intensity (Mwh/M€)	**219.3**

Year after year, Kinepolis is reducing its energy intensity by means of several policies focusing on energy efficiency, including the implementation of energy-efficient technologies and practices across all cinema locations, such as - but not limited to - LED lighting, laser projection, advanced HVAC systems, energy management software and regular energy audits to identify areas for improvement and optimize energy usage.

Kinepolis wants to reduce its energy consumption from non-renewable sources by several policies including increasing the use of renewable energy by expanding solar panel installations on cinema rooftops and purchasing green energy certificates to power cinema operations, exploring partnerships with renewable energy providers to source sustainable energy options and monitoring and tracking energy consumption from non-renewable sources to identify opportunities for reduction and optimization. **Currently, no reduction targets have been set, as we are in the process of finalizing our SBTi Transition Plan.**



TABLE: ENERGY CONSUMPTION AND MIX DURING REPORTING YEAR 2024

METRIC	2024
(1) Total fossil energy consumption (MWh)	66 795
Share of fossil energy consumption in total energy consumption (%)	52.7 %
(2) Consumption from nuclear products (MWh)	28 612
Share of consumption from nuclear sources in total energy consumption in total energy consumption (%)	22.6 %
Total non-renewable energy consumption (MWh) (calculated as the sum of lines 1 to 2)	95 407
Share of non-renewable sources in total energy consumption (%)	75.3 %
(3) Fuel consumption for renewable sources (including biomass, biogas, non-fossil fuel waste, renewable hydrogen, etc.) (MWh)	179
(4) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	30 652
(5) The consumption of self-generated non-fuel renewable energy (MWh)	559
Total renewable energy consumption (MWh) (calculated as the sum of lines 3 to 5)	31 390
Share of renewable sources in total energy consumption (%)	24.8 %
Total energy consumption (MWh)	126 797

** Our approach to energy data collection covers all owned and leased office spaces, with energy consumption and mix verified through direct meter readings, provider reports, national reports, or confirmations from landlords. In shared sites, where only total building energy data is available, we allocate consumption proportionally based on each theatre's share of total square footage.*

To ensure consistency and accuracy, national teams use a standardized monthly reporting template to capture energy usage across electricity, fuel, gas and district heating. Where complete data is unavailable, consumption estimates are carefully projected using previous trends, seasonal patterns, or comparable regional data. Although these estimates enable reliable energy tracking, they carry inherent uncertainty due to factors like regional variability and seasonal fluctuations, especially in cases with limited historical data.

By applying a consistent methodology and refining estimation techniques over time, we manage and reduce this uncertainty, enhancing the accuracy and integrity of our reported energy data while accommodating data limitations in certain locations.

CO_2 FOOTPRINT

Energy consumption is a key part of Kinepolis' CO_2 footprint. Since 2021, Kinepolis has reported Scope 1 and 2 emissions. As from 2024, Kinepolis is also reporting Scope 3 emissions, which account for indirect emissions across the entire value chain that result from Kinepolis' activities but are outside its direct control.

In 2024, Kinepolis conducted a comprehensive assessment of its greenhouse gas (GHG) emissions in accordance with the GHG Protocol, covering Scope 1, Scope 2 and Scope 3 emission categories.

- **Scope 1 emissions** amount to 9 197 tCO_2eq and cover direct emissions generated by Kinepolis' own facilities and fleet, including emissions from stationary combustion sources within cinemas and mobile sources such as company-operated vehicles.

- **Scope 2 emissions** amount to 12 446 tCO_2eq (location-based) or 13 054 tCO_2eq (market-based) and include indirect emissions linked to electricity consumption, tracked using both location-based and market-based methods to reflect regional grid impacts and specific energy purchasing decisions. Additionally, Scope 2 encompasses emissions from steam, heating and cooling, which are essential for providing comfortable environments in movie theatres.

- **Scope 3 emissions** amount to 110 233 tCO_2eq and capture the broader indirect impacts of Kinepolis' operations, both upstream and downstream. Upstream emissions include, among others, the environmental footprint of purchased goods and services, capital goods, upstream emissions from consumed energy sources (from scope 1 & 2), waste management and employee commuting. On the downstream side, Scope 3 includes, among others, emissions from customer travels to and from cinemas as well as emissions tied to leased-out assets.

GHG PROTOCOL CATEGORIES IN SCOPE FOR KINEPOLIS:

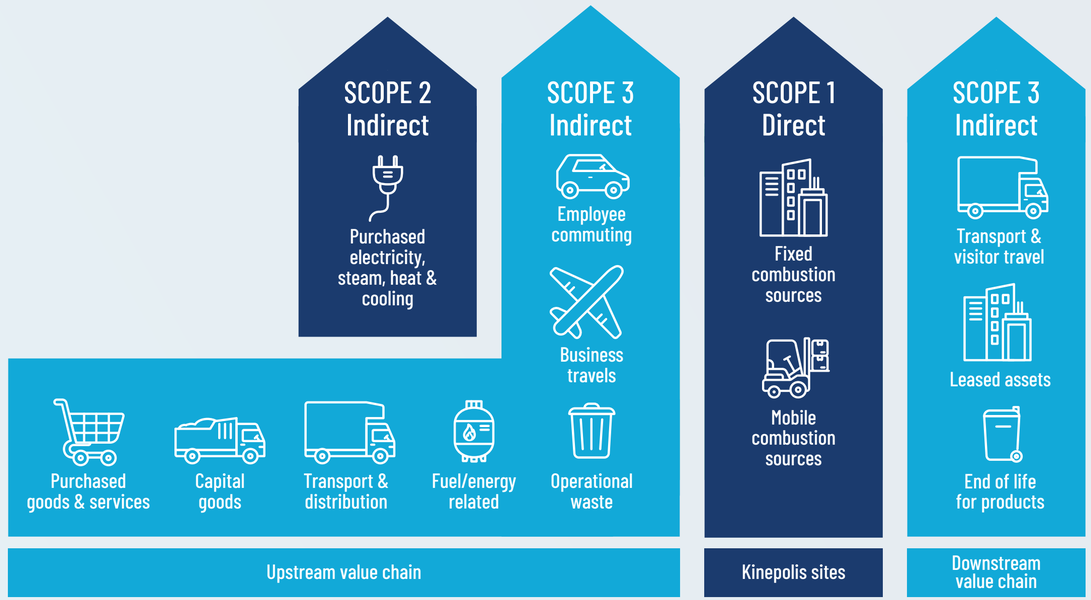


TABLE: THE TOTAL GHG EMISSIONS DISAGGREGATED BY SCOPES 1 AND 2 AND SIGNIFICANT SCOPE 3 DURING REPORTING YEAR 2024

METRIC	METHOD OF CALCULATION	2024
Gross Scope 1 GHG emissions (tCO_2eq)	Emission coefficient x gas (kWh) and fuel (litres) consumption	**9 197**
Gross location-based Scope 2 GHG emissions (tCO_2eq)	Emission coefficient x location-based electricity consumption of Kinepolis sites (from grid) (kWh)	**12 446**
Gross market-based Scope 2 GHG emissions (tCO_2eq)[1]	Emission coefficient x market-based electricity consumption of Kinepolis sites (from grid) (kWh)	**13 054**
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	Sum of below	**110 233**
Purchased goods and services	Emission coefficient per type x volume of purchased materials (kg) or monetary value (€) or film showtime (minutes) [2]	**39 400**
Capital goods	Emission coefficient per type x capital investment amount	**13 920**
Employees commuting	Emission coefficient per transportation type (based on national statistics) x Number of employees	**2 734**
Emissions related to fuels and energy (not included in Scope 1 and Scope 2), market-based	Emission coefficient per type x physical unit purchased electricity and fuel	**4 850**
Waste generated	Emission coefficient x Waste volume (tons) [3]	**1 624**
Business travels	Emission coefficient x Travel expenses	**360**
Downstream freight and distribution	Emission coefficient x Transport volume [4]	**41 724**
Downstream leased assets	Emission coefficient per type x gas (kWh), fuel (litres), location-based electricity (kWh) and district heating (gJ) consumption [5]	**5 621**
Total GHG emissions (location-based) (tCO_2eq)	Sum of above	**131 876**
Total GHG emissions (market-based) (tCO_2eq)	Sum of above	**132 484**

[1] *Market-based method reflects emissions from electricity that companies have purposefully chosen. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs. For Canada no market-based emission factors are available, therefore location-based emission factors were used.*

[2] *For movie rentals, the emission coefficient is calculated using an average emission factor derived from several external life cycle assessment (LCA) studies on film production. This coefficient is then adjusted by the average proportion of total film revenue attributable to Kinepolis which was estimated based on a sample of films.*

[3] *For operational waste, please refer to the 'ESRS E5 – Resource Use and Circular Economy' section, where waste quantities are disclosed in tons by type. These figures also serve as the input for CO_2 calculations.*

[4] *For visitor travel, distances were estimated based on postal codes from online purchases and adjusted according to the distribution of transportation modes, as indicated by national statistics.*

[5] *For downstream leased assets, the energy use was estimated using average energy consumption per square meter and rented-out day, due to limited tenant-specific energy consumption data.*

[6] *The GHG emissions were estimated using the GHG Protocol. CO_2 emission coefficients are a critical component of carbon accounting. Each coefficient is location-specific and tailored to the specific activity type. Emission data is sourced from various public databases, including Climatiq, Ecoinvent, DEFRA and Base Carbone. Where feasible, activity data is expressed in non-monetary units rather than monetary units to enhance accuracy. For example, food emissions rely on kilogram data for key items, while less significant categories use cost-based estimates. The GHG calculation covers all subsidiaries over the full fiscal year 2024. For the scope 3 emissions, no primary data could be used as this could not be provided by our suppliers.*

[7] *GHG emissions estimates for Kinepolis involve uncertainties due to factors like reliance on industry-average or country-specific emission factors, which may not fully align with Kinepolis' specific operations. Estimating visitor travel patterns and vehicle occupancy based on national averages introduces further variability, as these may not accurately represent actual behaviour. For film rental - a key Kinepolis activity - no industry-specific data exists, so emission coefficients are estimated using a limited number of academic studies and extrapolation. Additional uncertainties stem from extrapolations of waste and tenant data, along with regional variations and temporal fluctuations in emission factors.*

TABLE: CARBON INTENSITY BASED ON NET REVENUE DURING REPORTING YEAR 2024

LOCATION-BASED:

METRIC	2024
Total GHG emissions (tCO_2eq)	131 876
Total net revenue (M €)	578.2
TCO_2eq/ M€ REVENUE	228.1

MARKET-BASED:

METRIC	2024
Total GHG emissions (tCO_2eq)	132 484
Total net revenue (M €)	578.2
TCO_2eq/ M€ REVENUE	229.1

** Net revenue ties in with the financial annual report, we refer to p. 203.*

Kinepolis wants to reduce its GHG emissions by implementing measures to reduce emissions, such as investing in energy-efficient equipment, optimizing transportation logistics and promoting sustainable practices among employees and suppliers.

Currently we have not set formal GHG emission reduction targets yet, as we are still finalizing our SBTi Transition Plan. As a company situated at the end of the supply chain with limited influence over our main suppliers, including multinational film distributors, we recognize our constraints in setting Scope 3 GHG emission targets. Nonetheless, we actively advocate for sustainable practices among all our suppliers to collectively reduce our environmental impact.

ENVIRONMENTAL INFORMATION

ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY

INTRODUCTION

"You're gonna need a bigger boat", says an awestruck Chief Brody in Jaws. But when it comes to tackling big challenges, sometimes the best solution isn't size - it's strategy.

That's exactly how Kinepolis approaches waste reduction and sustainability: by making smart choices.

Integrating circular economy principles, such as waste reduction and recycling, is key to addressing stakeholder concerns and promoting sustainability at Kinepolis. We analysed our main revenue streams - Box Office, In-theatre Sales, and B2B - which together account for 95% of our activity, identifying key resources and waste flows through interviews with internal and external stakeholders.

While our operations are primarily capital- and service-intensive, we recognize the importance of managing non-capital resources, such as beverages and snacks and their waste. In our Double Materiality Assessment, we acknowledge that while resource use may not be financially material, waste outflows are significant to stakeholders and are therefore considered material across all locations.



TABLE: QUALITATIVE OVERVIEW OF RESOURCE USE (INFLOWS AND OUTFLOWS WITHIN THE KEY ACTIVITIES OF KINEPOLIS)

ACTIVITIES	BOX OFFICE (52.1% of revenue)	IN-THEATRE SALES (31.8% of revenue)	B2B (13.0% of revenue)	ADMINISTRATIVE	OTHER
INFLOWS	• Paper tickets • Marketing materials (poster, flyers) • 3D Glasses • PPE: Theatres, projection, equipment, ticket machines, seating, IT infrastructure…	• Beverages and Snacks • Packaging Materials (cups, boxes) • Merchandise (toys, souvenirs) • PPE: Theatres, shops, fridges, heaters, freezers, dispensers, IT infrastructure…	• Beverages & Snacks (for corporate events) • Decorations (banners, balloons) • PPE: Theatres, venue, fridges, heaters, freezers, dispensers, IT infrastructure…	• Paper and office supplies • PPE: Office equipment, office buildings	• Cleaning supplies (detergent, mops) • Uniforms (for staff) • Water used for cleaning, toilets… • (Building) materials for refurnishing theatres
	Not determined material				
OUTFLOWS	Waste (tickets, outdated marketing materials, broken 3D glasses)	Waste (food, paper cups, popcorn bags, wrappers, PET and glass bottles)	Waste (food, paper cups, popcorn bags, wrappers, bottles, decorations)	Waste (paper, toners, cardboard)	• Waste (cleaning materials) • Materials waste (filters, batteries, lamps, installation waste…) • Construction waste
	Material				

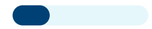
Outlined on the following pages are the **key impacts, risks and opportunities** associated with the resource outflow waste, along with the **policies** Kinepolis employs to mitigate these risks, reduce negative impacts and capitalize on opportunities effectively. The Country Manager Operations, who also serves as the Chair of the Expert Committee on Waste, holds primary responsibility for coordinating the policy's implementation and overseeing the actions necessary to achieve its objectives.

With multiple years of experience in operations management, including 10 years at Kinepolis he brings a wealth of expertise to the role. Prior to becoming Country Manager Operations, he served as a local Theatre Manager, where he was responsible for the daily operational management of multiple cinema complexes. This hands-on experience at the theatre level provides valuable insight into the practical implementation of waste reduction initiatives. Additionally, with an Executive MBA and Master in Finance, the Country Manager combines strong business acumen, strategic vision and operational expertise to drive the Company's waste management efforts.
In 2024, specific targets linked to waste or waste recycling have not yet been established. Prior to defining these targets, it is essential to conduct a comprehensive mapping of local regulations, assess the feasibility of various initiatives and determine what is both achievable and sustainable. This foundational work is currently in progress and is expected to be finalized in 2025.

Unless explicitly stated otherwise, all policies and actions linked to the waste topic apply to the entire global organization and are being conducted in the current reporting year 2024. Necessary resources are foreseen to accommodate the planned and ongoing actions, as outlined in the following sections, to mitigate material impacts and dependencies linked to waste. The effectiveness of these actions is monitored through periodic E5 Expert Committee meetings.

RESOURCE OUTFLOWS - WASTE

Kinepolis has long been committed to responsible waste management and sustainability practices across its global operations.

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RW-001 - Environmental impact Improper waste management could lead to pollution and disrupting ecosystems. It could also disrupt ecosystems and contribute to climate change through greenhouse gas emissions.	Low Risk 	Short & Long Term 	Own operations
RW-002 - Reputational Damage & decrease in stakeholder trust Poor waste management can lead to negative public perception and loss of customer loyalty. It also deters investors and damages relationships with stakeholders.	Medium Risk 	Short term 	Own operations

OPPORTUNITIES: Managing waste more effectively could lead to cost savings, improved resource efficiency and enhanced stakeholder satisfaction and reputation.

TABLE: WASTE GENERATION RELATED METRICS

METRIC*	HAZARDOUS	NON-HAZARDOUS	TOTAL
Total waste (in kg)	801	5 790 596	5 791 397
Total waste diverted from disposal (in kg) - Recycling	801	1 335 679	1 336 480
Total waste directed to disposal (in kg) - Incineration	-	1 325 904	1 325 904
Total waste directed to disposal (in kg) – Landfill	-	3 129 013	3 129 013
Total non-recycled waste (in kg)	-	4 454 917	4 454 917
Total non-recycled waste (in %)	-	76.9 %	76.9 %

TABLE: WASTE COMPOSITION RELATED METRICS

METRIC*	KG	PERCENTAGE
Paper / Cardboard	955 157	16.5 %
Food waste	182 276	3.2 %
Plastic, Metallic and cardboard packaging (PMD)	131 793	2.3 %
Glass waste	42 468	0.7 %
Construction waste	24 684	0.4 %
Wood waste	287	0.0 %
Hazardous waste	801	0.0 %
Residual waste	4 453 931	76.9 %
Total	**5 791 397**	**100.0 %**

** To determine the composition and total amount of waste, we first collected actual waste weight data from sites with direct measurements available through waste operators, typically via invoices, waste reports, or data portals. Using this data, we calculated an average waste per visitor, which enabled us to estimate waste output for locations where specific measurements were unavailable.*

Extrapolations were performed at a country level by applying the calculated average waste per visitor to sites without data, adjusting for visitor counts to approximate total waste. For waste composition, we categorized waste based on disposal methods (e.g., recycled, incinerated, landfilled) provided by waste operators, though some sites lacked specific breakdowns and required further extrapolation. Due to data limitations, particularly in cinemas within shared spaces like shopping malls where waste management is centralized and lacks tenant-specific tracking, we relied on estimation techniques. While efforts were made to ensure accuracy, inherent uncertainty remains without complete site-specific data.

To improve the precision of future disclosures, we are actively working with waste operators and property managers to increase the number of sites with direct, verifiable measurements, aiming to minimize extrapolation and enhance the reliability of our waste reporting.



POLICY: WASTE MANAGEMENT

Kinepolis prioritizes waste reduction, sorting and recycling, while also ensuring responsible disposal practices for waste streams.

Kinepolis is committed to minimizing its environmental impact through proactive waste management practices. This includes prioritizing waste reduction at the source, improving waste sorting processes and enhancing recycling efforts to maximize resource recovery. Additionally, Kinepolis ensures the responsible disposal of all waste streams, adhering to best practices and environmental standards.

Compliance with local waste management regulations is a fundamental aspect of Kinepolis' operations across all regions where it operates. For instance, in the Netherlands, France and Belgium, there is a strong emphasis on phasing out single-use disposable cups in alignment with evolving regulatory frameworks.

Kinepolis is developing tailored action plans in each country of operation.
These plans focus on:

- Reducing the overall volume of waste generated.
- Decreasing the proportion of residual (non-recyclable) waste.
- Improving sorting processes to ensure materials are directed to the appropriate recycling streams.

ACTION: WASTE SORTING

Visitors are constantly reminded to pre-sort their waste. Dedicated bins located at theatre entrances, exits and in the foyer streamline waste collection, ensuring it can be efficiently processed by specialized companies. Information on waste sorting is repeated regularly in the pre-show (the screen announcements before the film). The rules and recycling options vary from country to country. In Canada, for example, regulations even vary greatly per region and often only a distinction is made between paper/cardboard and other waste.

ACTION: MEASURES TO REDUCE MATERIAL WASTE

Kinepolis' Refresh & Remodelling department oversees maintenance and renovations with a focus on minimizing waste. Recent initiatives include:

- Replacing automatic towel rolls in restrooms with electric dryers.
- Using Velcro® to attach fabric to cinema seats, eliminating glue and allowing foam to be reused.
- Injecting foam padding into moulds instead of cutting it, ensuring durability and reducing the need for replacement.
- Purchasing floor and wall coverings in smaller dimensions to reduce cutting waste and using vertical strips for targeted repairs.
- Retaining metal structures when converting seats to Cosy Seats and repurposing undamaged seats for other renovations.

KINEPOLIS INTRODUCES DEPOSIT RETURN MACHINES IN DUTCH CINEMAS

In 2024, Kinepolis was the first cinema chain in the Netherlands to introduce deposit return machines, used for collecting and recycling bottles and cans. Previously, Kinepolis already provided collection points, but the deposit was automatically donated to charities (Bio Vakantieoord and Jarige Job). The new automated machines give visitors the choice between donating and receiving their deposit directly into their bank account via Tikkie. Jeroen Hillen, Director of Statiegeld Nederland: 'I'm pleased that people can now get their deposit back on the spot, which motivates more returns and recycling. I hope other organizations will follow this example.'



KINEPOLIS BELGIUM COLLABORATING WITH PARTNERS TO DESIGN SORTING ISLAND

In 2024, Kinepolis initiated a collaboration with the pioneering innovation Company Verhaert and product development students from the University of Antwerp to design a modular sorting island for its cinemas. This system features flexible, adjustable lids for each waste stream, enhancing waste management efficiency. By facilitating easy and efficient collection of various types of waste, this sorting island is designed to promote improved recycling practices, supporting environmental sustainability. The project is currently in a product development phase and will be rolled out shortly.



ACTION: SUSTAINABLE FOOD & BEVERAGE PACKAGING

Kinepolis has transitioned to paper drinking straws and snack bags across most of its European locations. Nacho trays and popcorn packaging are crafted from recycled cardboard, aligning with the Company's commitment to eco-conscious practices. Moreover, in many countries, soft drink lids have been redesigned to eliminate single-use plastic. Notably, disposable post-mix cups are being phased out across several European nations, replaced by more sustainable alternatives to comply with local regulations. Kinepolis also emphasizes mindful transportation practices, striving to produce popcorn locally whenever feasible and optimizing stock management to reduce supplier deliveries.

ACTION: IT & AV HARDWARE REPURPOSING

Kinepolis donates written-off computers, laptops and servers to ‘Close the Gap’, an organization that gives these materials a second life in developing countries. In this way, we do our part to provide as many people as possible with access to technology and education. By working closely with ‘Close the Gap’, we also ensure responsible end-of-life management by facilitating the return of hardware to Europe for eco-friendly dismantling. Moreover, old audiovisual devices like projectors, when retired from service, are retained by Kinepolis for spare parts, effectively extending the lifespan of equipment and minimizing waste.



EU TAXONOMY REPORT

The EU Taxonomy Regulation of 18 June 2020 (the 'Taxonomy Regulation') introduced a classification system for economic activities that can qualify as 'environmentally sustainable' activities.

An activity is considered to be environmentally sustainable (taxonomy-aligned) if, among other things, it contributes significantly to one of the 6 environmental objectives recognized in the Taxonomy Regulation: a) climate change mitigation, b) adaptation to climate change, c) sustainable use and protection of water and marine resources, d) transition to a circular economy, e) prevention and control of pollution, f) protection and restoration of biodiversity and ecosystems.

In June 2021, the European Commission published a catalogue of economic activities that can be taken into account for the first two environmental objectives: 'Climate Change Mitigation' and 'Climate Change Adaptation' (this is the Climate Delegated Act). The catalogue and specifications for the remaining four objectives were published in 2023, but Kinepolis Group has no activities that have been listed as potentially contributing to any of these four objectives.

Since 2022, Kinepolis publishes both the degree of eligibility of its activities and the degree of alignment, i.e. which eligible business activities contribute substantially to the above-mentioned environmental objectives based on the criteria included in the EU Taxonomy for the economic activity concerned. For an activity to be recognized as 'EU Taxonomy-aligned', not only must the criteria demonstrating a substantial contribution be met; the activity may also not cause significant harm to any of the other environmental objectives ('Do no significant harm' (DNSH) criteria) and basic social conditions must also be met ('minimum safeguards').

The main activity of Kinepolis (motion picture projection) is included in the EU Taxonomy for 'Climate Change Adaptation' under item 13.3 ('Production of Motion picture, video and television programme production'). This activity can only be recognized as eligible under this environmental objective if a risk and vulnerability assessment with regard to the main physical climate risks for the activity in question has taken place and a Capex plan has been drawn up to adapt the activity in question to the (potential) physical consequences of climate change detected in this regard.

At this moment in time, Kinepolis has only carried out a high-level risk and vulnerability assessment and no Capex plan has been drawn up. Consequently, no business activities can be recognized as eligible, although this will be a possibility in the future provided the above conditions are met. It should also be noted that for activities contributing to the 'Climate Change Adaptation' objective, as is the case for activity 13.3, only Opex and Capex associated with the activity in question can be reported, as the revenue generated by such activities cannot be recognized.

All costs essential to exercising this activity may be associated with this activity and therefore be considered eligible. For Kinepolis, it is evident that its cinemas are essential for the projection of films, and therefore the exercise of this activity, which led Kinepolis to choose not to report its cinema real estate under economic activity 7.7 ('Ownership and Acquisition of buildings') - listed under both 'Climate Change Mitigation' and 'Climate Change Adaptation' - but to recognize it as an eligible activity directly related to the economic activity under 13.3. The intercorrelation between the Box Office activity and cinema real estate is also confirmed by the fact that the assessment of the climate risk for the related activities (Box Office, Kinepolis Film Distribution) largely focuses on the climate resilience of its cinema buildings.

0% of Kinepolis' operations can consequently be recognized as eligible under 'Climate Change Adaptation' for the year 2024. However, Capex and Opex for the Box Office and

Kinepolis Film Distribution activities, as well as costs associated with the cinema real estate, may become eligible under economic activity 13.3 in the future (subject to carrying out an assessment of climate risks for these activities and drawing up a plan to adapt the activity in the light of these risks) and may also be recognized as an aligned (adapted) activity provided that all the criteria under activity 13.3 are met.

Activity 13.3 may also become an enabling activity ('adapted-enabling activity') if an additional criterion is met, i.e. being able to demonstrate that the primary objective of the product (in this case films)

a) is to make others more resilient to physical climate risks or
b) contributes to the efforts of others to adapt to climate change.

Given that the proportion of films for which this could be regarded as an objective is negligible, and that projecting such films will never become Kinepolis' main objective, it is not our ambition to be recognized as an enabling activity. To the extent possible, however, Kinepolis will strive to align with the other criteria under 13.3 (and thereby meet the first four criteria for substantial contribution, as well as the DNSH criteria and minimum conditions).

With regards to eligible Capex, € 3.8 million of Kinepolis' investments in 2024 was classified as 'green star Capex', aimed at improving the Group's environmental footprint. This includes energy-saving initiatives such as HVAC system upgrades, the installation of electric vehicle charging stations, LED lighting upgrades and investments in energy-efficient laser projectors. This amount is reported as eligible Capex, alongside € 2.9 million related to the addition of electric vehicles, as it is related to the activities listed under Climate Change Mitigation 6.5 (electric vehicle leasing), 7.3 (installation, maintenance and repair of energy efficiency equipment) and 7.4 (installation, maintenance and repair of charging stations for electric vehicles in buildings). We are working on the alignment with the Technical Screening Criteria for the respective activities.

TEMPLATE 1: NUCLEAR- AND FOSSIL-GAS-RELATED ACTIVITIES[1]

ROW	NUCLEAR-ENERGY-RELATED ACTIVITIES	RESULT
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

ROW	FOSSIL-GAS-RELATED ACTIVITIES	RESULT
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

[1] *Based on our understanding, the activities presented in template 1 refer to the activities defined in the Complementary Climate Delegated Act.*

KPI TURNOVER 2024(*)

FINANCIAL YEAR N	2024			SUBSTANTIAL CONTRIBUTION CRITERIA					
ECONOMIC ACTIVITIES (1)	CODE (2)	TURNOVER (3)	PROPORTION OF TURNOVER, 2024 (4)	(5)	(6)	(7)	(8)	(9)	(10)
		'000 €	%	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0%	0%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities		578 189	100%						
TOTAL		**578 189**	**100%**						

LEGEND

(5) Climate Change Mitigation
(6) Climate Change Adaptation
(7) Water
(8) Pollution
(9) Circular economy
(10) Biodiversity

(*) For more information, please refer to note 3 of the financial report.

KPI TURNOVER 2024(*)

FINANCIAL YEAR N	2024			DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")									
ECONOMIC ACTIVITIES (1)	CODE (2)	TURNOVER (3)	PROPORTION OF TURNOVER, 2024 (4)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		'000 €	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES													
A.1 Environmentally sustainable activities (Taxonomy-aligned)													
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%								0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)													
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES													
Turnover of Taxonomy-non-eligible activities		578 189	100%										
TOTAL		**578 189**	**100%**										

LEGEND

(11) Climate Change Mitigation
(12) Climate Change Adaptation
(13) Water
(14) Pollution
(15) Circular economy
(16) Biodiversity
(17) Minimum safeguards
(18) Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2023
(19) Category enabling activity
(20) Category transitional activity

(*) For more information, please refer to note 3 of the financial report.

KPI CAPEX 2024(**)

FINANCIAL YEAR N	2024			SUBSTANTIAL CONTRIBUTION CRITERIA					
ECONOMIC ACTIVITIES (1)	CODE (2)	CAPEX (3)	PROPORTION OF CAPEX, 2024 (4)	(5)	(6)	(7)	(8)	(9)	(10)
		'000 €	%	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	2 903	5%	0%	0%	0%	0%	0%	0%
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	3 749	7%						
Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4	90	0.2%						
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		6 742	12.2%	0%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities		48 118	87.8%						
TOTAL		**54 860**	**100%**						

LEGEND

(5) Climate Change Mitigation
(6) Climate Change Adaptation
(7) Water
(8) Pollution
(9) Circular economy
(10) Biodiversity

(**) For more information, please refer to notes 9, 11, 12 and 27 in the financial report.

KPI CAPEX 2024(**)

FINANCIAL YEAR N	2024			DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")									
ECONOMIC ACTIVITIES (1)	CODE (2)	CAPEX (3)	PROPORTION OF CAPEX, 2024 (4)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		'000 €	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES													
A.1 Environmentally sustainable activities (Taxonomy-aligned)													
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%								0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)													
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	2 903	5%								0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	3 749	7%										
Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4	90	0.2%										
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		6 742	12.2%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES													
CapEx of Taxonomy-non-eligible activities		48 118	87.8%										
TOTAL		**54 860**	**100%**										

LEGEND

(11) Climate Change Mitigation
(12) Climate Change Adaptation
(13) Water
(14) Pollution
(15) Circular economy
(16) Biodiversity
(17) Minimum safeguards
(18) Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx 2023
(19) Category enabling activity
(20) Category transitional activity

(**) For more information, please refer to notes 9, 11, 12 and 27 in the financial report.

KPI OPEX 2024(***)

FINANCIAL YEAR N	2024			SUBSTANTIAL CONTRIBUTION CRITERIA					
ECONOMIC ACTIVITIES (1)	CODE (2)	OPEX (3)	PROPORTION OF OPEX, 2024 (4)	(5)	(6)	(7)	(8)	(9)	(10)
		'000 €	%	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0%	0%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities		27 524	100%						
TOTAL		**27 524**	**100%**						

LEGEND

(5) Climate Change Mitigation
(6) Climate Change Adaptation
(7) Water
(8) Pollution
(9) Circular economy
(10) Biodiversity

(***) For more information, please refer to note 6 (breakdown of costs per type) in the financial report.

KPI OPEX 2024(***)

FINANCIAL YEAR N	2024			DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")									
ECONOMIC ACTIVITIES (1)	CODE (2)	OPEX (3)	PROPORTION OF OPEX, 2024 (4)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		'000 €	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES													
A.1 Environmentally sustainable activities (Taxonomy-aligned)													
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%								0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)													
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%								0%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES													
OpEx of Taxonomy-non-eligible activities		27 524	100%										
TOTAL		**27 524**	**100%**										

LEGEND

(11) Climate Change Mitigation
(12) Climate Change Adaptation
(13) Water
(14) Pollution
(15) Circular economy
(16) Biodiversity
(17) Minimum safeguards
(18) Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, 2023
(19) Category enabling activity
(20) Category transitional activity

(***) For more information, please refer to note 6 (breakdown of costs per type) in the financial report.

SOCIAL INFORMATION

ESRS S1 - OWN WORKFORCE

INTRODUCTION

Sometimes, the simplest words can carry the deepest meaning. Take the now-classic line from Lilo & Stitch: “Family means nobody gets left behind.” At Kinepolis, that sentiment resonates deeply because our people – both frontstage and backstage – are at the heart of what we do.

After all, the ‘Ultimate Movie Experience’ is shaped by our people, and our human capital strategy reflects this by fostering a culture of self-learning, bottom-up innovation, and accountability. Since continuous improvement and innovation depend on our people, we’re deeply committed to their well-being, development, and satisfaction. It’s not just about creating exceptional movie experiences – it’s about building a strong, supported team that drives sustainable value for all our stakeholders.

Kinepolis boasts a dynamic global team comprising more than 4 000 dedicated employees across key operational regions such as Belgium, Spain, Canada, the US, the Netherlands, Luxembourg and France. We collaborate with contractors, student workers and interns to supplement our fixed workforce, ensuring operational flexibility and efficiency. Our workforce is a dynamic blend of generations, with a strong majority under 30 complemented by experienced professionals. All people in its own workforce who could be materially impacted by the undertaking are included in the scope of this report.



At Kinepolis, we take pride in our vibrant team, comprised of cinema attendants, projectionists, customer service representatives and managerial staff, all united by a passion for delivering exceptional cinematic experiences worldwide. Kinepolis is also a major employer for students and newcomers to the labour market, guiding them in the acquisition of essential professional skills by giving them responsibility at an early age, getting them to work in teams and often also coaching or managing other employees.

Kinepolis aims for sustainable growth by attracting, nurturing and developing talent. The Company fosters a bottom-up approach by empowering employees with responsibility for departmental targets and budgets, enabling them to actively drive improvements in business operations and product development. This approach is embodied by the significant number of ‘business owners’ within the organization, who play a crucial role in executing the Company’s overall strategy.

‘RECOGNIZING OUR RELIANCE ON HUMAN CAPITAL FOR IMPROVEMENT AND INNOVATION, KINEPOLIS HAS ALWAYS BEEN COMMITTED TO INVESTING IN A COMMUNITY OF ENGAGED EMPLOYEES WHO TAKE PRIDE IN THEIR WORK. IN 2024, WE HAVE BEEN WORKING TOWARDS A MORE UNIFORM, INTERNATIONAL HR STRATEGY AND I LOOK FORWARD TO SEEING HOW THIS RENEWED, COLLABORATIVE APPROACH WILL STRENGTHEN OUR HUMAN CAPITAL STRATEGIES.’



TOM DE VOS APPOINTED AS CHIEF HUMAN RESOURCES OFFICER IN 2024

TABLE: EMPLOYEE AVERAGE HEADCOUNT BY GENDER AND CONTRACT TYPE AS OF 31 DECEMBER 2024.

HEADCOUNT* CONTRACT TYPE (31 DECEMBER 2024)	GENDER (SELF-REPORTED)				TOTAL
	MALE	FEMALE	OTHER	NOT REPORTED	
All employees	1 795	1 825	6	7	**3 633**
Permanent employees**	1 317	1 245	3	1	**2 566**
Temporary employees**	221	306	1	0	**527**
Non-guaranteed hours employees***	257	274	3	6	**540**

TABLE: EMPLOYEE HEAD COUNT BY COUNTRY AND CONTRACT TYPE AS OF 31 DECEMBER 2024.

HEADCOUNT* (31 DECEMBER 2024)	COUNTRY								TOTAL
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHER (POLAND & SWITZERLAND)	
All employees	452	420	1 438	274	467	487	41	54	**3 633**
Permanent employees**	333	323	1 438	239	81	58	40	54	**2 566**
Temporary employees**	9	97	0	35	386	0	1	0	**527**
Non-guaranteed hours employees***	110	0	0	0	0	430	0	0	**540**

METRIC	AMOUNT
Number of employees left during 2024	**1 242**
Turnover rate*	**22%**

** Headcount is recorded monthly as of the last day of each month and an annual average is calculated from these monthly headcounts.*

*** Permanent employees are individuals who are officially on the payroll of a Kinepolis Company, receiving regular salaries and typically enjoying benefits like health insurance and paid leave under a formal employment contract. In contrast, temporary employees are employees hired for a limited period of time (fixed-term contract), typically with no or limited benefits.*

**** Non-guaranteed hours employees: the employees may need to make themselves available for work as required, but the undertaking is not contractually obliged to offer the employee a minimum or fixed number of working hours per day, week, or month. Casual employees, employees with limited-hour (maximum 3 hour per week) contracts and on-call employees are examples that fall under this category.*

** The annual employee turnover rate is calculated by dividing the total number of employees who left the company in 2024 by the total number of unique employees who were employed at any point during 2024.*

The well-being and development of our workforce are crucial for effectively managing both risks and opportunities within our operations. Employee dissatisfaction, low productivity and reputational harm are significant risks that can arise from neglecting the needs and aspirations of our employees.

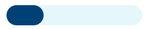
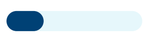
Outlined in the following pages are the **key impacts, risks and opportunities** associated with our workforce, along with the **policies** Kinepolis employs to mitigate these risks, reduce negative impacts and capitalize on opportunities effectively. Kinepolis has identified these IROs through the materiality assessment based on extensive stakeholder surveys and they are yearly reassessed by management. All topics are aligned with ESRS guidance.

The Chief HR Officer, who also serves as the Chair of the Expert Committee on Own Workforce, holds primary responsibility for coordinating the policies' implementation and overseeing the actions necessary to achieve its objectives. The CHRO has been with Kinepolis for one year, but brings over two decades of HR experience from senior roles, including 16 years as HR Manager for a convenience store chain and eight years as HR Director for a furniture store chain. With an Executive Master Certificate in HR Management, he is well-equipped to lead the implementation of ESG policies related to the workforce, ensuring alignment with organizational goals and employee development initiatives.

In 2024, specific targets related to our workforce have not yet been established. We are actively exploring relevant metrics that can guide our efforts to effectively manage the identified risks. Additionally, reporting of certain subtopics, such as training hours, is being phased in during 2025 and may influence target-setting in these areas. This foundational work is ongoing and is expected to be finalized by the end of 2025. Unless explicitly stated otherwise, all policies and actions apply to the entire organization and are being conducted in the current reporting year 2024. Necessary resources are foreseen to accommodate the planned and ongoing actions, as outlined in the following sections, to mitigate material impacts and dependencies on own workforce. The effectiveness of these actions is monitored through periodic S1 Expert Committee meetings.



SECURE EMPLOYMENT AND CAREER DEVELOPMENT

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Insecure job conditions and limited career development opportunities can cause stress and dissatisfaction, harming employees' mental health, morale and performance, leading to reduced engagement and productivity.	Medium 	Short term 	Own operations
RS-002 - Employee turnover Job insecurity increases employee turnover as workers seek more stable and growth-oriented opportunities elsewhere. This results in higher recruitment and training costs and the loss of valuable knowledge and experience.	Medium 	Short term 	Own operations

OPPORTUNITIES: By emphasizing job stability alongside career development and growth opportunities, Kinepolis can foster an engaged, loyal workforce. Providing clear career paths and development programs can enhance employee retention, reduce turnover and improve operational efficiency, while also contributing to better customer service.

POLICY: SECURE EMPLOYMENT AND CAREER DEVELOPMENT

Kinepolis is committed to providing stable and secure employment opportunities, ensuring job stability and minimizing the risk of job insecurity. The Company is dedicated to creating clear career development pathways for all employees, both temporary and permanent, as a key component of job satisfaction and long-term retention.

The Company follows all relevant labour laws and regulations to safeguard the employment rights of its workforce. For non-permanent workers and students, Kinepolis aims to fix their shift schedule beforehand as much as possible and provide the possibility to change shifts. Career guidance initiatives help temporary and permanent employees see a clear path for growth within the Company, increasing retention rates.

As can be seen in the table ‘Employee headcount by contract type’ in the section before, Kinepolis has a substantial pool of non-permanent employees, mainly student workers. This is necessary to easily scale its workforce according to fluctuating demand patterns, ensuring optimal service without overburdening permanent staff.

ACTION: CAREER GUIDANCE & TALENT FACTORY

Our Talent Factory provides a comprehensive framework and toolkit for identifying, developing and coaching talented employees - including student workers and temporary staff - to grow Kinepolis' human capital. By promoting internal mobility, performance management and succession planning, we empower employees to explore diverse roles and expand their skills, guided by structured feedback and alignment of individual goals with organizational objectives.

Central to this approach is a robust talent mapping system, while succession planning prepares future leaders to ensure long-term organizational continuity. Through regular talent mapping reviews, managers recognize achievements, assess growth potential and address development needs. Identified high-potential employees benefit from tailored coaching and development programs, designed to align with their aspirations and enhance their contributions to company goals, ensuring that Kinepolis always has the right talent in the right place.

Given current job market challenges, Kinepolis prioritizes retaining top talent and knowledge within the organization. We will continue promoting internal mobility through talent development, transparent communication of job opportunities and showcasing success stories of employees advancing from entry-level to leadership roles.

EMPLOYEE ENGAGEMENT

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Dissatisfied and unengaged employees may experience increased stress, negatively affecting their well-being, job satisfaction and ultimately productivity and morale.	Medium	Short term	Own operations
RS-002 - Employee turnover Persistent turnover could disrupt operations and increase recruitment and training costs.	Medium	Short term	Own operations

OPPORTUNITIES: Kinepolis' focus on a positive work environment, employee participation and investment in training could boost productivity, service quality and innovation, leading to higher revenue, customer satisfaction and a stronger company reputation.

TALENT ON THE MOVE

Celeste Raymond, Manager Content Programming, Landmark Cinemas Canada

'I started in the industry as a cast member back in 2012 and worked my way up organically as a shift supervisor, assistant manager, theatre manager and eventually general manager. I had the opportunity to work in 6 locations across the country, which provided me with different challenges and expanded my knowledge in different markets.

My biggest accomplishment this past year, as a general manager, is building a team that aligns with my and Landmark's values, making Country Hills a venue we can be proud of. In December 2024, I joined the Film Programming team, and I am incredibly excited to bring my skills in operation and my passion for movies to the role. I am excited to dive into the world of alternative content and continue to expand the program!'



'STEPPING OUTSIDE OF MY COMFORT ZONE, MOVING ACROSS CITIES AND ALWAYS BEING OPEN TO TAKING ON NEW RESPONSIBILITIES HAS HELPED ME GROW PROFESSIONALLY.'

Lohan Pesci, Theatre Manager Kinepolis Béziers, France



'MY AMBITION IS TO MAKE THIS CINEMA A MODEL OF EXCELLENCE, ON PAR WITH KINEPOLIS FENOUILLET, ATTRACTING A LARGE AND LOYAL CUSTOMER BASE.'

'My journey with Kinepolis began in December 2016 at the newly opened Fenouillet complex. With no prior professional experience, I quickly integrated into the Company and decided to stay in the cinema industry instead of returning to my studies. I learned everything at Fenouillet, from being a projectionist to assisting the commercial manager. Starting as a receptionist, I eventually became hall manager, gaining experience and confidence until the end of 2023. A new challenge arose when I took over the management of the acquired cinema in Béziers, starting as BO/ITS manager in December 2023 before becoming Theatre Manager in September 2024. My goal over these past few months has been to transform the cinema to meet Kinepolis' high standards while maintaining its performance during extensive renovations.

I am grateful to Kinepolis for trusting me at every step of my career and to my mentors, Vincent Boy and Sibel Hibert, who have been instrumental in my growth.'

POLICY: VALUE-DRIVEN ORGANIZATION

Kinepolis fosters a value-driven, positive work environment where employees feel safe, listened to, motivated and recognized.

By embedding its core behavioral values into everyday practices, the company prioritizes customer satisfaction and teamwork to drive collective success. Regular assessments of employee satisfaction help identify areas for improvement, enhancing both retention and overall job fulfillment.

At Kinepolis, we uphold a set of core behavioural values that guide the actions of every employee. These values - Client Focus, Teamwork, Operational Excellence, Flexibility and Hands-On - are more than just words; they are principles that we actively work to embody each day.



1. **Client Focus** means always putting the customer first, striving to understand their needs and delivering exceptional service.

2. **Teamwork** involves collaborating constructively with a shared goal in mind, fostering an environment where everyone's contributions are valued.

3. **Operational Excellence** is about performing our roles with precision and efficiency, ensuring that tasks are carried out to the highest standards.

4. **Flexibility** is essential in adapting to change with agility and embracing new challenges with a sense of initiative and entrepreneurship.

5. **Being Hands-On** means taking initiative to solve problems and address challenges proactively. It is about willing to roll up our sleeves to get the job done.

The Landmark and MJR core behavioural values align seamlessly with those of Kinepolis, although they may be articulated differently today.

We continue to uphold and reinforce these values as they serve as the foundation of our culture and guide our actions in every aspect of our work.

CORE **VALUES**



ADAPTABLE

Change priorities, strategy, or approach when necessary to achieve a goal. Adjust to the situation, demands or requirements

FOCUSED

Steadfast in the pursuit of our goals, prioritizing what matters and staying true to our purpose

PEOPLE MATTER

Our Cast, our Guests, our Business Partners and the communities we serve—people are at the center of our business

THINK LIKE AN OWNER

Attitude, actions and commitment reflect those of a business owner

FOR THE LOVE OF MOVIES

No detail is overlooked in making the movie experience the best that it can be

ACTION: MEASUREMENT OF EMPLOYEE SATISFACTION AND EMPLOYEE FEEDBACK

Kinepolis measures employee satisfaction every year by means of a People Satisfaction Index (PSI) survey. Employees are invited to share their experience of Kinepolis as an employer in a completely anonymous way, indicating what they like and what they feel could be improved. The results are then discussed in the team and are converted into concrete actions.

Strengths and areas for improvement vary by country and are analysed at the global, national, cinema and team level. Every manager organizes an annual PSI meeting to discuss the results and actions as a team. For Kinepolis, the People Satisfaction Index (PSI) is the most important benchmark for measuring and monitoring employee well-being and is a cornerstone of organizational excellence. Starting in 2024, the process explicitly incorporates action points for both the team and the manager, along with structured follow-up to ensure continuous improvement

METRIC	2023	2024
PSI survey response rate	87%	87%

ACTION: HIRE FOR ATTITUDE MINDSET

To attract top talent that truly resonates with our company culture, we embrace a 'Hire for attitude' philosophy, emphasizing candidates' mindset and approach over academic credentials. Kinepolis aims to invest in the training and development of new hires, provided their conduct and attitude resonate with our corporate values.

During the selection, multiple touchpoints allow candidates to engage with our team, gaining insights into our culture and ethos. For office roles, objective testing or tailored assessments ensure fairness and accuracy in evaluation, minimizing subjective bias.

Kinepolis is also firmly committed to non-discrimination, ensuring that all candidates are evaluated solely based on their skills, qualifications and cultural fit, regardless of race, gender, age, or any other protected characteristic.

POLICY: EMPLOYEE EMPOWERMENT

Kinepolis is committed to empowering its employees by creating a culture where they are encouraged to challenge norms, think creatively and take ownership of their roles. This empowerment aligns individual contributions with the organizational objectives, driving innovation, continuous learning and personal growth. It is central to our leadership practices, collaboration and value creation.

To support this, Kinepolis fosters a self-learning company culture, with business owners being responsible for departmental targets and budgets, and has implemented the Kinepolis Innovation Lab, which invites employees at all levels to submit ideas. These actions promote continuous improvement, employee engagement and business success, ensuring that empowerment remains a core element of Kinepolis' organizational culture.

ACTION: ESTABLISHMENT OF A SELF-LEARNING ORGANIZATION

Kinepolis empowers employees by giving many of them responsibility for departmental targets and budgets, fostering a culture of ownership that drives continuous improvement. This bottom-up approach is part of Kinepolis' DNA and reflected in the high proportion of 'business owners' within the Company. More than 1 in 10 employees has ultimate responsibility for the KPIs of ‘their’ business. Following acquisitions, Kinepolis quickly implements this ‘business ownership’ model and self-learning company culture, involving employees in strategy execution, unlocking potential and nurturing talent.

Business owners participate in the ‘5% exercise’, an annual company-wide budgeting exercise aimed at reducing the Company’s break-even point by identifying opportunities for improvement through established processes, reporting and KPIs.

In anticipation of the yearly improvement exercise, Kinepolis actively encourages collaboration and knowledge-sharing through its ‘operating reviews’. In these sessions, employees in similar roles from different locations come together to exchange insights, share best practices and discuss challenges. This framework forms the cornerstone of Kinepolis' self-learning culture, encouraging a strong sense of entrepreneurship among employees.

METRIC	2024
Number of business owners vs. total number of employees (percentage)[4]	12.5%

[4] *Business owners (incl. managers support departments) versus total number of employees excl. interim employees.*

ACTION: THE KINEPOLIS INNOVATION LAB

At Kinepolis, innovation fuels continuous growth and improvement. The 'Kinepolis Innovation Lab' cultivates a culture of innovation by empowering every employee, from students to senior managers, to submit fresh ideas that have the potential to contribute to the Company's results and/or its positive impact on stakeholders. Regardless of role, all team members are encouraged to think beyond their day-to-day tasks and adopt an entrepreneurial mindset.

Whereas the 'operating reviews' drive innovation among business owners within their own department, the Innovation Lab has a broader scope and encourages cross-functional collaboration. The best ideas are selected by a national Innovation Lab jury and teams put together to develop and implement these ideas.

Since 2024, an annual international Innovation Lab Summit is held in Europe. The best ideas from all countries are judged and celebrated with an Innovation Award ceremony. In North America, the methods to encourage bottom-up innovation slightly differ, but also include a managers' conference every 18 months focusing on innovation and leadership skills, as well as an online platform to share and actively follow up on ideas.



INNOVATION LAB SUMMIT 2024

In June 2024, the first Kinepolis Innovation Lab Summit was held in Antwerp (Belgium). Employees from various countries pitched their ideas to an international Innovation Lab Jury. During the event, Kinepolis Innovation Awards were presented for the most promising idea, the most creative idea, and the public's choice. In 2025, an award for the most impactful idea – recognizing the successful execution of an idea - will also be introduced.

The Innovation Lab encourages every employee to think outside the box, offering them the opportunity to submit innovative ideas, have them evaluated, and potentially work on them with a project team. At the summit, 125 employees and managers from different European countries, along with a delegation from North America, exchanged ideas and inspiration for innovation.



Javier Montaño, winner Innovation Lab Award 2024

'THE INNOVATION LAB SUMMIT ENCOURAGES YOU TO THINK DIFFERENTLY. WHEN I CAME BACK FROM IT, I IMMEDIATELY STARTED THINKING OF NEW IDEAS. THE SUMMIT ALSO PROVIDES AN EXCELLENT PLATFORM TO FULLY UNDERSTAND KINEPOLIS' MINDSET AND WAY OF WORKING, ALL IN A VERY FUN AND ENJOYABLE ATMOSPHERE.'

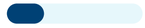
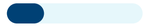




Suan Nguyen,
winner Innovation Lab Award 2024

‘WINNING AN INNOVATION AWARD IS A SHOT OF ADRENALINE!’

WORKING TIME & WORK-LIFE BALANCE

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Excessive working hours and poor work-life balance can lead to increased stress and dissatisfaction among employees. This, in turn, may decrease productivity and morale, as employees become less motivated and efficient.	Medium 	Short term 	Own operations
RS-002 - Employee turnover Poor work-life balance could lead to higher employee turnover as workers seek more balanced opportunities.	Medium 	Short term 	Own operations

OPPORTUNITIES: By prioritizing employee well-being and implementing policies for healthy work-life balance, Kinepolis can mitigate burnout, enhance job satisfaction and improve productivity and retention.

POLICY: WORK-LIFE BALANCE

Kinepolis is committed to adhering to regulations regarding working hours, breaks and rest periods and to supporting a sustainable work-life balance for all employees.

ACTION: CHARTER – RIGHT TO DISCONNECT

In 2024, Kinepolis introduced the ‘Right to disconnect’ charter in Belgium, recognizing the growing need for employees to maintain a healthy work-life balance in an increasingly connected world. Under the charter, employees are granted the right to disconnect from work-related communications and tasks outside of their designated working hours. This means that emails, calls and other work-related activities are not expected to intrude upon employees' evenings, weekends, or vacations. In Canada, there is a comparable formal charter. While these formal charters align with legal requirements, it also reflects Kinepolis’ commitment to supporting a sustainable work-life balance for all employees globally.

ADEQUATE WAGES

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Inadequate wages can lead to dissatisfaction and stress among employees, reducing their motivation and morale, which ultimately results in decreased productivity.	Medium	Short term	Own operations
RS-002 - Employee turnover Low wages could result in higher turnover rates, as employees seek better-paying opportunities elsewhere.	Medium	Short term	Own operations
RS-003 - Talent recruitment difficulties Offering inadequate wages could make it difficult to attract skilled workers, as they may prefer employers who offer more competitive salaries.	Medium	Short term	Own operations

OPPORTUNITIES: By offering competitive wages above minimum standards, Kinepolis can boost employee satisfaction, decrease turnover rates and attract skilled talent, ultimately improving operational efficiency and service quality.

POLICY: ADEQUATE WAGES

We ensure that all salaried employees within our workforce received fair compensation in reporting year 2024, surpassing all relevant minimum living standard wages set forth in European, international, national, or sub-national laws, official guidelines, or collective agreements currently in place.

No specific actions are set up for this policy, as it is integral to our standard operational practices.

TABLE: REMUNERATION METRICS DURING REPORTING YEAR 2024

METRIC	AMOUNT
Average Gross Annual Pay Level Male	$ 40 557
Average Gross Annual Pay Level Female	$ 36 558
Gender Pay Gap Ratio	9.4%
Highest Pay Level (total remuneration, including salary, bonus, stock awards…)	€ 1 350 000
Median Pay Level (total remuneration, including salary, bonus, stock awards…)	€ 21 714
Annual Total Remuneration Ratio*	62.2

** Ratio of the highest paid individual to the median annual total remuneration for all employees, adjusted for purchasing power differences between countries (based on purchase price parities, as published by OECD). The highest pay level reflects the total remuneration of the CEO, comprising both fixed and variable components (refer to the Corporate Governance Report for more details). The median pay level takes into account all employee types, including student workers, flexi-job contracts and contracts without guaranteed hours.*

SOCIAL DIALOGUE

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Poor communication and collaboration between management and employees can increase stress, dissatisfaction and misunderstandings, potentially leading to conflicts and social unrest within the organization.	Medium	Short term	Own operations

OPPORTUNITIES: By promoting open communication, fostering collaboration and respecting workers' rights to association and collective bargaining, Kinepolis can build trust, strengthen employee engagement and facilitate constructive dialogue, ultimately leading to improved organizational performance and employee satisfaction.

POLICY: SOCIAL DIALOGUE

Kinepolis encourages open communication and dialogue between management and employees, fostering a collaborative work environment where ideas and concerns can be freely exchanged.

Kinepolis has different processes for engaging with its own workforce and workers' representatives about actual and potential, positive and/or negative impacts that do or are likely to affect them.

Kinepolis respects the freedom of association and the rights of workers to form or join trade unions or works councils. Kinepolis supports collective bargaining processes and negotiates agreements with trade unions or workers' representatives regarding employment terms and conditions. The Company aims to ensure fair representation and participation in collective bargaining discussions, striving for agreements that benefit both employees and the organization.

ACTION: PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES

At Kinepolis, we understand the importance of actively engaging with our workforce and their representatives to manage actual and potential impacts the Company has on its workforce and make sure their perspectives are considered in decision-making processes.

Engaging with own workforce

Outlined in the table are the various platforms employed by Kinepolis to actively engage with its workforce including the frequency of the engagement. The most important platform to manage actual impacts is the annual employee satisfaction survey, called People Satisfaction Index (PSI), in which the effectiveness of processes for engagement with employees is also assessed (for example: evaluation of internal communication, accessibility of management and the extent to which comments and feedback are taken into account). The PSI score is part of the bonus scheme for all managers, which underlines its importance as a cornerstone of Kinepolis' strategy.

At Kinepolis, the CHRO has operational responsibility in fostering employee engagement and ensuring that the workforce is well-informed about how to actively participate and contribute. Ultimate responsibility in making sure the results inform the undertaking's approach and decision-making processes lies with the CEO.

TABLE: PLATFORMS FOR ENGAGING WITH OWN WORKFORCE WITHIN KINEPOLIS

PLATFORM	EXPLANATION	FREQUENCY
Internal Communications channels (Information & Participation)	Includes SharePoint portal (Europe & Canada) serving as a central hub for internal communications supported by smaller, localized information platforms.	Ongoing
People Satisfaction Index (PSI) and PSI team meetings (Consultation)	Through the PSI survey, we gather insights from our workforce anonymously regarding their needs, concerns and ideas for improvement of the working environment. The results of the survey are discussed at management and team level and translated into actions during dedicated PSI team meetings.	Annually
Performance and goal-setting meeting (Participation)	Every Kinepolis employee takes part in an evaluation interview with his or her manager at least once a year. The performance of the person concerned is assessed and personal objectives for the coming year are discussed.	Annually
CEO Presentation (Information)	CEO video presentation providing updates for all employees on the Company's results, achievements and strategic direction, aimed at keeping employees informed, motivated and valued.	Bi-annually
Steering Committees (Participation)	Committees of cross-functional teams, including both management and staff, handle strategic decision-making in key areas like ESG, IT, finance and operations. The CEO participates in all steering committees.	Monthly
Team meetings, regular check-ins and one-on-one meetings (Participation)	All managers are encouraged to hold frequent team meetings and schedule regular check-ins and one-on-one meetings with their direct reports to provide support and coaching and to give and collect feedback.	Ad hoc

Engaging with worker's representatives

Kinepolis fosters a healthy, long-term social dialogue with employees, engaging with external employee organizations across all countries. By collaborating with social partners, we aim to find mutually beneficial solutions in areas like social relations, safety and legal compliance. Outlined in the table below are the most important bodies within Kinepolis representing employees and the employer. These bodies are always organized on country level and often regulated by local labour laws. The national HR managers in the respective countries are in charge of organizing and securing engagement with workers' representatives bodies, while ultimate operational responsibility lies with the respective country managers Operations, reporting to the CEO.

TABLE: BODIES WITHIN KINEPOLIS REPRESENTING EMPLOYEES AND THE EMPLOYER

COUNTRY	BODY	EXPLANATION	FREQUENCY
Belgium, Spain & Netherlands	Works Council (Legal requirement)	Representative joint body of employer and employee representatives regulated by labour laws monitoring the economic, financial health and work organization of the Company and promoting social dialogue.	Quarterly / Ad hoc
Belgium	Committee for Prevention and Protection at Work (Legal requirement)	Representative joint body regulated by labour laws with a prevention and welfare role.	Monthly / Ad hoc
France	Works Council (only for Lomme, Saint-Julien-lès-Metz, Longwy and Nîmes)	Representative joint consultation and participation body of employees. These employees consult with the employer about company policy and staff interests.	Monthly
Canada	Health and Safety Committee (Legal requirement)	Representative joint body regulated by labour laws with a prevention and welfare role.	Monthly

The following section provides an overview of the percentage of employees covered by collective bargaining agreements and workplace representation across different countries. This data highlights the extent of workforce participation in collective negotiations and employee representation at Kinepolis:

TABLE: PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS AND WORKPLACE REPRESENTATION PER COUNTRY AS OF 31 DECEMBER 2024.

METRIC (31 DECEMBER 2024)	COUNTRIES WITH SIGNIFICANT EMPLOYMENT (+10% EMPLOYMENT)							TOTAL
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	
Collective bargaining coverage	100.0 %	100.0 %	0.0 %	100.0 %	0.0 %	0.0 %	100.0 %	**72.2 %**
Social dialogue - Workplace representation (Only EEA)	100.0 %	35.5 %		100.0 %	0.0 %		80.5 %	**54.6 %**

HEALTH AND SAFETY

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Poor health and safety practices could decrease productivity and morale, as employees may feel unsafe or stressed.	Medium	Short term	Own operations
RS-004 – Reputational damage & decrease in stakeholder trust Failing to uphold health and safety standards could damage the organization's reputation and erode stakeholder trust.	Medium	Short term	Own operations
RS-005 – Financial Damage Inadequate health and safety measures could lead to legal liabilities, fines and increased insurance costs.	Medium	Short term	Own operations
RS-006– Health and safety impact Ignoring health and safety concerns can result in accidents that may cause both physical injuries and mental health issues for employees.	Medium	Short term	Own operations

OPPORTUNITIES: By prioritizing and investing in health and safety measures, Kinepolis not only ensures the well-being of its employees but also enhances productivity, protects its reputation and minimizes financial risks associated with accidents and legal liabilities.

POLICY: HEALTH AND SAFETY

Kinepolis prioritizes employee safety through rigorous health and safety protocols and training. Regular monitoring of workplace conditions and employee feedback allows Kinepolis to address any health and safety concerns promptly. By creating a culture of safety and well-being, Kinepolis minimizes the risk of workplace accidents and injuries.

ACTION: HEALTH AND SAFETY PROTOCOLS AND TRAINING

Kinepolis has always been committed to ensuring a safe working environment and takes appropriate measures to ensure that all activities, such as maintenance work on technical installations and screens, are carried out as safely as possible. Kinepolis prioritizes employee safety through rigorous health and safety protocols and training. All countries in which the Group operates have a health management system in place, aimed at minimizing accidents, incidents, illness and risks to employees, as well as ensuring proper reporting and follow-up of such events.

ACTION: PREVENTION ADVISORS

In Europe, Kinepolis has appointed a prevention advisor in every country to identify potential hazards and risks, implement preventive measures and advise both employer and employees on safety issues. There is also a focus on psycho-social risks (bullying, sexual harassment, stress, burn-out, conflicts, violence, etc.), whereby employees can contact, among others, an external service (External Department for Prevention and Protection at Work) and/or an internal confidential counsellor.

In Canada, every cinema has a Joint Health and Safety Committee, which is a partnership of employer and employee representatives focused on ensuring a safe working environment. This committee meets on a monthly basis to identify hazards, address them and recommend improvements. In doing so, the JHSC contributes to a proactive safety culture, as required by Canadian occupational health and safety legislation.

TABLE: HEALTH AND SAFETY METRICS DURING REPORTING YEAR 2024

METRIC	AMOUNT	% OF TOTAL EMPLOYEES
Number of employees covered by Health & Safety Management system (Headcount)	3 633	100.0 %
Number of employees who died because of injuries or diseases caused by work (Headcount)	0	0.0 %
Recordable work-related accidents	50	
Numbers of days lost due to work-related injuries, diseases or fatalities (days)	714	
Rate of recordable work-related accidents (accidents per 1 million work hours)	13	



TRAINING AND SKILLS DEVELOPMENT

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-007 – Employee skill gaps Evolving technology and industry trends could create skill gaps among employees if adequate training is not provided. These gaps may hinder the organization's ability to innovate and adapt to market changes.	Medium	Short term	Own operations
RS-001 - Employee dissatisfaction and decreasing productivity Without proper training, employees might struggle to keep up with new technologies and processes, leading to decreased productivity and morale.	Medium	Short term	Own operations

OPPORTUNITIES: Prioritizing training and development could effectively address skill gaps, foster innovation, enhance employee motivation, engagement and overall competitiveness in the industry.

POLICY: SKILLS DEVELOPMENT AND TRAINING

Kinepolis is committed to fostering continuous growth and development for its employees through a variety of tailored training programs and career guidance initiatives.

ACTION: KINEPOLIS ACADEMY & MOVIE LOVER ACADEMY

Enhancing employee skills through comprehensive training is a cornerstone of our Human Capital policy. The Kinepolis Academy (for European territories) and Landmark's Movie Lover Academy (for Canada) are Kinepolis Group's training and knowledge platforms that enhance the training and development of its team members. Landmark's Movie Lover Academy is a brand new digital platform, launched in 2024, featuring a user-friendly interface, robust capabilities, on-the-job training observer checklists and excellent reporting functionality. The Kinepolis Academy platform includes various e-learning modules and training courses at different levels, such as general modules for new employees (e.g., safety, K-Values, GDPR), job-specific training, training for novice and experienced managers, language training and individual coaching courses.

Numerous training sessions are conducted directly on-site, leveraging the expertise of senior team members who take on coaching responsibilities and accompany new employees during their onboarding.

ACTION: PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Every Kinepolis employee takes part in an evaluation interview with his or her manager at least once a year. The performance of the person concerned is assessed and personal objectives for the coming year are discussed. Our employees and managers are coached and encouraged to conduct this discussion openly and to discuss both short and long-term ambitions as well as development needs.

ACTION: YOUNG PROFESSIONALS

As the employer of a large number of students and newcomers to the labour market, Kinepolis plays a crucial role in equipping young people with essential professional skills. The Company is committed to providing a supportive environment that allows them to grow through hands-on experience, mentorship and valuable opportunities for development.





INTERVIEW

Landmark's Movie Lover Academy off to a flying start

—

ROBIN ISNOR, DIRECTOR OF PEOPLE & CULTURE AT LANDMARK CINEMAS

2024 marked a transformative year for Landmark Cinemas' talent management and employee development initiatives. A key highlight was the launch and ongoing development of Landmark's Movie Lover Academy, a learning management system tailored specifically for theatre operations.

WHAT KEY MILESTONES WERE ACHIEVED REGARDING THE MOVIE LOVER ACADEMY?

‘We successfully completed and tested the Foundations phase of our role-specific onboarding training during the opening of Landmark 8 Windsor, our newest location. This test provided invaluable feedback, enabling us to refine and enhance the onboarding experience.

As the year progressed, we began exploring the reporting capabilities of the system, which will empower leaders with actionable insights into their teams’ development and areas where additional support is needed. The groundwork laid in 2024 has set the stage for expanding Movie Lover Academy's offerings to include leadership development and broader training opportunities, driving both individual and organizational growth.’

WHAT ARE YOU MOST EXCITED ABOUT WHEN LOOKING BACK ON 2024?

‘I am immensely proud of the team behind the Movie Lover Academy, who have ensured that every step of the LMS implementation aligns with our mission to support employees in excelling in their roles and growing within the company. The dedication and collaboration across teams have been truly inspiring, solidifying the foundation for future success.

On a personal note, participating in our first-ever global HR team meeting this past June was a standout moment. It was energizing to connect with passionate colleagues from across the Kinepolis Group, sharing ideas and strategies that will shape our collective future.’

WHAT DOES THE COMING YEAR(S) HAVE IN STORE?

‘As we move into 2025, our focus will be on expanding the Movie Lover Academy, including the next phases of the onboarding training project and the introduction of leadership development programs.

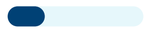
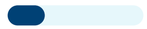
The strengthened relationships forged within the global HR team this year will be instrumental as we continue to collaborate on best practices and innovative solutions. This intensified international partnership sets a strong foundation for harmonizing HR strategies across the Kinepolis Group, fostering a unified approach to talent management and employee development, among other things.

2024 has shown us the power of collaboration, adaptability, and a shared vision. We are excited to build on this momentum and look forward to the opportunities ahead to support our employees and the global organization.’

‘KNOWING THAT THE WORK WE DO POSITIVELY IMPACTS NOT ONLY THE SUCCESS OF THE ORGANIZATION BUT ALSO THE DAY-TO-DAY EXPERIENCES OF OUR TEAMS IS INCREDIBLY FULFILLING’



GENDER EQUALITY, EQUAL PAY AND DIVERSITY

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Neglecting gender equality and diversity can lead to employee dissatisfaction and stress. A lack of inclusivity may also reduce morale and productivity by creating a non-collaborative work environment, limiting diverse perspectives and hindering team performance and innovation.	Medium 	Short term 	Own operations
RS-004 – Reputational damage and decrease in stakeholder trust Failing to promote gender equality and diversity could damage the Company's reputation and reduce stakeholder trust.	Medium 	Short term 	Own operations

OPPORTUNITIES: Upholding strict anti-discrimination policies not only mitigates legal risks but also enhances the Company's reputation as an inclusive employer, attracting top talent and strengthening employee morale and loyalty.

Highlighted in the following tables, Kinepolis exemplifies its dedication to diversity by upholding a harmonious balance in its workforce composition. Globally, 50.2% of our employees are female, with 23.3% occupying key positions in top management. Our workforce mirrors a spectrum of age demographics, with a vibrant majority under 30 years old (69.6%), primarily comprising student workers, complemented by seasoned individuals aged 30 to 50 (24.0%) and experienced professionals over 55 (6.4%).

Kinepolis fosters **a culture of inclusivity** where all employees feel valued and respected regardless of their background, ethnicity, gender, or other characteristics. Kinepolis has included an **anti-discrimination policy** in its code of conduct to prevent, report and address any instances of discrimination in the workplace.

POLICY: ANTI-DISCRIMINATION

Kinepolis respects the individuality of each of its employees and is committed to ensuring equal opportunities for everyone, regardless of age, gender, origin, religion, disabilities or medical background, sexual orientation, family background (such as pregnancy) or trade union membership. Kinepolis strives to reflect society in all its diversity in its workforce. Discrimination is not tolerated in any way within the Company. No specific actions are set-up for this policy, as it is integral to our standard operational practices.

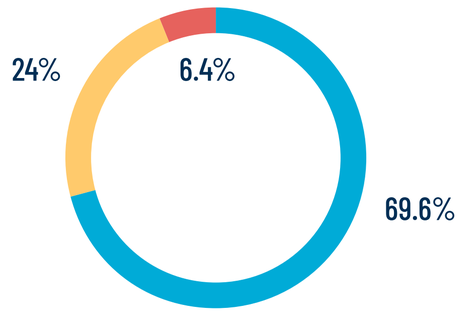


TABLE: GENDER DISTRIBUTION OF ALL EMPLOYEES AND TOP MANAGEMENT AS OF 31 DECEMBER 2024.

METRIC (31 DECEMBER 2024)	GENDER (SELF-REPORTED)				TOTAL
	MALE	FEMALE	OTHER	NOT REPORTED	
All employees	49.4 %	50.2 %	0.2 %	0.2 %	100%
Top-management*	76.7 %	23.3 %	0.0 %	0.0 %	100%

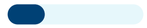
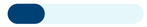
** Top management is defined internally as the CEO, direct reports, country managers and general managers of KFD and Brightfish, comprising a total of 30 individuals.*

AGE DISTRIBUTION AS OF 31 DECEMBER 2024:

METRIC (31 DECEMBER 2024)	AGE DISTRIBUTION			TOTAL
	<30Y	30-50Y	>50Y	
All employees	69.6 %	24.0 %	6.4 %	100%



MEASURES AGAINST VIOLENCE AND HARASSMENT

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-001 - Employee dissatisfaction and decreasing productivity Failing to address workplace violence and harassment can lead to increased employee dissatisfaction, stress, lower morale and reduced productivity.	Medium 	Short term 	Own operations
RS-004 – Reputational damage and decrease in stakeholder trust Neglecting to address violence and harassment can damage the Company's reputation and decrease stakeholder trust.	Medium 	Short term 	Own operations

POLICY: ZERO TOLERANCE AGAINST VIOLENCE AND HARASSMENT

Kinepolis has a zero-tolerance policy against violence and harassment in the workplace and takes proactive measures to prevent and address such behaviours.

When joining the Company, every employee receives and must sign a copy of the **Kinepolis Code of Conduct**. Additionally, Kinepolis has installed a **formal whistleblower procedure**, where staff and other stakeholders are encouraged to raise concerns about possible misconduct or unethical behaviour without any fear of retaliation.

ACTION: KINEPOLIS CODE OF CONDUCT

When joining the company, every employee receives and must sign a copy of the Kinepolis Code of Conduct. Breaches of the Code may lead to sanctions in accordance with the employment regulations and/ or laws of the country in question.

ACTION: WHISTLEBLOWER POLICY AND OTHER CHANNELS

When confronted with risk situations, staff are encouraged to report them in the first instance to their immediate superior, so that they can be handled appropriately. There is a formal whistleblowing procedure, through which employees can raise concerns anonymously about possible misconduct or unethical behaviour without any fear of retaliation. The Kinepolis whistleblower procedure has been set up in accordance with the applicable local legislations.

All reports received will be investigated and followed up on by the Internal Audit Director, who operates independently from the persons involved and oversees the assessment, investigation and coordination of necessary actions, involving relevant departments such as legal or HR when appropriate. Corrective measures are implemented, monitored for effectiveness and reported to senior management, ensuring confidentiality and protection for whistleblowers.

There are also other channels such as the appointment of an internal confidant and external/internal prevention advisors. For instance, in Belgium, there is a specific policy and procedure for addressing psychosocial risks in the workplace.

Following the entry into force of the European Whistleblowing Directive, Kinepolis updated its existing whistleblower policy in 2023 and introduced an online platform to report concerns. In 2024, the same whistleblower procedure has been implemented in North America.

Kinepolis undertakes to treat reported concerns seriously, fairly and discreetly at all times and to take all necessary steps to preserve confidentiality or anonymity wherever possible.

Employees are being made aware of the whistleblower channel and other grievance mechanisms through the Company's internal communications channels. The procedures are clearly communicated on the internal digital portal and are highlighted occasionally by mailings from the CEO or HR department to all employees and posters in the workplace. It is also an integral part of the onboarding process and easily accessible for all employees.

POLICY: HUMAN RIGHTS

Kinepolis undertakes to respect Human Rights as adopted by the United Nations and to make the necessary efforts to safeguard these rights, as well as other ethical considerations, throughout the entire value chain.

Irregularities of any kind can be reported through the formal whistleblower procedure as described.

CHILD LABOUR & FORCED LABOUR

POLICY: CHILD LABOUR & FORCED LABOUR

Kinepolis strictly adheres to all international standards and regulations prohibiting child labour. Kinepolis strongly condemns forced labour practices and ensures that all employment is voluntary and free from coercion or exploitation.

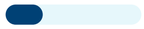
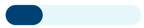
The risk of incidents of forced labour or child labour is considered small since Kinepolis doesn't operate in any territories or contexts where forced labour practices are widespread or systemic, or would be tolerated in any form. Hence, no IROs were included for this topic. Also, no specific actions are set up for this policy, as it is integral to our standard operational practices.

TABLE: INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS DURING REPORTING YEAR 2024

METRIC	AMOUNT
Number of reported incidents of discrimination/harassment by the own workforce	7
Number of complaints filed through designated channels by the own workforce	7
Number of fines, penalties and compensation for damages as a result of above disclosed incidents and complaints	0
Number of severe human rights incidents (e.g., forced labour, human trafficking or child labour)	0
Number of fines, penalties and compensation for damages as a result of above disclosed severe human rights incidents	0



LEGAL AND COMPLIANCE RISKS

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RS-004 – Reputational damage and decrease in stakeholder trust Non-compliance with labour laws and diversity standards could damage the Company's reputation and decrease stakeholder trust.	Low 	Short term 	Own operations
RS-005 – Financial Damage Failure to adhere to legal and compliance requirements can result in significant financial damage from legal penalties, fines and costly litigation and remediation.	Low 	Short term 	Own operations

POLICY: COMPLIANCE

Kinepolis adheres to labour laws and regulatory standards in all countries it operates in.

Continuous monitoring and refinement of policies ensure Kinepolis remains in compliance with regulatory requirements. Additionally, Kinepolis endorses the Universal Declaration of Human Rights as adopted by the United Nations and endeavours to comply with it in all aspects of its business operations.

Concerning **privacy and protection of personal data** of Kinepolis' employees, the Company complies with all the requirements of the European GDPR legislation and the Canadian PIPEDA and continually invests in the protection of its ICT systems against cyber-attacks, as well as keeping employees vigilant regarding cybercrime (including Cyber Security trainings). The US entities comply with local privacy legislations.

No specific actions are set up for this policy, as it is integral to our standard operational practices.

SOCIAL INFORMATION

ESRS S4 – CONSUMERS AND END-USERS

INTRODUCTION

At Kinepolis, we take inspiration from the classics. One of our favourites? Don Corleone's infamous line in The Godfather: "I'm gonna make him an offer he can't refuse." It may seem unusual, but it perfectly reflects our approach to customer experience. By prioritizing customer satisfaction and care, we create an unforgettable journey designed to be an offer no moviegoer can resist.

In 2024, we welcomed 32.6 million visitors to our cinemas, each one drawn in by our commitment to comfort, quality and top-tier service. To achieve this, Kinepolis focuses on key aspects that contribute to an outstanding customer experience:

- modern, comfortable, and easily accessible cinemas and auditoriums;
- a diverse film selection, ensuring there's something for everyone;
- high-quality service, with the well-being and safety of both customers and employees as top priorities.

Kinepolis serves a diverse consumer base that values high-quality cinematic experiences, with a focus on innovative technology and premium service. We appeal to moviegoers of all ages and demographics, from families and young adults to more mature audiences, by providing a wide range of offerings including blockbuster films, animated films, art house films and alternative content, accompanied by a range of premium film experiences. Based on our materiality analysis, this section focuses specifically on direct customers rather than B2B clients. Nevertheless, the policies and actions we implement also extend to our business clients, as the services provided in these areas are similar in nature.

In our operations, we are committed to respecting human rights for our customers, including ensuring a safe, inclusive and accessible environment for all patrons, prohibiting discrimination and harassment and prioritizing accessibility.

Engaging with customers

At Kinepolis, we understand the importance of actively engaging with our customers to ensure their perspectives are heard and considered in decision-making processes. Knowing our customers and their preferences is the backbone of Kinepolis' 'best marketer' strategic pillar, while collecting feedback with regards to the quality of the experience offered is at the heart of Kinepolis' 'best cinema operator' strategic pillar. Indeed, to be able to provide the best possible movie experience, engaging with customers regarding the film program, the conditions in which films are being experienced and other aspects that form part of the total customer experience is crucial.

Therefore, the CSI or Customer Satisfaction Index survey is central to Kinepolis' strategy, informing strategic and operational decisions daily (see further). Outlined in the table below are the various platforms employed by Kinepolis to actively engage with its customers including the frequency of the engagement. We monitor the consumer survey completion rate as a key metric to assess the effectiveness of our consumer engagement efforts. The current completion rate is deemed satisfactory.

At Kinepolis, the Chief Box Office Officer has operational responsibility in fostering customer engagement. Ultimate responsibility in making sure the results inform the undertaking's approach and decision-making processes lies with the CEO.



TABLE: PLATFORMS FOR ENGAGING WITH CUSTOMERS WITHIN KINEPOLIS

PLATFORM	EXPLANATION	FREQUENCY
Website and Mobile App (Information)	Kinepolis' official websites serve as a primary source of information about movie listings, showtimes, ticket bookings and promotions. By means of the 'MyKinepolis' profile, Kinepolis actively collects information on consumer preferences and engages with its consumers.	**Ongoing**
Social Media (Information and Participation)	Kinepolis is active on various social media platforms to share updates, promotions, movie trailers and engage with customers.	**Ongoing**
Mailing (Information)	Regular email newsletters are sent to subscribed customers featuring upcoming movies, special events, exclusive offers and company news.	**Ad hoc**
Customer Surveys & Customer Satisfaction Index (Consultation)	Occasional surveys assess customer preferences or product interest, while the Customer Satisfaction Index (CSI) is Kinepolis' customer satisfaction survey sent to online customers within 24 hours of their movie visit, gathering feedback on all aspects of the customer journey (including NPS score of movies).	**Ad hoc/Ongoing**
Customer Service (Consultation)	Multiple customer service channels, including phone, email and in-person at cinema locations, are available to handle inquiries, complaints and feedback.	**Ad hoc**
Advertising Campaigns (Information)	Multi-channel advertising campaigns are conducted to promote new releases, special events and company initiatives through various media.	**Ad hoc**

‘AT KINEPOLIS, UNDERSTANDING OUR CUSTOMERS AND THEIR PREFERENCES IS CENTRAL TO OUR MARKETING AND PROGRAMMING STRATEGIES. BY USING THE CUSTOMER SATISFACTION INDEX, WE GAIN CRUCIAL INSIGHTS INTO ALL ASPECTS OF OUR OFFERINGS. IT ALSO PROVIDES A ROBUST FRAMEWORK FOR INTERNAL BENCHMARKING AND DETECTING SHIFTS IN CUSTOMER PREFERENCES EARLY.’

ERIC MEYNIEL CHIEF BOX OFFICE OFFICER, KINEPOLIS GROUP





Gladiator II © *Paramount Pictures*

Outlined in the following pages are the **key impacts, risks and opportunities** associated with our consumers, along with the **policies** Kinepolis employs to mitigate these risks, reduce negative impacts and capitalize on opportunities effectively. Kinepolis has identified these IROs through the materiality assessment based on extensive stakeholder consultation and they are being reassessed by management on a yearly basis. All topics are aligned with ESRS guidance.

The Chief Box Office Officer, who also serves as the Chair of the Expert Committee on Customers, holds primary responsibility for coordinating the policies' implementation and overseeing the actions necessary to achieve its objectives. He has over 20 years of experience, beginning as a Theatre Manager before advancing to International Content Director and, for the past two years, serving as Chief Box Office Officer. With a Master degree in Finance and expertise in brand awareness, international marketing and audience engagement, he has been instrumental in enhancing Kinepolis' market position and deepening customer relationships. His ability to combine data-driven decision-making with a customer-first approach makes him ideally suited to lead the implementation of ESG policies related to customers. Unless explicitly stated otherwise, all policies and actions apply to the entire organization and are being conducted in the current reporting year 2024.

While we consistently measure and actively manage customer satisfaction, including addressing complaints and resolving issues, we believe that reporting on specific targets or entity-specific metrics related to this topic is neither relevant nor commercially advantageous at this time. Our focus remains on maintaining high service standards and responding effectively to customer feedback.

Necessary resources are foreseen to accommodate the planned and ongoing actions, as outlined in the following sections, to mitigate material impacts and dependencies linked to our customers. The effectiveness of these actions is monitored through periodic S4 Expert Committee meetings.

CUSTOMER EXPERIENCE

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 – Reputational damage and decrease in stakeholder trust Inconsistent customer service and negative experiences, such as technology failures (e.g., technology failures in online booking systems or in-theatre equipment), could damage the brand's reputation and decrease stakeholder trust.	Higher	Short term	Own operations
RC-002 – Financial Damage & Compliance Risk Negative customer experiences and service inconsistencies can result in decreased revenue due to customer dissatisfaction and loss of business.	Higher	Short term	Own operations

OPPORTUNITIES: Consistent, high-quality service could elevate customer satisfaction, brand reputation and lead to more revenue. Utilizing customer data for personalized experiences, robust feedback systems to proactively address issues and comprehensive loyalty programs can increase customer engagement and satisfaction.

POLICY: PROVIDE THE BEST POSSIBLE CUSTOMER EXPERIENCE

Customer experience is a critical aspect of the operational strategy of Kinepolis, influencing both the brand's reputation and its financial success. The Company's focus on customer experience encompasses a wide range of elements, from the consistency of service across locations to providing a varied film offering and state-of-the-art, immersive cinema experiences, integrating advanced technology in both online and in-theatre experiences.

Kinepolis has implemented several policies to maximize the positive impact on customers – by providing a relaxing, memorable movie experience - and to address the risks and opportunities associated with it. The **Customer Satisfaction Index (CSI)** measures and analyses customer feedback continuously to improve the quality of the experience offered. The **Customer Support** policy ensures that customers have access to prompt and effective assistance through various channels. Additionally, **Loyalty Programs** across different regions are designed to increase customer engagement and frequency. And lastly, as a premium cinema brand, Kinepolis focuses on **Quality and Innovation** to continuously enhance the movie-going experience and offer moviegoers the best possible movie experience.

ACTION: CUSTOMER SATISFACTION INDEX

Within 24 hours after their cinema visit, visitors who have bought tickets online and, in doing so, left an e-mail address, are invited to tell us how they enjoyed that visit. Those who did not buy online can share their opinions via a form on the website. This survey assesses various aspects of the customer experience: how did they like the film (by means of an NPS score), the quality of the picture and sound, the service, price/quality perception, cleanliness/tidiness, customer friendliness, waiting times and so on. Customers can also submit suggestions in this way.

The reporting and screening of the CSI results takes place daily at team, cinema and national level. Kinepolis constantly refines its business operations and film programming on the basis of this customer feedback. Comments on, for example, seat quality are immediately passed on to the relevant department, upon which the seat in question is checked and, where necessary, repaired as soon as possible. In addition, customer satisfaction – alongside employee satisfaction and financial results – is an essential KPI within the Group for assessing the performance of cinema complexes, managers and employees. CSI scores are thus included in the bonus scheme for executives and business managers.

In 2024, Kinepolis received 490 619 completed surveys (+1% compared to 2023), of which 353 354 in Europe and 137 265 in North America.

METRIC (DURING REPORTING YEAR 2024)	2023	2024
Customer Satisfaction Index – survey response rate	486 597	490 619

ACTION: NET PROMOTOR SCORE

The announcement of the Net Promotor Score per film helps customers choose the right film. The Customer Satisfaction Index (CSI) measures the visitor score for each individual film in the Kinepolis program, indicating how likely visitors are to recommend the film they have just seen.

This customer score is a key factor in weekly film programming, helping to determine how long a film will continue to run in cinemas. Kinepolis is committed to transparency by publishing visitor ratings for every film, including negative scores, to help customers make informed choices. These scores also fuel our AI-driven recommendation engine, suggesting films based on individual preferences.

ACTION: CUSTOMER SUPPORT

Kinepolis wants to be as accessible to customers as possible and is committed to responding to questions and comments as quickly as possible. In order to inform customers as optimally as possible and encourage self-reliance, Kinepolis uses an extensive series of ‘frequently asked questions and answers’ on its websites, in both Europe and Canada. This list is regularly supplemented and adjusted based on contacts with customers. Kinepolis pro-actively directs online customers to this FAQ section. If customers cannot find the answer to their question, they can use the contact form on the website. If there are any problems or questions on premises, customers can always approach the staff. Customer questions are also answered via social media on a daily basis. We uphold a strict non-retaliation policy, ensuring that individuals who raise concerns through designated channels are protected from any adverse consequences.

ACTION: LOYALTY PROGRAMS

Throughout all subsidiaries, Kinepolis has multiple loyalty programs to increase customer satisfaction and engagement.

LANDMARK EXTRAS (CA)

Landmark EXTRAS was launched in Canada in September 2021, offering moviegoers three formulas: 'Movie Fan', a free program for collecting points with every purchase, 'Movie Insider', a formula based on an annual fee that enables you to accumulate more points, and 'Movie Club', a fixed-fee monthly subscription formula that offers members a monthly cinema visit and all subsequent visits at a reduced price, as well as numerous other benefits.

MJR PREMIER REWARDS (USA)

MJR Theatres, the US branch of Kinepolis, has been operating a loyalty program called 'MJR Premier Rewards' (with a free and paid option, 'Premier Free' and 'Premier Plus' respectively) since 2017. The system is similar to the Canadian programme's 'Movie Fan' and 'Movie Insider' formulas.

MOVIE CLUB (EUROPE)

After the positive experiences in Canada, Kinepolis launched the 'Movie Club' formula in its European markets during 2022 and 2023. Those joining the Club pay a fixed amount each month, enabling them to enjoy films on the big screen every month, as well as numerous other film benefits. The price includes one film visit a month, with a reduced rate for additional visits during the month, and this also applies to the person accompanying the member. In addition, Movie Club members benefit from reductions in the Kinepolis shop, as well as exclusive film information and promotions.

ACTION: CONTINUOUS INVESTMENT IN QUALITY AND INNOVATION

The quality of the movie experience offered significantly determines customer satisfaction. Kinepolis strives for the highest quality standard and continues to invest in premium cinema technology and experience concepts. The majority of these innovations fit in with the ‘premiumization’ and broadening of the range of products offered, so that Kinepolis can respond optimally to the wishes of various target groups.

Kinepolis follows the practice of testing new concepts in a few cinemas (as was the case with the Loungers in 2024, for example) before rolling them out in multiple countries and cinemas. Customer satisfaction is the most important parameter for the evaluation of new products and concepts. The price/quality perception is, on average, higher in premium theatres (e.g., Laser ULTRA, IMAX, ScreenX, etc.) and for premium seating (e.g., Cosy Seats, VIP seats, etc.), which indicates the customer's willingness to pay more for a better experience.

While Kinepolis increasingly invests in premium theatres to meet customer demand, the choice to opt for premium experiences remains with the customer. This approach allows everyone - from those seeking affordable options to those desiring premium experiences - to find value and enjoyment at Kinepolis.





ACTION: PROMOTING SHARED EXPERIENCES

Going to the cinema is also a social thing. It is quality time with the family, relatives or friends. Or the perfect place for a first date or a romantic evening. Meeting people and sharing emotions (including with strangers in the audience) contributes to the positive impact of a cinema visit. To reinforce that experience even more, Kinepolis is fully committed to event formulas aimed at bringing fans and like-minded people together, such as film marathons, one-off concert performances, Horror Nights, Family weekends and so on.





PRIVACY & CYBER SECURITY

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 - Reputational damage and decrease in stakeholder trust Data breaches or cyber-attacks could lead to compromised customer information, damaging the brand's reputation and decreasing stakeholder trust.	Higher	Short term	Own operations
RC-002 – Financial Damage & Compliance Risk Compromised data and poor data handling practices could result in significant financial losses due to legal penalties, fines and costs associated with resolving breaches.	Higher	Short term	Own operations

POLICY: PRIVACY AND CYBER SECURITY

Privacy and cyber security are a paramount concern for a company with a global presence like Kinepolis, directly impacting customer trust, regulatory compliance and financial stability. As the Company collects and processes customer data as part of its relationship marketing strategy, robust privacy policies and practices are essential to safeguard this information.

ACTION: PROTECTION OF CUSTOMER DATA

Kinepolis collects data about its customers as part of its relationship marketing strategy. In this way, Kinepolis can optimally tailor its business operations to the wishes of its customers, ensuring that European customers always receive relevant film and event recommendations based on the data in their personal profile.

As of 25 May 2018, the use of personal data has been regulated by the European Union's General Data Protection Regulation (GDPR), which is aimed at the protection of personal data. The basic values behind the GDPR are the values that have always been followed by Kinepolis in the handling of customer data, namely:

- Kinepolis has a transparent data-processing policy with regard to its customers;
- The main objective of collecting and processing customer data is to improve the service provided to customers;
- Kinepolis attaches great importance to the rights of its customers with regard to data and allows them to exercise these rights in a simple manner;
- Kinepolis has a strict organizational and technical security policy with regard to its customer data.

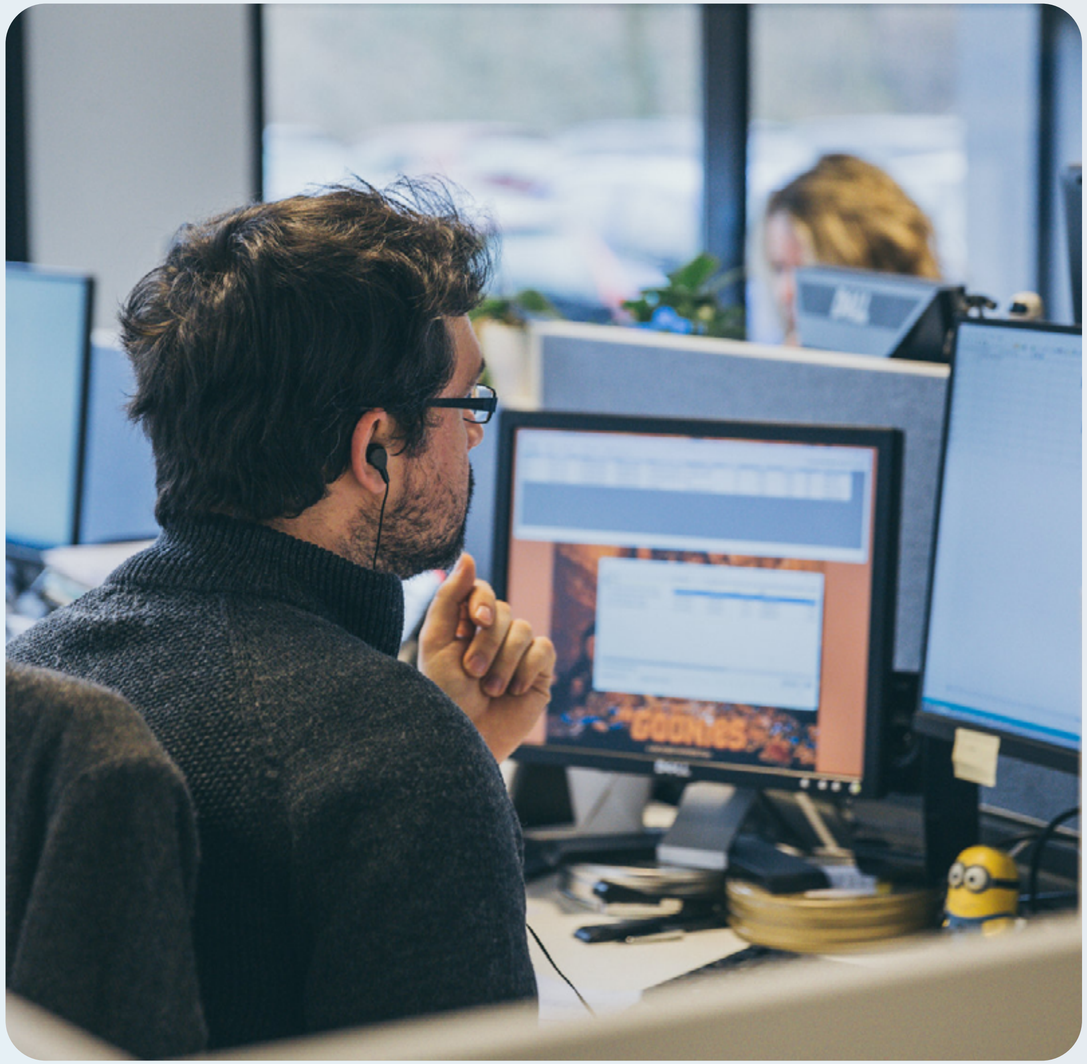
The Canadian equivalent of the GDPR is PIPEDA (The Personal Information Protection and Electronic Documents Act). Landmark Cinemas meets all PIPEDA requirements in its handling of customer data and pursues the same values. The US entities comply with local privacy legislations. Respect for customers and respect for their data are inextricably linked and Kinepolis takes both very seriously.

ACTION: CYBER SECURITY

Kinepolis takes a whole series of measures to protect its IT systems and therefore also its employees, customers and business operations, against cyber-attacks. IT risks (and the control measures to cover them) are discussed on a bi-weekly basis in the Cyber Security Committee and are also a regular item on the agenda of the monthly ICT Steering Committee. They are also formally discussed in the Audit Committee at least once a year.

Kinepolis has a Security & Compliance Officer, supported by various external consultants, who continuously checks the security of the ICT systems. Kinepolis also applies a strict code to external partners with regard to cyber security.

Ongoing investments in additional protection mechanisms have been made over recent years. An active patch management policy ensures that all systems are closely monitored. A great deal of effort is also made internally to provide the Company and employees with maximum protection against phishing and other types of cybercrime.



HEALTH, SAFETY AND ACCESSIBILITY

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 - Reputational damage and decrease in stakeholder trust Inadequate health and safety measures, along with failure to provide accessible facilities, could harm the brand's reputation and decrease stakeholder trust.	Medium	Short term	Own operations
RC-002 - Financial damage & Compliance Risk Failure to address health, safety and accessibility issues could lead to significant financial damage from legal claims, fines and costs associated with improving facilities and safety measures.	Medium	Short term	Own operations
RC-003 - Health and safety impact Ignoring health and safety concerns can result in accidents that may cause both physical injuries and mental health issues for our customers.	Medium	Short term	Own operations

OPPORTUNITIES: Ensuring robust health and safety protocols could enhance customer confidence and loyalty, potentially increasing repeat visits. Implementing comprehensive accessibility features could attract a broader customer base, including those with disabilities and demonstrate a commitment to inclusivity.

POLICY: HEALTH, SAFETY AND ACCESSIBILITY

Health, safety and accessibility are foundational elements of Kinepolis' commitment to providing a secure and inclusive environment for all customers. Ensuring that every visitor can enjoy their cinema experience without health or safety concerns and making theatres as accessible as possible for everyone, is crucial for the Kinepolis brands.

ACTION: NOISE STANDARDS

Kinepolis prioritizes the protection of visitors' hearing by adhering to national noise standards. In Europe, we calibrate all cinemas annually, conduct monthly sound checks, monitor maximum volume levels for different programs and adjust the sound based on program type and auditorium size. In the US and Canada, screen maintenance occurs every six months, which includes checking sound settings and the volume is adjusted to suit the program type.



ACTION: WHEELCHAIR ACCESSIBILITY

Kinepolis is committed to wheelchair accessibility, with over 90% of all auditoriums and 100% of Landmark Cinemas' and MJR Theatres' auditoriums accessible to people with limited mobility, including reserved spaces. All new Kinepolis cinemas are fully wheelchair accessible. In cinemas with older infrastructure, alternative screenings are scheduled to ensure all films are available to visitors with mobility challenges. Clear accessibility information is provided online and on-site, with wheelchair-accessible seats highlighted on the booking system to allow for advanced reservations.

ACTION: ACCESSIBILITY FOR PEOPLE WITH AUDIO-VISUAL IMPAIRMENTS

In France, Kinepolis has implemented the 'Twavox' system in all cinemas, allowing individuals with visual or auditory impairments to adjust sound or access audio descriptions via a smartphone app and headphones. In Spain, the 'Whatscine' app offers audio descriptions, subtitles, or sign language, fully synchronized with the film. In Canada, Landmark Cinemas provides 'Fidelio' and 'CaptiView' systems for audio-visual impairments, offering wireless audio for both visual and hearing impairments and closed captioning for the hearing impaired. Kinepolis is considering expanding these systems to more cinemas.

DIVERSITY AND NON-DISCRIMINATION

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 – Reputational damage and decrease in stakeholder trust Incidents of discrimination or perceived unfair treatment could lead to public backlash, harm the brand's image and result in legal challenges.	Low	Short term	Own operations

OPPORTUNITIES: Promoting a culture of inclusivity and diversity could enhance the brand's reputation and attract a diverse customer base.

POLICY: PROMOTE DIVERSITY & SAFEGUARD NON- DISCRIMINATION

Ensuring that every visitor feels respected and valued, regardless of their background, is essential for maintaining the brand's reputation and fostering customer trust and satisfaction.

ACTION: INCLUSIVE PROGRAMMING

Kinepolis is committed to inclusivity, offering a diverse film program that reflects society's multiculturalism. This includes special screenings for seniors and a school program with discounted tickets and educational materials. The program aims to engage students with relevant curriculum topics, encouraging cultural exploration and discussion through film.

ACTION: VARIED FILM OFFERING

Kinepolis is committed to having something on offer for different target groups at all times, including social (such as ethnic or cultural) minorities. In addition to international blockbusters, Kinepolis programs and promotes arthouse films (supported via the CINE K/Filmhuis labels, among others), numerous local films, world cinema, event cinema (including concerts, sports competitions, etc.) and has developed its own successful cultural program with opera, ballet, art and theatre performances. Kinepolis always tailors its program to the audience of a given cinema, taking demographic factors, regional identity and the cultural offer into account, among other things.

For example, Kinepolis programs Indian Bollywood films and Turkish blockbusters in multicultural cities that have large Indian and/or Turkish communities. Polish, Chinese and Japanese films are also included in the programming in some cinemas. In addition, films with regional themes and those of (often start-up) filmmakers with strong regional roots are also given a platform in the relevant Kinepolis cinemas.

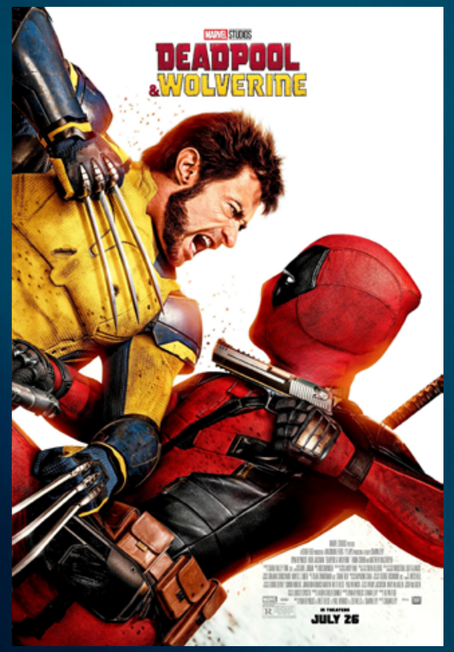
In every country in which Kinepolis operates, local films are given a prominent place in its programming. In Belgium, Kinepolis also invests in the production and promotion of local (Flemish) films, through Kinepolis Film Distribution. Kinepolis believes that supporting and producing local content is essential for a sustainable future of the cinema business and the local film culture. In order to promote local film culture and a diverse film offering, Kinepolis in Europe – and Landmark Cinemas in Canada – also partners with several local film festivals each year (e.g. Film Fest Ghent and Film Festival Ostend in Belgium).



TOP 5 MOVIES 2024



INSIDE OUT 2



DEADPOOL & WOLVERINE



DESPICABLE ME 4



MOANA 2



DUNE: PART TWO

RESPONSIBLE MARKETING PRACTICES

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 - Reputational damage and decrease in stakeholder trust Misleading or aggressive marketing could damage the brand's reputation and decrease stakeholder trust. Customers may feel deceived or manipulated, leading to negative perceptions and loss of loyalty.	Medium	Short term	Own operations
RC-002 - Financial damage & Compliance Risk Aggressive or misleading marketing practices can result in decreased revenue as customers may choose to avoid the brand. Additionally, the Company could face financial penalties from regulatory bodies and incur costs associated with correcting marketing practices.	Low	Short term	Own operations

OPPORTUNITIES: Adopting transparent, targeted and honest marketing practices could build trust and credibility with customers, enhancing brand loyalty.

POLICY: RELATIONSHIP MARKETING STRATEGY

Through its relationship marketing strategy, Kinepolis aims to optimally familiarize customers with the films on offer and make recommendations based on personal preferences.

In doing so, Kinepolis ensures that all communications are appropriate and aligned with consumer needs and preferences, prioritizing their safety and well-being.

To prevent or mitigate material negative impacts, Kinepolis takes care to ensure that all marketing and sales practices are ethically sound and do not cause harm to consumers or end-users. Specifically, advertising before children's films is carefully selected to maintain a family-friendly experience, and all personal data used for communications is processed in strict compliance with GDPR. Personal data is used only with explicit consent, and customers have the option to opt out of communications at any time.

No specific actions are set up for this policy, as it is integral to our standard operational practices.

LOCAL COMMUNITIES

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 – Reputational damage and decrease in stakeholder trust Neglecting community engagement could lead to a lack of local support and negative sentiment towards the brand.	Low	Short term	Own operations

OPPORTUNITIES: Actively participating in community events and supporting local initiatives could strengthen community ties and enhance the brand's local presence. Tailoring offerings and services to meet the specific needs of local communities could increase relevance and customer loyalty, driving repeat business and positive word-of-mouth.



POLICY: SUPPORT FOR LOCAL COMMUNITIES

Kinepolis is committed to fulfilling its social responsibility by actively supporting local communities through charitable sponsorships, benefit campaigns and social employment initiatives.

ACTION: CHARITIES SUPPORTED IN 2024

In 2024, Kinepolis supported Kick Cancer, Kom op tegen Kanker, Streekfonds Oost-Vlaanderen and the year-end campaign 'Pakje van mijn Hart' in Belgium, Les Restos du Cœur and EFS (Etablissement Français du Sang) in France, Stichting Bio and Stichting Jarige Job in the Netherlands, various projects in Spain (including the Cadena 100 benefit concert, Fundación Santos Patronos, Casa Ángeles), as well as St. Jude Children's Hospital Radiothon and WMXD's Pink Gala in Michigan, and Kids Help Phone in Canada.

These are just a few of the (larger) collaborations over the past year. Kinepolis operates in nine countries with 110 cinemas, each of which in turn is part of and contributes to a local community. Local applications for support are evaluated by the respective cinema and/or national team and, when deemed feasible and appropriate, support is often provided in kind, mainly through the selective use of cinema infrastructure, promotional channels, tickets and/or the organization of film screenings.

Kom op tegen Kanker

LANDMARK CINEMAS: LONG-TERM PARTNER OF KIDS HELP PHONE

Landmark Cinemas has been a dedicated partner of Kids Help Phone since 2006 and has raised more than 2.5 million Canadian dollars in support of youth and mental health across Canada. 'We are committed to supporting the communities we serve, and we put the mental health and well-being of our Cast & Crew and Movie Lovers at the heart of everything we do', says Dave Cohen, President of Landmark Cinemas.

'As a National Sponsor of the 'Walk So Kids Can Talk', we lend our time, as well as cash and in-kind media, in support of youth mental health across Canada. In 2024, we are proud to have donated in-kind media valued at over 250 000 CAD and raised more than 50 000 CAD in cash in support of the walk through various fundraising initiatives: 'Spring Movie Break', 'Super Saturday', 'KHP Bubble Campaign', and personal fundraising.'

Landmark Cinemas continued to support Kids Help Phone throughout 2024 by amplifying their message on-screen, providing over 1 million CAD in in-kind support during the 'Kids Help Phone Feel Out Loud' movement.



GOVERNANCE INFORMATION

ESRS G1 - BUSINESS CONDUCT

INTRODUCTION

“With great power comes great responsibility”. Uncle Ben's cautionary warning to a young Peter Parker in the 2002 Spider-Man movie still echoes today. And for good reason – strong shoulders (should) carry the most weight. At Kinepolis, we, too, recognize our responsibility in ethical leadership and governance. As such, we are committed to fostering a corporate culture that prioritizes ethical behaviour, inclusivity, and transparency.

Kinepolis has an extensive Corporate Governance Charter, which outlines our corporate governance policy and the internal rules of procedure of the Board of Directors, the Committees, and the Executive Committee, in line with the Belgian Corporate Governance Code 2020. This is separately reported upon in our Corporate Governance Report, which also details the role of our administrative, management, and supervisory bodies in ensuring ethical business conduct.

Outlined in the following pages are the **key impacts, risks and opportunities** associated with Business Conduct, along with the **policies** Kinepolis employs to mitigate these risks, reduce negative impacts and capitalize opportunities effectively. Kinepolis has identified these IROs through the materiality assessment based on extensive stakeholder consultation and they are yearly reassessed by management. All topics are aligned with ESRS guidance.

The General Counsel holds primary responsibility for ensuring the implementation of business conduct and governance policies and overseeing the actions required to achieve their objectives. She holds extensive experience in legal and regulatory affairs and has been the legal counsel of Kinepolis for over two decades. Unless explicitly stated otherwise, all policies and actions linked to business conduct apply to the entire organization and are being executed in the current reporting year 2024.

While we consistently monitor and manage compliance with legal and ethical standards, including addressing concerns and resolving issues, we believe that setting specific targets related to this area is not currently relevant. Our focus remains on upholding high standards of business conduct and governance, ensuring compliance and responding effectively to any issues that arise.

Necessary resources are foreseen to accommodate the planned and ongoing actions, as outlined in the following sections, to mitigate material impacts and dependencies linked to governance. The effectiveness of these actions is monitored by our legal and internal audit department.

CORPORATE CULTURE AND BUSINESS CONDUCT

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 – Reputational damage and decrease in stakeholder trust Non-compliance with business conduct policies could lead to ethical lapses that damage the Company's reputation and decrease stakeholder trust.	Higher	Short term	Own operations
RC-002 – Financial Damage & Compliance Risk Failure to adhere to business conduct policies can lead to financial damage through legal liabilities, such as fines and settlements, as well as significant compliance risks, including legal and regulatory repercussions.	Higher	Short term	Own operations

OPPORTUNITIES: Adhering to rigorous business conduct policies fosters a culture of integrity, accountability and transparency within Kinepolis.

POLICY: CORPORATE CULTURE

Kinepolis is dedicated to fostering a values-driven environment where integrity, respect and accountability are not just words but guiding principles that shape every aspect of our operations.

Kinepolis fosters a self-learning corporate culture where ownership and entrepreneurship are highly valued and stimulated through employee participation in shaping the Company's operations and product development. Embedding accountability at all levels of the organization creates growth and development opportunities for all employees, but also implies a broad-based understanding of and commitment to responsible business conduct. We have established comprehensive business conduct policies to ensure that integrity and ethical behaviour guide every decision and action our employees take.

ACTION: KINEPOLIS CODE OF CONDUCT

Our Code of Conduct outlines the ethical norms, rules and responsibilities one explicitly adheres to when joining the Company. The Kinepolis Code of Conduct is an integral part of the employment contract and is provided to every new employee.



‘INTEGRITY IS THE CORNERSTONE OF OUR VALUES, AND THE IMPLEMENTATION OF A FORMAL WHISTLEBLOWING PROCEDURE IN NORTH AMERICA THIS PAST YEAR MARKS A SIGNIFICANT STEP IN REINFORCING THIS COMMITMENT. BY EXPANDING THE UPGRADED CHANNELS INTRODUCED IN EUROPE IN 2023, WE ARE EMPOWERING EMPLOYEES TO VOICE CONCERNS AND FOSTERING A CULTURE OF TRANSPARENCY, TRUST, AND ACCOUNTABILITY ACROSS OUR GLOBAL OPERATIONS.’

HILDE HERMAN GENERAL COUNSEL KINEPOLIS GROUP

ACTION: WHISTLEBLOWER POLICY

We encourage a culture of transparency and accountability by providing multiple channels for employees and stakeholders to report potential violations of our business conduct policies. Our Whistleblower mechanisms empower individuals to speak up about unethical behaviour or compliance concerns, including potential corruption and bribery issues, without fear of retaliation. All reports received will be investigated and followed up on by the Internal Audit Director, who operates independently from the persons involved and oversees the assessment, investigation and coordination of necessary actions, involving relevant departments such as legal or HR when appropriate. Corrective measures are implemented, monitored for effectiveness and reported to administrative, management and supervisory bodies, ensuring confidentiality and protection for whistleblowers. See p. 124 for additional information on Kinepolis' whistleblower procedure. Kinepolis is subject to national law transposing Directive (EU) 2019/1937 with regard to the protection of whistleblowers.

POLICY: COMPLIANCE WITH LAWS AND REGULATIONS

Kinepolis is committed to complying with all applicable laws and regulations in every jurisdiction where it operates.

Kinepolis' legal team continuously monitors regulatory developments to ensure that policies and practices remain up-to-date and compliant with the latest legal requirements.

ACTION: CONFLICTS OF INTEREST PROCEDURES

We recognize the importance of identifying and managing potential conflicts of interest to uphold the integrity of our decision-making processes. Our Code of Conduct requires employees to disclose any conflicts of interest promptly and take appropriate steps to mitigate them, ensuring that all business decisions are made in the best interests of the Company and its stakeholders.

POLICY: CONFIDENTIALITY AND DATA PRIVACY

We place a high value on the confidentiality and privacy of sensitive information entrusted to us by our stakeholders. Our Confidentiality and Data Privacy Policy outlines strict guidelines for the handling and protection of confidential information, ensuring that it is accessed, used and shared only for legitimate business purposes and in accordance with applicable data protection laws. No specific actions are set up for this policy, as it is integral to our standard operational practices.

SUPPLIER RELATIONSHIP MANAGEMENT

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RC-001 – Reputational damage and decrease in stakeholder trust Engaging with third-party entities that do not adhere to ethical standards could tarnish Kinepolis' reputation and decrease stakeholder trust.	Low	Short term	Own operations
RG-002 - Financial & Compliance Risk Working with suppliers that do not meet ethical or legal standards poses compliance risks, including legal liabilities and regulatory penalties.	Low	Short term	Own operations

OPPORTUNITIES: Conducting thorough due diligence on suppliers fosters trust and ensures alignment with Kinepolis' values and legal obligations.

POLICY: ETHICAL SUPPLIER RELATIONS

Kinepolis is committed to maintaining ethical standards in all partnerships with third-party entities.

ACTION: SUPPLIER DUE DILIGENCE

When working with third-party entities, such as film distributors or other suppliers, we strive to ensure they uphold our ethical and ESG standards. We hold these partners to the same level of integrity that we uphold internally, ensuring that their actions align with our values and legal obligations. ESG considerations, including regulatory compliance, ethical business conduct and other relevant factors, are fully integrated into our supplier selection process.

Since 2022, Kinepolis applies an ethical code for suppliers in order to ensure that the values of the Company with regard to working conditions, health, safety, the environment and ethics are also respected by its suppliers. This code is an integral part of the contract that Kinepolis signs with its suppliers and which allows Kinepolis to carry out interim checks to assess whether suppliers are complying with the agreed principles. If violations come to light that are not resolved in a timely manner, Kinepolis has the right to terminate all contracts with the relevant supplier without any payment of compensation. The code of conduct can be found on the Kinepolis website (www.kinepolis.com/corporate), under the heading ‘sustainability’.

CORRUPTION AND BRIBERY

IROS	RISK LEVEL	TIME HORZION	RISK PRESENCE
RG-001 – Reputational Damage and decrease in stakeholder trust Non-compliance with anti-corruption and anti-bribery regulations could significantly damage Kinepolis' reputation and decrease stakeholder trust.	Low	Short term	Own operations
RG-002 – Financial & Compliance Risk Corruption or bribery can result in financial damage, legal penalties and increased costs, while non-compliance with anti-corruption laws carries serious legal and regulatory risks.	Low	Short term	Own operations

OPPORTUNITIES: Upholding strict anti-corruption policies and enforcing a zero-tolerance stance demonstrates Kinepolis' commitment to ethical conduct and fosters trust among stakeholders.

POLICY: ANTI-BRIBERY AND CORRUPTION

We firmly oppose any form of bribery or corruption, whether it occurs directly within our business dealings or through third parties acting on our behalf.

Kinepolis' Code of Conduct includes an explicit anti-corruption and anti-bribery policy which sets forth uncompromising standards that apply universally across all markets where we operate. In fiscal year 2024, we did not record any breaches of our Code of Conduct in relation to anti-corruption or anti-bribery matters. There are no convictions or legal cases regarding corruption or bribery to report for 2024. We identify the roles as most at risk in relation to anti-bribery and corruption to be operational management and staff responsible for procurement and sales, based on their involvement in vendor negotiations, supplier management and market-driven transactions.

Adherence to local and international laws governing bribery and corruption is paramount. Our employees and affiliated consultants are expected to familiarize themselves with and comply fully with all relevant regulations. No specific training is given to our workforce concerning corruption and bribery. We are resolute in our stance against improper influence in business transactions. Neither our employees nor our representatives are permitted to offer or receive anything of value to gain an unfair advantage. This principle extends to all interactions, ensuring integrity in every negotiation and partnership. No specific actions are set up for this policy, as it is integral to our standard operational practices. Currently, our policy does not fully aligns with the UN convention against corruption (due to lack of formal training). We intend to have this aligned in early 2026.

INDEX DISCLOSURE REQUIREMENTS

GENERAL INFORMATION

DISCLOSURE REQUIREMENT		COMMENTS	PAGE
Basis for preparation			
BP-1	General basis for preparation of sustainability statements		**34**
BP-2	Disclosures in relation to specific circumstances		**34**
Governance			
GOV-1	The role of administrative, management and supervisory bodies		**35-37**
GOV-2	Information provided to and sustainability matters addressed by the administrative bodies		**35-37**
GOV-3	Integration of sustainability-related performance in incentive schemes		**36**
GOV-4	Statement on due diligence		**38**
GOV-5	Risk management and internal controls over sustainability reporting		**38**
Strategy			
SBM-1	Strategy, business model and value chain		**39-53**
SBM-2	Interests and views of stakeholders		**54**
SBM-3	Material impacts, risks and opportunities and their interaction with strategy		**47-49, 61**
Impact, Risk and Opportunity Management			
IRO-1	Description of processes to identify material impacts, risks and opportunities		**56-61**
IRO-2	Disclosure requirements in ESRS covered by the sustainability statement		**59-60**

ENVIRONMENTAL INFORMATION

DISCLOSURE REQUIREMENT		COMMENTS	PAGE
ESRS E1 – Climate Change			
E1-1	Transition plan for climate change mitigation		**67**
E1-2	Policies related to climate change mitigation and adaptation		**68**
E1-3	Actions and resources in relation to climate change policies		**68-74**
E1-4	Targets related to climate change mitigation and adaptation	No targets determined yet, cf. introduction of this topic chapter.	**62**
E1-5	Energy consumption and mix		**76-77**
E1-6	Gross scopes 1, 2 & 3 and total GHG emissions		**78-80**
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable for Kinepolis	**N/A**
E1-8	Internal carbon pricing	Not applicable for Kinepolis	**N/A**
E1-9	Potential financial effects from material physical and transition risks and potential climate-related opportunities	This information can be omitted for the first year of preparing our sustainability statement (phased-in disclosure requirement).	**N/A**
ESRS E5 – Circular Economy			
E5-1	Policies related to resource use and circular economy		**85**
E5-2	Actions and resources related to resource use and circular economy		**85-87**
E5-3	Targets related to resource use and circular economy	No targets determined yet, cfr introduction of this topic chapter.	**81**
E5-4	Resource inflows	Based on materiality analysis, resource inflows are not determined material.	**N/A**
E5-5	Resource outflows	Based on materiality analysis, only waste is determined material.	**82-87**
E5-6	Potential financial effects from resource use and circular economy-related impacts, risks, and opportunities (Qualitative disclosures first 3 years)	This information can be omitted for the first year of preparing our sustainability statement (phased-in disclosure requirement)	**N/A**

SOCIAL INFORMATION 1/2

DISCLOSURE REQUIREMENT		COMMENTS	PAGE
ESRS S1 – Own Workforce			
S1-1	Policies related to own workforce		**100-126**
S1-2	Processes for engaging with own workers and workers' representatives about impacts		**113-114**
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns		**124**
S1-4	Acting on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities		**100-126**
S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	No targets determined yet, cfr introduction of this topic chapter.	**96-99**
S1-6	Characteristics of the undertaking's employees		**98**
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	This information can be omitted for the first year of preparing our sustainability statement (phased-in disclosure requirement)	**N/A**
S1-8	Collective bargaining coverage and social dialogue		**114**
S1-9	Diversity indicators		**121-122**
S1-10	Adequate wages		**111**
S1-11	Social protection	This information can be omitted for the first year of preparing our sustainability statement (phased-in disclosure requirement) Note: All own workers in all countries are covered by social protection against loss of income due to major life events through public programs or through benefits offered by Kinepolis.	**N/A**

SOCIAL INFORMATION 2/2

DISCLOSURE REQUIREMENT		COMMENTS	PAGE
ESRS S1 – Own Workforce			
S1-12	Persons with disabilities	Based on materiality analysis, not determined material	**N/A**
S1-13	Training and skills development indicators	This information can be omitted for the first year of preparing our sustainability statement (phased-in disclosure requirement)	**N/A**
S1-14	Health and safety indicators		**115-116**
S1-15	Work-life balance indicators	This information can be omitted for the first year of preparing our sustainability statement (phased-in disclosure requirement)	**N/A**
S1-16	M-F pay gap + CEO pay ratio		**111**
S1-17	HR incidents and complaints		**125**
ESRS S4 – Customers			
S4-1	Policies related to consumers and end-users		**132-145**
S4-2	Processes for engaging with consumers and end-users about impacts		**128-129**
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		**133**
S4-4	Acting on material impacts on consumers and end-users and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions		**132-145**
S4-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	No targets determined yet, cfr introduction of this topic chapter.	**N/A**

GOVERNANCE INFORMATION

DISCLOSURE REQUIREMENT		COMMENTS	PAGE
ESRS G1 – Business Conduct			
G1-1	Corporate culture and business conduct policies		**148**
G1-2	Management of relationships with suppliers		**151**
G1-3	Prevention and detection of corruption or bribery		**152**
G1-4	Confirmed incidents of corruption or bribery		**152**
G1-5	Political influence and lobbying activities	Based on materiality analysis, not determined material	**N/A**
G1-6	Payment Practices	Based on materiality analysis, not determined material	**N/A**

REFERENCE TO OTHER REGULATIONS

DISCLOSURE REQUIREMENT	DATA POINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTION	PAGE
ESRS 2 GOV-1	21 (d)	Board's gender diversity	x		x		Included in Corporate Governance section, not in ESG report	**179**
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			x		Included in Corporate Governance section, not in ESG report	**172**
ESRS 2 GOV-4	30	Statement on due diligence	x				Statement on sustainability due diligence	**38**
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x		Not applicable	**N/A**
ESRS 2 SBM-1	41 (d) ii	Involvement in activities related to chemical production	x		x		Not applicable	**N/A**
ESRS 2 SBM-1	42 (d) iii	Involvement in activities related to controversial weapons	x		x		Not applicable	**N/A**
ESRS 2 SBM-1	43 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Not applicable	**N/A**
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	Not applicable, pending finalization of Science Based Targets initiative (SBTi) Transition Plan	**N/A**
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		Not applicable	**N/A**
ESRS E1-4	34	GHG emission reduction targets	x	x	x		Not applicable, pending finalization of Science Based Targets initiative (SBTi) Transition Plan	**N/A**
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Not applicable	**N/A**
ESRS E1-5	37	Energy consumption and mix	x				Energy consumption and mix	**76-77**
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				Not applicable	**N/A**

REFERENCE TO OTHER REGULATIONS

DISCLOSURE REQUIREMENT	DATA POINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTION	PAGE
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		CO_2 Footprint	**78-80**
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x		CO_2 Footprint	**78-80**
ESRS E1-7	56	GHG removals and carbon credits				x	Not applicable	**N/A**
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Can be omitted for the first year of preparing	**N/A**
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk, Location of significant assets at material physical risk		x			Can be omitted for the first year of preparing	**N/A**
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Can be omitted for the first year of preparing	**N/A**
ESRS E1-9	69	Degree of exposure of the portfolio to climate- related opportunities			x		Can be omitted for the first year of preparing	**N/A**
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				Not determined material based on DMA	**N/A**
ESRS E3-1	9	Water and marine resources	x				Not determined material based on DMA	**N/A**
ESRS E3-1	13	Dedicated policy	x				Not determined material based on DMA	**N/A**
ESRS E3-1	14	Sustainable oceans and seas	x				Not determined material based on DMA	**N/A**

REFERENCE TO OTHER REGULATIONS

DISCLOSURE REQUIREMENT	DATA POINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTION	PAGE
ESRS E3-4	28 (c)	Total water recycled and reused	x				Not determined material based on DMA	**N/A**
ESRS E3-4	29	Total water consumption in m^3 per net revenue on own operations	x				Not determined material based on DMA	**N/A**
ESRS 2 - SBM 3 - E4	16 (a) i		x				Materiality Assessment - A multi-step approach	**56-61**
ESRS 2- SBM 3 - E4	16 (b)		x				Materiality Assessment - A multi-step approach	**56-61**
ESRS 2- SBM 3 - E4	16 (c)		x				Materiality Assessment - A multi-step approach	**56-61**
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	x				Not determined material based on DMA	**N/A**
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	x				Not determined material based on DMA	**N/A**
ESRS E4-2	24 (d)	Policies to address deforestation	x				Not determined material based on DMA	**N/A**
ESRS E5-5	37 (d)	Non-recycled waste	x				Resource outflows - waste	**83**
ESRS E5-5	39	Hazardous waste and radioactive waste	x				Resource outflows - waste	**83**
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labour	x				Child labour & forced labour	**125**
ESRS 2- SBM3 - S1	14 (g)	Risk of incidents of child labour	x				Child labour & forced labour	**125**
ESRS S1-1	20	Human rights policy commitments	x				Measures against violence and harassment	**123**

REFERENCE TO OTHER REGULATIONS

DISCLOSURE REQUIREMENT	DATA POINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTION	PAGE
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			x		Not applicable	**N/A**
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				Child labour & forced labour	**125**
ESRS S1-1	23	Workplace accident prevention policy or management system	x				Health and safety	**125**
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x				Measures against violence and harassment	**123**
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	x		x		Health and safety	**115**
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				Health and safety	**115**
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		x		Adequate wages	**111**
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x				Adequate wages	**111**
ESRS S1-17	103 (a)	Incidents of discrimination	x				Child labour & forced labour	**125**
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		Measures against violence and harassment	**123**
ESRS 2- SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	x				Child labour & forced labour	**125**
ESRS S2-1	17	Human rights policy commitments	x				Measures against violence and harassment	**123**
ESRS S2-1	18	Policies related to value chain workers	x				Not material	**N/A**
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		Not material	**N/A**

REFERENCE TO OTHER REGULATIONS

DISCLOSURE REQUIREMENT	DATA POINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTION	PAGE
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8			x		Not material	**N/A**
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				Not material	**N/A**
ESRS S3-1	16	Human rights policy commitments	x				Not material	**N/A**
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		Not material	**N/A**
ESRS S3-4	36	Human rights issues and incidents	x				Not material	**N/A**
ESRS S4-1	16	Policies related to consumers and end-users	x				Consumers and End-users	**132-145**
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Measures against violence and harassment	**123**
ESRS S4-4	35	Human rights issues and incidents	x				Child labour & forced labour	**125**
ESRS G1-1	10 (b)	United Nations Convention against Corruption	x				Corruption and bribery	**152**
ESRS G1-1	10 (d)	Protection of whistle- blowers	x				Corporate culture and business conduct	**148**
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x		Corruption and bribery	**152**
ESRS G1-4	24 (b)	Standards of anti- corruption and anti- bribery	x				Corruption and bribery	**152**

STATUTORY AUDITOR'S LIMITED ASSURANCE REPORT ON KINEPOLIS GROUP NV'S SUSTAINABILITY STATEMENT

To the General Shareholders' meeting of the Company

As part of the limited assurance engagement on the sustainability statement of Kinepolis Group NV (the "Company" or the "Group"), we are providing you with our report on this engagement.

We were appointed by the General Meeting of 8 May 2024, in accordance with the proposal of the Board of Directors and following recommendation of the Workers' Council of Kinepolis Group NV, to carry out a limited assurance engagement on the Group's sustainability information, included in the Sustainability statements of the annual report as of 31 December 2024 and for the year ended on that date (the "Sustainability Statement").

Our mandate expires on the date of the general meeting deliberating on the annual financial statements for the year ending 31 December 2026. We have carried out our assurance engagement on the Sustainability Statement of Kinepolis Group NV for 1 consecutive financial year.

LIMITED ASSURANCE CONCLUSION

We have conducted a limited assurance engagement on the Sustainability Statement of Kinepolis Group NV.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement, in all material respects:

- Is not prepared in accordance with the requirements referred to in Article 3:6/3 of the Belgian Code of Companies and Associations, including compliance with applicable European sustainability information standards (the European Sustainability Reporting Standards ("ESRSs"))
- is not compliant with the process carried out by the Group ("the Process") to identify the information included in the Sustainability Statement in accordance with the description set out in note ESRS 2 IRO-1 "Materiality assessment – A multi-step approach"; and
- is not compliant with the requirements of Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as disclosed in note "EU Taxonomy Report" within the environmental section of the management report.

BASIS FOR CONCLUSION

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), applicable in Belgium and issued by the International Auditing and Assurance Standards Board.

Our responsibilities under this standard are further described under the section "Statutory Auditor's responsibilities in relation with the limited assurance engagement on the sustainability information".

We have complied with all ethical requirements relevant to the assurance of sustainability engagements in Belgium, including those relating to independence.

The firm applies International Standard on Quality Management 1 ("ISQM 1"), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the Company's Board of Directors and its appointees the explanations and information necessary for our limited assurance engagement.
We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

OTHER MATTERS

The scope of our work is only restricted to the limited assurance engagement on the Group's Sustainability Statement with respect to the current reporting period. Our assurance does not extend to information relating to the comparative figures.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS IN RELATION WITH THE PREPARATION OF SUSTAINABILITY INFORMATION

The Board of Directors of the Group is responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in note ESRS 2 IRO-1 "Materiality assessment – A multi-step approach" of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders.
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The Board of Directors of the Group is further responsible for the preparation of the Sustainability Statement, which contains the sustainability information as determined in the Process:

- in accordance with the requirements referred to in Article 3:6/3 of the Belgian Code of Companies and Associations, including compliance with applicable ESRS's;
- in compliance with the requirement provided by Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") as described in the disclosures in note "EU Taxonomy Report" within the environmental section of the management report.

This responsibility includes:

- designing, implementing and maintaining such internal control that the Board of Directors determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The Board of Directors is responsible for overseeing the Group's sustainability reporting process.

INHERENT LIMITATIONS IN PREPARING THE SUSTAINABILITY STATEMENT

In reporting forward-looking information in accordance with ESRS, the Board of Directors of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected. Actual results are likely to differ from projections because the future events will not generally occur as expected, and such differences could be material.

STATUTORY AUDITOR'S RESPONSIBILITIES IN RELATION WITH THE LIMITED ASSURANCE ENGAGEMENT ON THE SUSTAINABILITY INFORMATION

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we exercise professional judgment and maintain professional skepticism throughout the engagement. The work performed in an engagement with a view to obtaining limited assurance is less extensive than in the case of an engagement with a view to obtaining reasonable assurance. The procedures performed in a limited assurance engagement for which we refer to the 'Summary of work performed' section are less extensive in nature and timing compared to a reasonable assurance engagement. We therefore do not express a reasonable audit opinion in the framework of this engagement.

As the forward-looking information included in the Sustainability Statement, and the assumptions on which it is based, relate to the future, they may be affected by events that may occur and/or by actions taken by the Group. Actual results are likely to differ from the assumptions made, as the events assumed will not necessarily occur as expected, and such differences could be material. Accordingly, our conclusion does not guarantee that the actual results reported will correspond to those contained in the forward-looking sustainability information.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- understanding the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in note ESRS 2 IRO-1 "Materiality assessment – A multi-step approach".

Our other responsibilities in respect of the Sustainability Statement include:

- To understand the Group's control environment and the processes and information systems relevant to the preparation of sustainable information, but without evaluating the design of specific control activities, obtaining substantive information on their implementation or testing the effectiveness of the internal control measures in place;
- Identify areas where material misstatements of sustainability information are likely to occur, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SUMMARY OF THE WORK PERFORMED

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process through:
  › Requesting information to understand the sources of the information used by management (e.g. stakeholder engagement, business plans and strategy documents); and
  › assessing the Group's internal documentation of its Process;

- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in note ESRS 2 IRO-1 “Materiality assessment – A multi-step approach”.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group’s reporting processes relevant to the preparation of its sustainability statement by:
  › interviewing management and relevant staff responsible for consolidating and implementing internal control measures related to sustainability information;
  › when deemed appropriate, obtaining supporting documentation for the relevant reporting processes
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated the compliance of the structure and the preparation of sustainability information with ESRS standards;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- For a number of locations contributing to the quantitative information included in the sustainability information, we carried out limited detailed testing of the data collection and calculation processes, as well as validation procedures related to the quantitative information in question, either on site or through remote connection, based on professional judgement and on a sample basis;
- Evaluated assurance information on the methods for developing estimates and forward-looking information; as described in the section ‘Statutory Auditor’s responsibilities in relation with the limited assurance engagement on the sustainability information.;
- Obtained an understanding of the Group’s process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- On a sample basis, reconciling the economic activities with supporting documentation that substantiates the substantial contribution, the do not significant harm contribution, and the minimum safeguard requirements;
- Reconciling inputs to revenue, capital expenditure, and operating expenses, with underlying financial information of the Company.

STATEMENTS REGARDING INDEPENDENCE

Our audit firm and our network have not performed any engagements that are incompatible with the limited assurance engagement, and our audit firm has remained independent of the Group in the course of our mandate.

Ghent, 28 March 2025

EY Bedrijfsrevisoren BV
Commissaris
represented by



Paul Eelen*
Partner
** Acting on behalf of a BV/SRL*

25PE0103

CORPORATE GOVERNANCE

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TOP 5 MOVIES 2024: ***Dune: Part Two*** *© Warner Bros, Nico Tavernise*

CORPORATE GOVERNANCE STATEMENT

THE GOVERNANCE STRUCTURE OF THE COMPANY AND, IN PARTICULAR, THE ROLE AND RESPONSIBILITIES, THE COMPOSITION AND OPERATION OF THE BOARD OF DIRECTORS, ITS ADVISORY COMMITTEES AND THE EXECUTIVE MANAGEMENT ARE SET OUT IN THE CORPORATE GOVERNANCE CHARTER (THE 'CHARTER').

INTRODUCTION

At the beginning of 2021, the Board of Directors revised the Corporate Governance Charter, using the new Belgian Corporate Governance Code 2020 (the 'Code 2020') as a reference code.

This chapter of the annual report offers factual information on the Corporate Governance policy implemented during the financial year 2024. The objective of the Policy is to apply the principles outlined in the Code to the fullest extent possible, while preserving the unique character of the Company. Where applicable, any deviations from the Code 2020 are explained in line with the 'comply or explain' principle.

The Charter, last revised on 19 December 2024, can be consulted on the Kinepolis Group website: www.kinepolis.com/corporate.

SHARE CAPITAL

The share capital on 31 December 2024 amounted to € 18 952 288.41, and is represented by 27 365 197 shares, without nominal value, all of which benefit the same corporate rights.

Under the authorization granted by the Extraordinary General Meeting on 10 May, 2023, empowering the Board of Directors to repurchase 550 000 treasury shares to support the issuance of new options under the 2023 Stock Option Plan, and in line with subsequent decisions by the Board of Directors, a total of 49 000 shares were repurchased in 2024. These shares, acquired for a total amount of € 2 027 719.75, were purchased through a discretionary mandate assigned to an intermediary.

After the delivery of 20 539 shares to the beneficiaries of stock options, Kinepolis Group NV held 616 582 treasury shares on 31 December 2024, with a capital value of € 427 025.61.

RIGHT TO NOMINATE CANDIDATES TO THE BOARD OF DIRECTORS

According to the articles of association, eight (8) directors can be appointed from among the candidates nominated by 'Kinohold Bis', a Limited Company under the laws of Luxembourg, insofar as it or its legal successors, as well as all entities directly or indirectly controlled by (one of) them or (one of) their respective legal successors (within the meaning of Article 1:20 of the Belgian Companies and Associations Code, the 'BCAC'), solely or jointly, hold at least thirty-five per cent (35%) of the shares of the Company at the moment the candidate director is nominated, as well as at the moment of being appointed by the General Meeting, on the understanding that, if the shares held by Kinohold Bis SA or its respective legal successors, as well as all entities directly or indirectly controlled by (one of) them or (one of) their respective legal successors (within the meaning of Article 1:20 of the BCAC) represent less than thirty-five per cent (35%) of the capital of the Company, Kinohold Bis SA or its respective legal successors shall only be entitled to nominate candidates to the Board of Directors for each group of shares representing five per cent (5%) of the Company's capital.

SHAREHOLDER AGREEMENTS

There are no known shareholder agreements within the Company that could give rise to a restriction of the transfer of securities and/or the exercise of voting rights within the context of a public acquisition bid.

CHANGE OF CONTROL

The Credit Agreement concluded on 15 February 2012 between Kinepolis Group NV and a number of its subsidiaries on the one hand, and BNP Paribas Fortis Bank NV, KBC Bank NV and ING Belgium NV (and with the addition of Belfius Bank from 16 December 2019) on the other, and as amended and restated several times, most recently as of 8 January 2021, and as further amended on 15 December 2022, stipulates that a participating financial institution can end its participation in the said agreement, in which case the relevant part of the outstanding loan amount will become immediately due if natural persons or legal entities other than Kinohold Bis SA (or its legal successors) and Mr. Joost Bert acquire control (as defined in the Credit Agreement) of Kinepolis Group NV.

The General Terms and Conditions dated 5 December 2017 related to the private placement of bonds amounting to € 125 million, and the Information Memorandum dated 5 July 2019, regarding a private placement of € 225 million, include clauses addressing a change of control (as defined in the Information Memoranda available on Kinepolis Group's website). In the event of such a change of control, each bondholder has the right to require Kinepolis Group NV to repay all or part of their bonds, subject to the terms and conditions outlined in these Memoranda.

Lastly, the terms of the Commercial Paper/Midterm Notes Program dated 16 February 2022, concerning the potential issuance of treasury bills for qualified investors up to an amount of € 150 million, specify that in the event of a change of control, investors holding treasury bills with a maturity exceeding one year are entitled to request the repayment of all or part of their treasury bills.

SHAREHOLDER STRUCTURE AND NOTIFICATIONS RECEIVED

Based on, among other things, the notifications received pursuant to Article 74 of the Act of 1 April 2007, concerning Public Acquisition Bids, from Kinepolis Group NV, Kinohold Bis SA, Kinohold (a Private Foundation under Belgian law, formerly Stichting Administratiekantoor Kinohold), Joost Bert, Koenraad Bert, Geert Bert, and Peter Bert—acting in mutual agreement (either as 'affiliated persons' within the meaning of Article 1:20 of the BCAC or through other forms of mutual consultation)—and who collectively hold

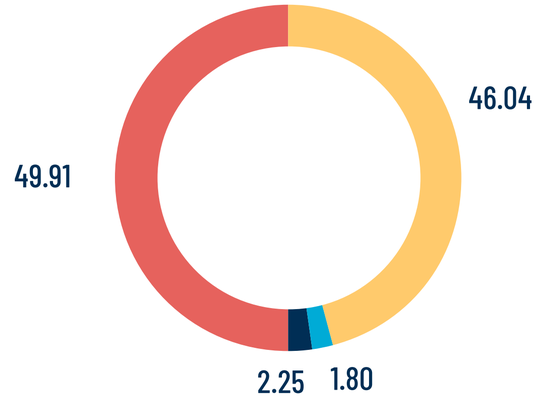
more than 30% of the voting shares of Kinepolis Group NV, as well as on subsequent transparency statements (pursuant to the Act of 2 May 2007, and the Royal Decree of 14 February 2008, regarding the disclosure of major holdings) and notifications related to the share buyback program, it is established that, as of 31 December 2024:

- Kinohold Bis SA held 12 600 050 shares or 46.04% of the Company's shares, as well as 100 000 voting rights attached to shares sold in 2022;
- Kinohold Bis SA is controlled by Kinohold, Private Foundation under Belgian law, the latter in turn being subject to joint control by the following natural persons (in their capacity as directors of the Foundation): Joost Bert, Koenraad Bert, Geert Bert and Peter Bert;
- Kinohold Bis SA furthermore acts in close consultation with Mr. Joost Bert;
- Kinepolis Group NV, which is controlled by Kinohold Bis SA, held 616 582 or 2.25% of the treasury shares;
- Mr. Joost Bert, who acts in close consultation with Kinohold Bis SA and together with Pentascoop NV (a company controlled 100% by him), held 492 218 shares, or 1.80% of the shares of the Company.

Any amendments that have been communicated since 31 December 2024 can be viewed at www.kinepolis.com/corporate.

SHAREHOLDERS' STRUCTURE AS PER 31 DECEMBER 2024

SHAREHOLDER	NUMBER OF SHARES	%
Kinohold BIS SA	12 600 050 (1)	46.04
Mr. Joost Bert	492 218 (1) (2)	1.80
Kinepolis Group NV	616 582	2.25
Free Float, of which:	13 656 347	49.91
TOTAL	27 365 197	100



(1) After the recertification of 80 001 shares in Kinohold Private Foundation by Pentascoop NV, Adorea BV and Movieking BV, which has yet to be implemented, and excluding 100 000 voting rights attached to shares sold.
(2) Including Pentascoop NV.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Amendments to the Articles of Association can be made in compliance with the provisions of the BCAC. No changes were made to the Articles of Association in 2024.

BOARD OF DIRECTORS AND SPECIAL COMMITTEES

The Company has adopted a one-tier governance structure, which grants the Board of Directors the authority to undertake all actions deemed necessary or beneficial to fulfill the Company's objectives, except for those matters that fall exclusively within the jurisdiction of the General Meeting as specified by law. This governance model centralizes decision-making authority within a single governing body, ensuring streamlined processes and clear accountability. The Company believes that this structure is the most appropriate for its operational and strategic needs, as it facilitates swift and effective decision-making. Furthermore, the one-tier governance framework has demonstrated its efficiency over time, enabling the Company to respond promptly to opportunities and challenges while maintaining robust oversight and control.

COMPOSITION OF THE BOARD OF DIRECTORS

AS PER 31 DECEMBER 2024

AS OF 8 MAY 2019, THE BOARD OF DIRECTORS CONSISTS OF EIGHT MEMBERS, SEVEN OF WHOM HAVE A NON-EXECUTIVE ROLE, AND FIVE OF WHOM ARE TO BE CONSIDERED INDEPENDENT OF THE REFERENCE SHAREHOLDERS AND THE MANAGEMENT.



MR. JOOST BERT, PERMANENT REPRESENTATIVE OF PENTASCOOP NV

CHAIR OF THE BOARD OF DIRECTORS AND OF THE NOMINATION AND REMUNERATION COMMITTEE

Mr. Joost Bert has been Chair of the Board of Directors since 2018, after previously holding the role of CEO and co-CEO in the Company, which was founded in 1997 by the families Bert and Claeys, and has since grown into a global player in the cinema sector and is still controlled by the family Bert.

Other positions in listed companies:
Mr. Joost Bert (Pentascoop NV) does not hold any mandate in other listed companies.



MR. EDDY DUQUENNE

MANAGING DIRECTOR

Mr. Eddy Duquenne, who holds a Master's degree in Applied Economics, has been CEO (co-CEO until 2018) and Managing Director of Kinepolis Group NV since 2008.

Prior to this period, he gained extensive management and financial expertise in the leisure, property management, and finance sectors. From 1998 to 2007, he served as co-CEO of the holiday group Sunparks, where he developed in-depth knowledge of the leisure industry. Additionally, his experience in the banking sector further enriched his financial and managerial skill set.

Other positions in listed companies:
Mr. Duquenne does not hold any positions or mandates in other publicly listed companies.



MRS. MARION DEBRUYNE, PERMANENT REPRESENTATIVE OF MARION DEBRUYNE BV

INDEPENDENT DIRECTOR

Professor Marion Debruyne trained as a Civil Engineer (RU Ghent, 1995) and obtained a Ph.D. at the Faculty of Applied Economics (RU Ghent, 2002). She has taught at the Wharton School (University of Pennsylvania), the Kellogg Graduate School of Management and the Goizueta Business School, all in the USA. Marion Debruyne was appointed Dean of the Vlerick Business School in 2015, and is also a Director at Guberna, the Institute for Directors. Mrs. Debruyne has extensive expertise in marketing strategy and innovation management.

Other positions in listed companies:
Mrs. Debruyne (Marion Debruyne BV) is an independent non-executive director at Ackermans & van Haaren NV.



MRS. MARLEEN VAESEN, PERMANENT REPRESENTATIVE OF MAVAC BV

INDEPENDENT DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE

Mrs. Marleen Vaesen graduated from KUL with a Master's degree in Applied Economics, followed by an MBA at the University of Chicago, and also attended an Advanced Management Program at Harvard University. After serving in various executive positions at Procter&Gamble and Sara Lee, Mrs. Vaesen held the position of CEO at Greenyard for 5 years and at Van de Velde NV for 4 years.

Other positions in listed companies:
Mrs. Vaesen was non-executive director at Van de Velde until May 2024.



MR. GEERT VANDERSTAPPEN, PERMANENT REPRESENTATIVE OF PALLANZA INVEST BV

DIRECTOR AND CHAIR OF THE AUDIT COMMITTEE

Mr. Geert Vanderstappen graduated in 1986 as a Civil Engineer in Electronics, after which he completed his post-graduate studies in Business Administration. Mr. Vanderstappen started his career at Generale Bank, first as Financial Engineering Officer and later as Corporate Officer. He started working at Spector Photo Group in 1993, where he was promoted from Group Controller to General Manager Finance & IT after 2 years and was a Partner at Buy Out Fund CV from 1999 to 2016.

He is also a Partner at Pentahold NV since 2006 and at M80Partners NV since 2023.

Other positions in listed companies:
Mr. Vanderstappen (Pallanza Invest BV) has been a non-executive director and Chair of the Audit Committee at Smartphoto Group NV since 2005.



MR. IGNACE VAN DOORSELAERE, PERMANENT REPRESENTATIVE OF 4F BV

INDEPENDENT DIRECTOR AND MEMBER OF THE NOMINATION AND REMUNERATION COMMITTEE

Mr. Ignace Van Doorselaere obtained a degree as an English-Spanish Conference Interpreter at Hogeschool Gent, after which he obtained an additional Post Graduate degree in Business Administration from the Catholic University of Leuven, as well as an MBA from the Wharton School, University of Pennsylvania. In addition to experience at The Boston Consulting Group in Paris, Mr. Van Doorselaere was also able to further develop his management skills by joining AB-Inbev as Head of M&A in 1990, and was subsequently appointed Head of Corporate Strategy Worldwide, then as General Manager AB-I Netherlands, and finally as Executive Vice President Western Europe. In 2004, he joined the listed company Van de Velde NV as CEO and was afterwards CEO at Neuhaus NV and The Cookware Company BV.

Other positions in listed companies:
Mr. Van Doorselaere (4F BV) does not hold any positions or mandates in other listed companies.



MR. JO DE WOLF, PERMANENT REPRESENTATIVE OF LUPUS ASSET MANAGEMENT BV

INDEPENDENT DIRECTOR AND MEMBER OF THE NOMINATION AND REMUNERATION COMMITTEE

Mr. Jo De Wolf who holds a Master degree in Applied Economics, has been active in European real estate since 1997. After a first job as marketing director of a Belgian development company, he broadened his real estate expertise in various companies of the Ackermans & van Haaren group. From 2006 until 2010, he was active as Head of the Real Estate Department of The Brussels Airport Company and as of October 2010, he is Chief Executive Officer of Montea, investing in logistic and industrial real estate in Belgium, the Netherlands, France and Germany.

Other positions in listed companies:
Mr. De Wolf is also a non-executive board member at Nextensa NV and an executive board member at Montea NV.



MRS. ELS DE KEUKELAERE, PERMANENT REPRESENTATIVE OF EDK MANAGEMENT BV

INDEPENDENT DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE

Ms. De Keukelaere holds a Master's degree in Applied Economics (UGhent) as well as a Master of Financial Management (Vlerick Business School). She has held the title of auditor since 2004 and was since 2020 till January 2025 CFO and director at Ekopak NV. Previously she was active for many years as executive director at KPMG Bedrijfsrevisoren and has gained in that capacity an extensive expertise in risk management. Currently she is CFO at ABO Group Environment NV.

Other positions in listed companies:
Mrs. De Keukelaere does not hold any positions or mandates in other listed companies.

The independent directors[1] all fulfil the criteria as described in the BCAC and the Corporate Governance Code 2020 and were appointed on the recommendation of the Board of Directors, which was advised in this respect by the Nomination and Remuneration Committee. The reference shareholders did not exercise their nomination right with regard to these appointments.

The Company clarifies that she also regards Marion Debruyne BV, represented by Mrs. Marion Debruyne as its permanent representative, as an independent director in accordance with Article 7:87 of the BCAC. This determination is based on her fulfillment of all the criteria outlined in the Corporate Governance Code 2020, with the exception of the fact that her mandate has been held for more than 12 years. However, the Company firmly believes that this tenure does not compromise her independent position as a Director. Throughout her tenure, Mrs. Debruyne has consistently demonstrated independence in fulfilling her responsibilities, maintaining a clear and objective stance that is unaffected by the perspectives of the Executive Management or the reference shareholders. Her decisions and contributions have always been guided by her professional judgment and by her commitment to the best interests of the Company and its stakeholders. Furthermore, Mrs. Debruyne brought unique and highly specialized knowledge to the Board, particularly through her distinguished academic career. This expertise, combined with her experience, has enabled her to provide valuable insights and contribute meaningfully to the Company's strategic direction and governance, further underscoring her role as an independent and effective Director.

The Board of Directors continuously evaluates the criteria for its own composition and that of its Committees, taking into account ongoing and future developments, stakeholder expectations, strategic objectives, and the risks to which the Company may be exposed. This evaluation process ensures that the Board remains well-equipped to address the evolving needs of the Company and its environment.

In doing so, the Board places significant emphasis on achieving complementarity and diversity among its members, considering factors such as professional background, skills, expertise, gender, and age. The aim is to foster a decision-making body that reflects a wide range of perspectives and experiences.

Additionally, the Board is committed to maintaining a balance between renewal and continuity. This approach ensures that the institutional knowledge and historical insights of the Company are preserved and effectively transferred, while simultaneously integrating fresh viewpoints and remaining attuned to emerging societal and industry trends. This balance is crucial for enabling the Board and its Committees to stay relevant, innovative, and responsive to the changing demands of the Company and its stakeholders.

The General Counsel of the Company serves as the secretary to the Board of Directors, in accordance with Article 3.19 and subsequent provisions of the Belgian Corporate Governance Code 2020. In this capacity, the General Counsel ensures the proper organization and facilitation of Board meetings, assists in preparing agendas, ensures compliance with applicable governance standards, and supports the Board in fulfilling its duties effectively and transparently.

[1] *Except for Marion Debruyne*

The table below presents an overview of the attendance of each director at the seven meetings held in 2024.

NAME	POSITION	END DATE	ATTENDANCE TO THE 7 MEETINGS
Mr. Joost Bert permanent representative of Pentascoop NV[1]	Chair	2026	All meetings ●●●●●●●
Mr. Eddy Duquenne	Managing Director	2026	All meetings ●●●●●●●
Mrs. Marion Debruyne permanent representative of Marion Debruyne BV	Independent non-executive director	2025	All meetings ●●●●●●●
Mrs. Marleen Vaesen permanent representative of Mavac BV	Independent non-executive director	2026	All meetings ●●●●●●●
Mr. Geert Vanderstappen permanent representative of Pallanza Invest BV[1]	Non-executive Director	2026	All meetings ●●●●●●●
Mr. Ignace Van Doorselaere permanent representative of 4F BV	Independent non-executive director	2025	6 meetings ●●●●●●○
DIRECTORS AS OF 8 MAY 2024			
Mr. Jo De Wolf Permanent representative of Lupus Asset Management BV	Independent non-executive director	2026	4 meetings ●●●●○○○
Mrs. Els De Keukelaere, Permanent representative of EDK Management BV	Independent non-executive director	2026	4 meetings ●●●●○○○
DIRECTORS UNTIL 8 MAY 2024			
Mr. Philip Ghekiere permanent representative of PGMS NV	Non-executive director	2024	3 meetings ●●●○○○○
Mrs. Sonja Rottiers permanent representative of SDL Advice BV	Independent non-executive director	2024	3 meetings ●●●○○○○

[1] *Representing the reference shareholders*

ACTIVITY REPORT OF THE BOARD OF DIRECTORS

In addition to the duties assigned to the Board of Directors under the BCAC, the Articles of Association and the Charter, mainly the following topics were discussed:

- the commercial and financial results, together with forecasts;
- treasury and financing topics;
- the sustainability strategy and its implementation within the company, the related governance structure, the 2024 and 2025 CSRD reporting requirements and other ESG topics including information about material ESG impacts, risks and opportunities;
- the short- and long-term strategy including risk appetite and ongoing strategic projects;
- the 2025 profit plan;
- the ongoing cinema and real estate projects;
- the main business risks, including social and environmental risks and ICT security, and the methods used to control them;
- the remuneration policy and the remuneration of the executive management including the short term incentives;
- the Investor Relations programs.

Other items, including human resources, external communication, disputes and legal and tax matters, are addressed as needed or desired. At least seven meetings are scheduled for the year 2025. Additional meetings may be held if needed.

COMPOSITION AND ACTIVITY REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

In line with the applicable governance rules, the Company operates a single joint committee: the Nomination and Remuneration Committee. This Committee is composed of the following non-executive directors, the majority of whom are independent:

- Pentascoop NV, with Mr. Joost Bert as permanent representative, who chairs this Committee;
- 4F BV, whose permanent representative is Mr. Ignace Van Doorselaere;
- Lupus Asset Management BV, whose permanent representative is Mr. Jo De Wolf.

These members bring the required expertise and professional experience in human resources, gained through their previous and/or current roles as CEOs

The Nomination and Remuneration Committee met five times in 2024, headed by its Chair, with all members of the Committee in attendance.

The following topics were mainly discussed during these meetings:

- the remuneration package 2024-2025 for the Executive Management;
- the remuneration report to be included in the Annual Report 2023;
- the evaluation of the targets for the financial year 2024 for the Executive Management and the related remuneration;
- the targets for the Executive Management for the financial year 2024, as well as the related remuneration;
- the (re)appointment of directors;
- the appointment of a new Chief Financial Officer;
- an amendment to the Remuneration Policy;
- a further review of the Remuneration Policy and remuneration report following the General Meeting of 8 May 2024.

The CEO may attend the meetings of the Nomination and Remuneration Committee by invitation, without participating in the deliberations or decisions.

COMPOSITION AND ACTIVITY REPORT OF THE AUDIT COMMITTEE

In accordance with the applicable governance rules, the Audit Committee is composed exclusively of non-executive directors, the majority of whom are independent. The Audit Committee has the appropriate expertise with regard to accounting and auditing and was composed as follows:

- Pallanza Invest BV, whose permanent representative is Mr. Geert Vanderstappen, who combines five years experience as Corporate Officer at Corporate & Investment Banking of Generale Bank, with seven years of operational experience as Financial Director at Smartphoto Group NV;
- Mavac BV, whose permanent representative is Mrs. Marleen Vaesen, who, among other things, has held the position of CEO at Greenyard NV and assumed the mandate of non-executive Director at Van de Velde NV from May 2022 until May 2024, after having held the role of CEO there;
- EDK Management BV, whose permanent representative is Mrs. Els De Keukelaere, who currently holds the position of CFO at Abo Group NV after having been active as CFO at Ecopak NV and as executive director within an audit firm.

The CFO, the CEO, the Chair of the Board of Directors and the internal auditor attend the meetings of the Audit Committee. The representatives of the reference shareholders may attend the meetings by invitation.

The Audit Committee, headed by its Chair Mr. Geert Vanderstappen, met four times in 2024, with all its members in attendance. The following key topics were primarily discussed:

- the financial reporting in general, and the annual statutory and consolidated financial report, the half-yearly financial report, and the related press releases in particular;
- the establishment and monitoring of the internal audit activities, including discussion of the annual report issued by the internal audit department and the internal audit Plan for 2025;
- the WACC for investment models;
- the evaluation of the internal control and risk management systems to ensure that the most important risks are identified and properly managed, including through the annual risk management action plan;
- the evaluation of the effectiveness of the external audit process;
- the evaluation of the internal auditor's work;
- the monitoring of the financial reporting and its compliance with the applicable reporting standards;
- the results of the impairment tests;
- the ICT risk reporting;
- the follow-up of the Non-Audit Services regulations.



EVALUATION OF THE BOARD OF DIRECTORS, ITS COMMITTEES AND ITS INDIVIDUAL DIRECTORS

Since a formal written evaluation of the Board and its committees was conducted and thoroughly discussed in 2023, there was no need to undertake a new structured evaluation in 2024. However, the meetings of the Board of Directors and its committees continue to be conducted in an open and transparent manner. This approach promotes ongoing and informal evaluations of their functioning and performance.

These informal evaluations include regular assessments of the Board’s dynamics and its interaction with the CEO, ensuring consistent, candid communication and the continuous enhancement of governance practices.

DIVERSITY

The Board of Directors currently comprises three female members, representing more than one-third of its composition, thereby meeting the legal requirement that at least one-third of the Board's members be of a different gender than the other members.



Looking ahead, the Board of Directors intends to expand its diversity policy beyond gender, skills, and age by placing additional emphasis on the international management experience of its directors. This focus aims to ensure that the Board remains attuned to the diverse social, political, and economic contexts in the regions where Kinepolis Group operates. These diversity objectives are embedded in the selection criteria used by the Nomination and Remuneration Committee and the Board when identifying potential directors. This process has resulted in a Board composition that not only includes three female directors but also features members with complementary profiles in terms of expertise, knowledge, and experience, including significant international management experience and ESG skills.

The Executive Management of Kinepolis Group is currently represented solely by the CEO, Mr. Duquenne. The Board of Directors retains the authority to appoint additional members to the Executive Management and reviews the CEO's succession plan annually in an informal manner. Given this structure and the absence of a formal or informal executive committee within the Group, a specific diversity policy for those tasked with day-to-day management has not been developed. Nonetheless, the focus remains on ensuring that candidates possess the necessary management and business experience, insights, skills, and expertise to fulfill their roles effectively.

This foundational principle is consistently applied throughout the entire organization, ensuring equal consideration for all employees, irrespective of their nationality, cultural background, age, or gender. Further details on this approach can be found in the ESG section of this annual report.

INSIDER TRADING POLICY – CODE OF CONDUCT – TRANSACTIONS WITH RELATED PARTIES

The Dealing Code (which is part of the Code of Conduct), which was approved in 2016 and updated in 2019 and 2024, is designed to ensure that share trading by the persons concerned occurs strictly in accordance with the applicable EU and national rules, as well as in accordance with the guidelines issued by the Board of Directors. As Compliance Officer, the Chief Financial Officer (CFO) is responsible for monitoring compliance with the rules on insider trading, as set out in this Protocol.

The aforementioned Code of Conduct as well the Supplier Code of Conduct, are outlined in greater detail in the ESG section of this report. These codes reflect the Company's commitment to ethical business practices and responsible supply chain management.

The limited transactions with related parties, as included in the Notes to the Consolidated Financial Statements, were conducted in complete transparency and with approval of the Board of Directors.

REMUNERATION REPORT

I. INTRODUCTION

The Remuneration Policy of the Company (https://corporate.kinepolis.com/en/remuneration-policy) sets out the remuneration principles for the members of the Board of Directors and the Executive Management, which currently consists of the CEO. This policy is aimed at attracting, motivating and retaining board and management members who, with their extensive, complementary and international knowledge and experience, can further develop and implement the sustainable and long-term value creation strategy of Kinepolis. The Remuneration Policy was elaborated by the Board of Directors in 2021, on the proposal of the Nomination and Remuneration Committee, and subsequently amended in 2022 and 2024 and, where required, submitted to the General Meeting for approval in accordance with the requirements of Article 7:89/1 of the Belgian Companies and Associations Code (hereafter referred to as the BCAC).

II. GENERAL PRINCIPLES OF THE REMUNERATION POLICY OF KINEPOLIS

Following the General Meeting held on 8 May 2024, the Nomination and Remuneration Committee conducted a thorough and detailed analysis of the votes cast by shareholders regarding the remuneration proposals included in the meeting's agenda. This shareholder feedback was subsequently incorporated into a broader evaluation of the Remuneration Policy, undertaken by the Board of Directors at the beginning of 2025.

After carefully reviewing the framework of the Remuneration Policy, the Board noted that significant proactive measures had already been introduced in 2022. These measures included the implementation of a claw-back mechanism, which enables the Company to recover variable compensation in specific circumstances. This mechanism underscores the Company's commitment to accountability, transparency, and alignment with the interests of its stakeholders.

In light of these prior enhancements and the findings of the evaluation, the Board has concluded that the current Remuneration Policy remains robust and the most suitable and effective structure for incentivizing and rewarding performance, while also fostering alignment with the Company's long-term objectives.

Consequently, no amendments to the policy are deemed necessary at this time and the Board will propose to the 2025 General Meeting that the current policy be retained without significant amendments. This approach ensures consistency and continuity in the Company's strategy for executive and director compensation, maintaining a balanced and transparent system that aligns with the expectations of shareholders and other stakeholders and that is aimed at enabling Kinepolis to attract, develop and retain the right talents for the Board of Directors and for the Executive Management, and to ensure that they are remunerated in accordance with their contribution to the long-term strategy of Kinepolis, which is to remain a resilient, sustainable and innovative Group with added value for all stakeholders.

BOARD OF DIRECTORS

The overall remuneration for the Board of Directors is decided annually by the General Meeting on the proposal of the Board of Directors, assisted by the Nomination and Remuneration Committee and based on the principles included in the Remuneration Policy. The above-mentioned mechanism ensures that no conflicts of interest can arise.

The Chair of the Board of Directors receives a predetermined fixed annual remuneration. This amount is established in accordance with the guidelines outlined in the Remuneration Policy.

In determining the Chair's remuneration, consideration is given to the multifaceted nature of his role:

- Chairing the Nomination and Remuneration Committee: Compensation for the Chair's role in leading this committee is included.
- Participation as a Non-Executive Director in Group Companies: The remuneration also accounts for the Chair's involvement on the boards of directors of other companies within the Kinepolis Group.
- Representation on the international stage: The Chair regularly serves as a key representative of the Company in the global cinema sector, fostering relationships and promoting Kinepolis' s interests on the international stage.
- Support to Executive Management: The Chair provides substantial support to the Executive Management by leveraging extensive industry knowledge and experience, offering guidance, strategic insight, and advice to enhance decision-making processes. This advisory role is performed without infringing upon the executive responsibilities of the CEO, maintaining a clear delineation of roles and responsibilities.
- Additionally, the Chair plays a crucial role in fostering and facilitating meaningful engagement between the Board of Directors and the company's reference shareholders. Through these efforts, the Chair significantly contributes to the overall governance and strategic objectives of the organization.

The remuneration for the other members of the Board is structured as a fixed compensation package. It includes an annual base amount, which is granted for attending at least six Board meetings per year. In addition, members receive an attendance fee for participating in Committee meetings. An additional fixed annual amount is also provided to the Chairpersons of the Audit Committee and the Nomination and Remuneration Committee, provided these roles are held by individuals other than the Chair of the Board of Directors.

No shares are allocated to non-executive directors as part of their remuneration. As the Kinepolis' strategy and operating model, focused on long-term sustainable value creation, is already an inherent part of the vision of the Board of Directors, there is no additional need to (partly) tie the remuneration of non-executive directors to shares in the Company.

Non-executive directors moreover do not receive bonuses, participate in long-term stock-related incentive programs, or receive benefits in kind, except for the privilege of attending a limited number of film screenings each year. This approach underscores the Company's commitment to maintaining a straightforward and transparent remuneration structure for its non-executive directors.

	ACTIVITIES IN RELATION TO THE BOARD OF DIRECTORS		ACTIVITIES IN RELATION TO A COMMITTEE [1]	
	ANNUAL FIXED REMUNERATION	ATTENDANCE REMUNERATION FOR AT LEAST 6 MEETINGS	ANNUAL FIXED REMUNERATION	ATTENDANCE REMUNERATION PER MEETING
Chair	€ 570 000	n/a	€ 12 000	€ 3 000
Member	n/a	€ 37 500	n/a	€ 3 000

(1) If the Chair of the Board of Directors is also the Chair of a Committee, no additional remuneration is granted.

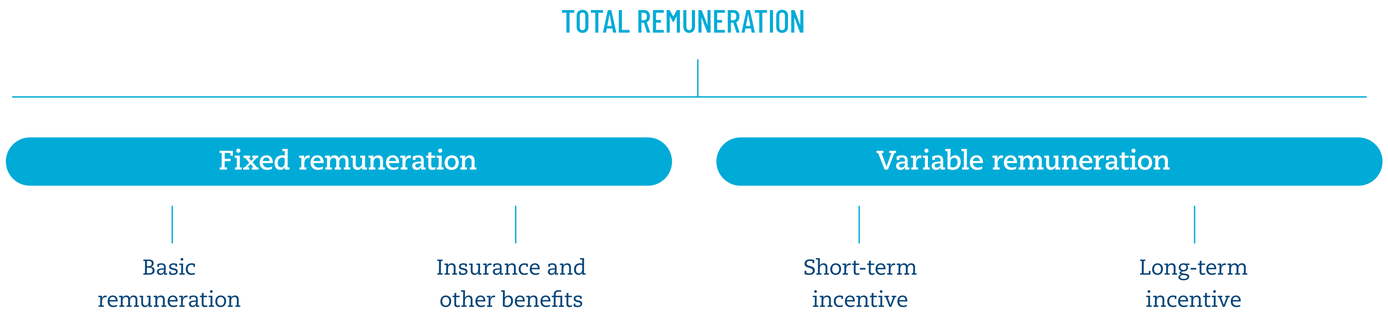
EXECUTIVE MANAGEMENT

The Board of Directors determines the remuneration of the members of the Executive Management on the proposal of the Nomination and Remuneration Committee, taking into account the experience, level of responsibility and performance, and the benchmark results of comparable companies in the Reference Framework used by the Company.

On the advice of the Nomination and Remuneration Committee, the Board of Directors annually determines the performance criteria that the members of the Executive Management must achieve in the coming year. These criteria promote a sound and effective risk management and discourage taking risks that fall outside the risk tolerance limits of the Company. Once the annual results have been determined, the Nomination and Remuneration Committee will assess whether these performance criteria have been achieved and subsequently, the Board of Directors will determine the amount of variable remuneration based on this assessment.

As stipulated in the Remuneration Policy, the remuneration of the Executive Management can consist of four components: (i) a basic remuneration, (ii) insurance and other benefits, (iii) an annual short-term incentive (STI) and (iv) a long-term incentive (LTI).

As the Executive Management already holds a significant and meaningful number of the Company's shares and stock options in its portfolio, and its interests are therefore aligned with the long-term interests of Kinepolis, no explicit minimum requirements regarding the holding of Kinepolis shares have been included in the Remuneration Policy of Kinepolis.



Fixed remuneration

Basic remuneration
The basic remuneration, annually adjustable in accordance with the Consumer Price Index evolution, is evaluated by the Board of Directors every two years, on the proposal of the Nomination and Remuneration Committee, and reflects the experience, skills, activities and responsibilities of the Executive Management. The evaluation takes a number of criteria into account, such as:

- benchmark data from companies that are part of the Reference Framework in order to ensure that the remuneration is in line with market conditions, taking into account that the Executive Management is self-employed;
- significant changes in the job profile, such as changes in the level of responsibilities or in the complexity of the position; and/or
- significant changes in the size or activities of Kinepolis.

Insurance and other benefits
Apart from the benefit of a liability insurance for Managing Directors and Directors, the Executive Management receives no benefits in kind. In line with market practice, the Remuneration Policy also provides for the possibility for the Board of Directors to incorporate contributions to a pension plan into the remuneration package for the Executive Management.

Variable remuneration

The purpose of the variable component is to ensure that the interests of the Executive Management are aligned with those of Kinepolis and its stakeholders, i.e. that they lead to long-term sustainable value creation and provide the right incentive to achieve the short- and long-term objectives of Kinepolis and its stakeholders.

The General Meeting of 8 May 2024 approved the proposal from the Board of Directors, made in accordance with Article 7:91 of the Belgian Code of Companies and Associations (BCAC), to set out a framework for the annual variable remuneration of the Executive Management whereby the entirety of the annual variable remuneration for the Executive Management for the periods spanning from 2025 to 2029 will be based on performance indicators assessed over a one-year measurement period.

While the Board of Directors acknowledges the votes casted against this proposal by some of the shareholders, she emphasizes that a one-year measurement period allows her to focus on annual achievements necessary to maintain strategic momentum while simultaneously ensuring alignment with the overarching long-term goals of the Company as the performance criteria are always carefully crafted to support the long-term objectives of the Company by incentivizing actions and decisions that drive sustainable growth and value creation.

Annual short-term incentive (STI)
Although the short-term incentive is granted annually, it is based on the achievement of objectives that promote and/or support the long-term strategy and key strategic priorities of Kinepolis.

The maximum amount of STI is set on a biennial basis by the Board of Directors with careful consideration of an appropriate ratio between the fixed and the variable remuneration. In case of significant outperformance or exceptional performance an additional bonus can be granted whereby the total STI can never exceed 100% of the fixed remuneration.

Starting with the financial year 2024, the Board resolved to assign equal weighting to financial and non-financial objectives in its performance assessment framework. This decision reflects the Company's strong conviction that non-financial objectives hold equal importance to financial metrics in providing a comprehensive measure of overall corporate performance.



This structured approach not only aligns management's performance with the company's strategic priorities but also incentivizes consistent and sustainable value creation, ensuring accountability and alignment with the broader interests of stakeholders.

Financial performance criteria
Regarding the financial objectives, the Board of Directors employs a specific performance criterion to evaluate progress and success: the evolution of the REBITDAL in comparison to the targets established by the Board. This performance metric is considered a highly relevant and effective parameter for assessing the growth and progression of value creation within Kinepolis.

For each relevant fiscal year, the Board determines a predetermined margin for REBITDAL performance. If the company's REBITDAL for that year falls within this predefined range, a portion of the Short-Term Incentive (STI) tied to the financial objectives will be awarded. The specific payout amount is calculated on a pro-rata basis, ranging from 0% to 100% of the STI component linked to financial performance. This ensures that the incentive reflects the degree to which the financial objectives have been achieved.

By focusing on REBITDAL, the Board is able to gauge the company's operational and financial health in a manner aligned with its strategic goals.

Non-Financial performance criteria
The non-financial criteria to be achieved over a one-year period, though always supporting long-term objectives, are based on:

(a) the known Kinepolis three-pillar strategy (Best Cinema Operator, Best Marketer, Best Real Estate Manager);
(b) the internal and external expansion strategy; and
(c) the sustainability strategy.

The concrete objectives and milestones are set and evaluated each year by the Board of Directors, on the proposal of the Nomination and Remuneration Committee.

Long-term incentive (LTI)
The LTI consists out of stock options that are considered as a strategic tool to promote long-term retention and alignment with company goals.

In view of Belgian tax legislation according to which stock options are taxed when granted, the Kinepolis stock option plan is in se not performance based. However the interests of the Executive Management are considered to be sufficiently aligned with those of Kinepolis in the long term, as value of the stock options lie in the long-term evolution of the share price and the retention is achieved by the fact that the stock options can only be exercised in tranches from the start of the 4th calendar year after they were granted.

The main features of the above-mentioned 2023 Stock Option Plan can be summarized as follows:

- ✓ The exercise price was determined in accordance with the Belgian Stock Option Law;
- ✓ The options only become gradually exercisable from the fourth year after the date on which they were granted:
  - 66.64% from 1 January 2027;
  - 16.66% from 1 January 2028;
  - 16.70% from 1 January 2029.
- ✓ The options expire eight years after the date of the approval of the plan by the Board of Directors;
- ✓ The options are subject to 'Bad leaver' provisions leading to the loss of all stock options;
- ✓ The options are not transferable, except in case of death.

Claw-back provision

The General Meeting of 11 May 2022 approved the proposal of the Board of Directors to include a claw-back provision in the contractual arrangements with the Executive Management, with effect from 1 January 2022.

This provision allows the Board of Directors to recover all or part of a variable remuneration paid:

(i) if the financial results on which the variable remuneration is calculated contain a significant misstatement that leads to an adjustment of the Company's audited results; or

(ii) in the event of fraud or malicious intent by a member of the Executive Management that has an adverse material effect on the financial results of the Company, on which the variable remuneration is calculated.

The claw-back clause can be applied during a period of 3 years after the payment of the variable remuneration.



Dune: Part Two © *Warner Bros*

III. APPLICATION OF THE POLICY IN 2024

REMUNERATION OF THE BOARD OF DIRECTORS

The Directors were remunerated in accordance with the principles included in the Remuneration Policy as approved at the General Meeting of 11 May 2022 and as amended by the Board of Directors in 2024:

NAME	POSITION	REMUNERATION FOR MEETINGS OF THE BOARD OF DIRECTORS	REMUNERATION FOR MEETINGS OF A COMMITTEE	TOTAL REMUNERATION[1]
Mr. Joost Bert permanent representative of Pentascoop NV[(1)]	Chair of the Board of Directors and of the Nomination and Remuneration Committee	€ 570 000	-	€ 570 000
Mr. Eddy Duquenne	CEO	€ 37 500	-	€ 37 500
Mrs. Marleen Vaesen permanent representative of Mavac BV	Independent director	€ 37 500	€ 12 000	€ 49 500
Mrs. Marion Debruyne permanent representative of Marion Debruyne BV	Independent director	€ 37 500	-	€ 37 500
Mr. Geert Vanderstappen permanent representative of Pallanza Invest BV[(1)]	Director and Chair of the Audit Committee	€ 37 500	€ 24 000	€ 61 500
Mr. Ignace Van Doorselaere permanent representative of 4F BV	Independent director	€ 37 500	€ 15 000	€ 52 500
DIRECTORS AS OF 8 MAY 2024				
Mrs. Els De Keukelaere Permanent representative of EDK Management BV	Independent director	€ 25 000	€ 6 000	€ 31 000
Mr. Jo De Wolf Permanent representative of Lupus Asset Management BV	Independent director	€ 25 000	€ 3 000	€ 28 000
DIRECTORS UNTIL 8 MAY 2024				
Mrs. Sonja Rottiers permanent representative of SDL Advice BV	Independent director	€ 18 750	€ 18 000	€ 36 750
Mr. Philip Ghekiere permanent representative of PGMS NV	Director	€ 18 750	-	€ 18 750
TOTAL FOR ALL DIRECTORS				**€ 923 000**

(1) *All amounts are gross amounts before taxes.*

All members of the Board of Directors, as well as the directors of the subsidiaries of the Company, are insured via a 'Directors' Civil Liability Policy', for which the premium is borne by Kinepolis.

With the exception of the right to attend film screenings in Kinepolis cinemas, the non-executive directors did not receive any other remuneration, benefits, share-related bonuses or other incentive premiums from Kinepolis in 2024.

In 2024 Mr. Joost Bert and the former director Mr. Ghekiere exercised respectively 3 459 and 1 404 stock options that were granted to them in 2017 under the 2016 Stock Option Plan. As the Plan came to an end in May 2024, their remaining stock options became null and void.

JOOST BERT	OPTIONS GRANTED	OPTIONS EXERCISABLE	OPTIONS EXERCISED	EXERCICE PRICE	FORFEITED OPTIONS	REMAINING OPTIONS
2016 STOCK OPTION PLAN	0	45 000	3 459	€ 41.55	41 541	0
2023 STOCK OPTION PLAN	0	N/A	N/A	N/A	N/A	N/A

PHILIP GHEKIERE	OPTIONS GRANTED	OPTIONS EXERCISABLE	OPTIONS EXERCISED	EXERCICE PRICE	FORFEITED OPTIONS	REMAINING OPTIONS
2016 STOCK OPTION PLAN	0	45 000	1 404	€ 41.55	43 596	0
2023 STOCK OPTION PLAN	0	N/A	N/A	N/A	N/A	N/A

REMUNERATION OF THE CEO

Principle

In 2023, the Nomination and Remuneration Committee, along with the Board of Directors, undertook a comprehensive evaluation of the remuneration envelope for the CEO. The evaluation was conducted with reference to a carefully selected framework of Mid-Cap companies whose international operations are similar to those of Kinepolis. This benchmarking exercise aimed to ensure that the CEO's remuneration package remained competitive, equitable, and aligned with market standards.

As part of this process, the Board considered insights from external executive remuneration surveys and factored in the broader economic impact of inflation. After thorough analysis and based on the advice of the Nomination and Remuneration Committee, the Board of Directors approved a revised remuneration package for the CEO for the next two years, effective from 1 January 2024. The details of the package are as follows:

Fixed Component:
- Basic remuneration: € 900 000
- Other benefits: Directors' liability insurance

Variabel Component:
- Short Term Incentive (STI): The STI component is linked to the achievement of performance targets set annually by the Board of Directors. If all targets are met, a variable remuneration of €600 000 may be awarded. In cases where targets are significantly exceeded or exceptional performance is demonstrated, an outperformance bonus may be granted. However, the total STI amount, including any outperformance bonus, cannot exceed the CEO's basic remuneration.
- Long Term Incentive (LTI): The LTI component consists of 112 500 stock options granted under the 2023 Stock Option Plan, aligning the CEO's long-term interests with those of the Company and its shareholders.

In designing this package, the Board carefully ensured that an appropriate and motivating balance was maintained between the fixed and variable components. The structure is intended to provide a strong incentive for achieving both short-term and long-term performance objectives while offering stability through a competitive fixed remuneration.

Under this framework, the STI represents approximately 40% of the total remuneration if all performance targets are met. In the event of exceptional performance, this proportion can rise to up to 50%, ensuring that the package rewards outstanding achievements while maintaining alignment with the Company's strategic goals.

This revised remuneration package reflects the Company's commitment to aligning executive compensation with performance, market benchmarks, and the long-term interests of stakeholders.

Remuneration package as applied for the financial year 2024

Fixed remuneration
The fixed remuneration for the financial year 2024 was € 900 000.

Insurance and other benefits
Apart from the benefit of the liability insurance for managing directors and directors, the Executive Management receives no benefits in kind or contributions to a pension plan.

Variable remuneration (STI):
After analyzing the report made by the Nomination and Remuneration Committee, the Board of Directors concluded the following:

- Financial performance REBITDAL target (50%): Due to the disappointing attendance figures in the first half of the year as a result of the Hollywood strike and the fact that the particularly successful second half of the year could not fully compensate for that decline, the realised REBITDAL did not fall within the predefined range and the related part of the variable remuneration was not granted.
- Non-financial performance target (50%): The non-financial targets that were focused on the further development and support of the three-pillar strategy, the expansion strategy and the sustainability strategy, have been entirely met and the related part of the variable remuneration was fully awarded for the amount of € 300 000.

PERFORMANCE MEASURE	DESCRIPTION AND RELEVANCE FOR THE STRATEGY	WEIGHTING	ACHIEVEMENT
Enhancing the strategic processes of identifying attracting, developing, and retaining top talent within the organization	The further development of these processes is an essential factor in the successful deployment of the three pillar strategy of the Company	12.5%	100%
ESG reporting	The ESG reporting and framework provides the Company with a useful tool to identify, analyze, prioritize, and avoid/mitigate various business risks and is therefore essential to an effective governance of the Company	12.5%	100%
Top line growth initiatives	The further growth of sales per visitor is essential for the execution of the three-pillar strategy	12.5%	100%
Optimization of the Expansion strategy	An optimization of the internal and external expansion strategy is an indispensable step to keep pace in a changing environment	12.5%	100%

With regard to the “top line growth target,” the Board has conducted a thorough evaluation of the strategy devised by Executive Management, which centers around the concept of “premiumisation.” This approach, aimed at enhancing the overall customer experience through elevated offerings, has proven to be highly successful and financially rewarding.

In pursuit of this strategic direction, the company has introduced a range of luxury seating concepts alongside large premium format screens, such as Laser Ultra and ScreenX, across multiple territories. These innovations have been met with enthusiastic reception from customers, who have shown a clear preference for the enhanced viewing experience and elevated comfort provided by these premium features.

As a result, this strategic shift has not only increased occupancy rates of these offerings but has also driven higher profit margins, reinforcing the effectiveness of the premiumisation approach in delivering sustainable top-line growth. The Board remains confident that this focus on premium offerings will continue to yield positive results and strengthen the Company's market position moving forward.

Consequently, in recognition of this significant achievement and the successful execution of the premiumisation strategy, the Board has decided to reward Executive Management with an outperformance bonus of € 150 000. This remuneration reflects the Board’s appreciation for the Executive Management’s dedication, strategic vision, and ability to drive substantial growth and enhanced profitability for the Company.

REMUNERATION EXECUTIVE MANAGEMENT

EDDY DUQUENNE BV [1]	FIXED REMUNERATION		VARIABLE SHORT-TERM REMUNERATION	OUTPERFORMANCE/ EXCEPTIONAL COMPENSATION	PENSION COSTS	TOTAL REMUNERATION	RATIO BETWEEN FIXED AND VARIABLE REMUNERATION
	BASIC	BENEFITS					
2024	€ 900 000	N/A	€ 300 000	€ 150 000	0	€ 1 350 000	Fixed: 66.6% Variable 33.4%

Long-term incentives (LTI)

The Stock Option Plans of the Company are designed with the objective of attracting and retaining top management talent. Considering the specifics of Belgian tax legislation, which requires upfront taxation of stock options, the vesting of options under both the 2016 and 2023 Stock Option Plans is not directly tied to predetermined performance criteria.

However, individual and collective performance is indirectly reflected in two keyways:

- The inclusion of 'bad leaver' provisions, leading to the loss of all stock options
- The alignment of management interests with the Company's performance through the evolution of the share price.

Having granted in 2023 the Executive Management 112 500 stock options under the 2023 Stock Option Plan, and given the important and stable shareholder position of the current Executive Management, the Board of Directors believes that this LTI, combined with the other remuneration components, provides a remuneration package that aligns the interests of the Executive Management with those of Kinepolis and its stakeholders and promotes the execution of a strategy of sustainable profitable growth.

In 2024, the CEO exercised 2 817 stock options granted under the 2016 Stock Option Plan.

CEO	OPTIONS GRANTED	OPTIONS EXERCISABLE	OPTIONS EXERCISED	EXERCICE PRICE	FORFEITED OPTIONS	REMAINING OPTIONS
2016 STOCK OPTION PLAN	0	90 000	2 817	€ 41.55	87 183	0
2023 STOCK OPTION PLAN	112 500	0	0	€ 43.76		112 500

(1) All amounts are gross amounts before taxes.

IV. SEVERANCE PAYMENTS

No severance payments were paid out, as no member of the Board of Directors or the Executive Management left the Company in 2024.

V. CLAW-BACK RIGHTS

There were no circumstances in 2024 that would give rise to a full or partial claw-back of the variable remuneration.

VI. EVOLUTION OF THE REMUNERATION AND PERFORMANCE OF KINEPOLIS

	2020	2021	2022	2023	2024
Remuneration of directors	-21.90%(1)	+27.87%	-2.45%	+1%	+0.38%
Remuneration of CEO(2)	+10.57%(3)	-42.1%	+115.32%	+0%	-14.6%
Net profit	-227.11%	+63.09%	+208%	+104%	-27.84%
Adjusted EBITDA	-89.96%	+313.11%	+108.9%	+24.6%(5)	-11.07%
Average remuneration of the employees(4)	-31%	+21%	+15.44%	+22.68%	-5.58%

(1) *The remuneration of the Board of Directors was temporarily reduced by 20% in 2020.*

(2) *The evolution up to 2021 takes into account the total remuneration whereby, for the STI, the amount granted for objectives achieved in the previous financial year was taken into consideration. The remuneration as a director is not included in the evolution.*

(3) *In order to maintain comparability, the deferred payment in 2021 of the variable performance remuneration for 2019 was added to the remuneration for 2020*

(4) *The evolution is based on the wage costs of Kinepolis Group NV for all employees as well as all natural and legal persons associated with the Company through a management agreement or similar, and takes into account fixed and variable remuneration, holiday pay, end-of-year pay, all fringe benefits and the employer contributions.*

(5) *Corrected percentage for 2023*

VII. RATIO BETWEEN THE HIGHEST AND LOWEST REMUNERATION

The ratio between the highest and the lowest remuneration within Kinepolis Group NV is 31.5, taking all components of the remuneration into account. More specifically, this includes the following for the lowest remuneration: fixed remuneration, variable remuneration, holiday allowance, end-of-year bonus, all fringe benefits and employer contributions.

VIII. SHAREHOLDER'S VOTE

In accordance with Article 7:149, paragraph 3 of the Belgian Companies and Associations Code (BCAC), Kinepolis has conducted a thorough evaluation of the votes cast by shareholders on its Remuneration Report. Where feasible, the Company has engaged in constructive discussions with its (represented) shareholders to better understand their perspectives and concerns. This approach underscores Kinepolis' commitment to maintaining open and transparent communication with its investors.

Following this analysis and dialogue, the Company has changed in its 2023 Annual Report its methodology for reporting on variable remuneration to provide greater clarity and insight into how these rewards are determined and allocated. These adjustments reflect Kinepolis' ongoing efforts to align its governance practices with evolving stakeholder expectations and regulatory requirements.

With regard to the requests for more detailed disclosure of the performance criteria for the variable component of the remuneration for the Executive Management, the Board of Directors recognizes that performance evaluation is a crucial element in assessing the achievement of predefined goals and therefore conducts the evaluation process with the utmost objectivity and rigor. The Board carefully reviews the extent to which these goals have been achieved, taking into account all relevant critical success factors associated with each objective. This comprehensive approach ensures that the performance assessment is thorough, balanced, and aligned with the long-term interests of the Company and its stakeholders.

However, while the Board is committed to transparency and accountability, she firmly believes that further public disclosure regarding the specifics of these evaluations and the corresponding remuneration decisions could be detrimental to the Company.

Concluding, the Board is confident that the current level of disclosure strikes the appropriate balance between transparency and the protection of the Company's strategic and operational integrity. This approach allows to uphold the principles of good governance while safeguarding the interests of the Company in a highly competitive environment.



RISK MANAGEMENT

DESCRIPTION OF THE MAIN CHARACTERISTICS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The Company has developed a process for risk management in accordance with the Corporate Governance rules and the various relevant regulations. In this regard, Kinepolis Group makes use of the 'Integrated Framework for Enterprise Risk Management' as developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This framework incorporates both the internal control and risk management processes, and is aimed at identifying and managing strategic, operational, and reporting risks, as well as legal and regulatory risks, in order to ensure that the corporate objectives are achieved.

Kinepolis Group follows the design of this model in the measures taken to manage the above risks in the business processes and in financial reporting. The system is developed centrally and is applied uniformly in the various parts of the organization and its subsidiaries as far as possible. The system fills in the various components as specified by the reference model, as well as the various roles and responsibilities relating to internal controls and risk control.

ROLES AND RESPONSIBILITIES

Risk management within Kinepolis Group is not the exclusive responsibility of the Board of Directors and the Executive Management; every employee is responsible for the proper and timely application of the various risk management activities within the scope of his or her job.

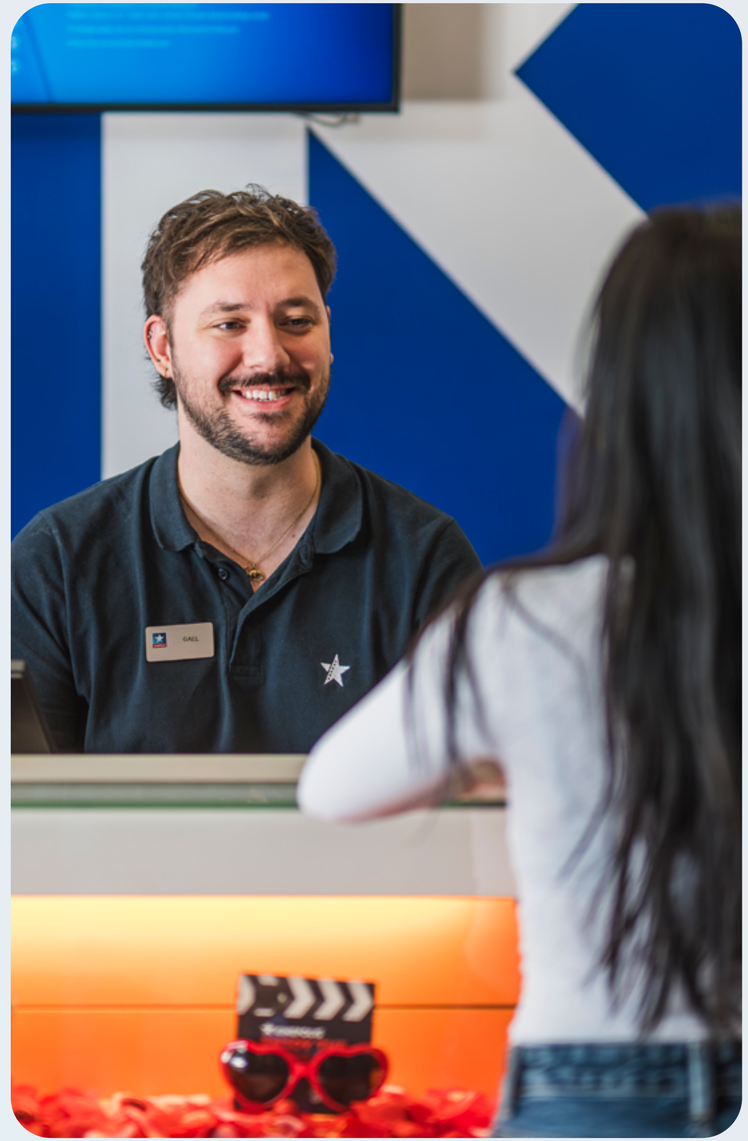
The responsibilities of the Board of Directors (and its various committees) and the Executive Management with regard to risk management are already extensively established and described in various laws and regulations, the Belgian Corporate Governance Code 2020, and the Kinepolis Corporate Governance Charter. In brief, it can be stated that the Executive Management bears ultimate responsibility for the appropriate implementation and management of the risk management system, while the Board of Directors has a supervisory role in this matter.

The implementation and oversight of the risk management system follow a hierarchical responsibility structure. Each manager is accountable not only for the effective introduction and application of risk management processes within their area of responsibility but also for ensuring their proper execution by their subordinates, who may themselves hold managerial roles.

This approach ensures that management can have confidence in the effective and comprehensive implementation of risk management across the company, with the assurance that risks within various business processes and departments are being addressed in a coordinated and integrated manner.

APPLICATION OF THE VARIOUS COMPONENTS

The Group's application of the various components of the COSO framework is summarized below. This overview highlights only the key elements and is not exhaustive Furthermore, the appropriateness of the framework's application is regularly assessed, ensuring it remains dynamic and subject to ongoing refinement.



INTERNAL CONTROL ENVIRONMENT

An effective internal environment is essential for successfully implementing other risk management components. To this end, Kinepolis Group places great emphasis on integrity and ethical conduct. Beyond adhering to the legal framework, the Group promotes and enforces these values through preventive measures—such as the Charter, Code of Conduct, work regulations, whistleblowing policies, stringent human resource criteria for staff selection and recruitment, regular evaluations, and various procedures and policies—and investigative measures, including reporting mechanisms and compliance inspections.

Another key element of the internal environment is the organizational structure. Kinepolis has established a clear and consistent structure aligned with its operations across various countries and business processes. This structure is closely integrated with the definition of objectives, budget management, and the remuneration process to ensure coherence and effectiveness.

Proper employee training and guidance are also vital for effective risk management. To support this, the training needs of each employee are evaluated annually, in addition to any mandatory training required for specific roles. New managers participate in introductory risk management training to ensure they are well-prepared for their responsibilities.



Dune: Part Two © *Warner Bros*

SETTING OF OBJECTIVES

Aligned with the Company's mission, business objectives are established for varying timeframes to drive strategic and sustainable growth. These objectives are reviewed and confirmed annually by the Board of Directors, as outlined in the Charter. The Board also ensures that these goals are consistent with the company's defined risk appetite, fostering a balanced approach to achieving sustainable success while managing potential risks effectively.

The financial and non-financial objectives set at the consolidated level are progressively translated into specific targets for individual countries, business units, and departments on an annual basis. At the most granular level, these are further broken down into individual objectives for each employee. The achievement of these personal objectives is directly tied to the Company's Remuneration Policy, ensuring alignment between performance and rewards.

Progress toward these objectives is regularly monitored through business-controlling activities, which rely on detailed management reports. Individual objectives are evaluated at least once annually as part of a formal HR performance review process, ensuring accountability and alignment with organizational goals.

INTERNAL CONTROL

Internal Control is defined as the identification and assessment of business risks, as well as the selection, implementation, and management of the appropriate risk responses (including the various internal control activities).

As stated above, it is first and foremost the duty of every manager to properly set up and implement the various internal risk management activities (including monitoring) within the scope of his/her job. In other words, each manager is responsible for the appropriate and timely identification and evaluation of business risks, and for ensuring that the control measures are taken and managed. Although the individual manager has some latitude when applying these rules, Kinepolis aims to standardize the process as far as possible. This is achieved by organizing e-learning ERM training courses, implementing structured policy guidelines and procedures, and using standard lists for the internal controls to be conducted.

The Board of Directors and the Management of Kinepolis conduct an annual risk assessment to acquire a general understanding of the business risk profile. The acceptability of residual risks is also assessed as part of this. If these are not acceptable, additional risk management measures are developed.

INFORMATION AND COMMUNICATION

Kinepolis Group has established the necessary structures, consultation bodies, reporting, and communication channels for both general business operations and risk management. These systems are designed to ensure that the relevant information, including data related to risk management, is promptly and properly provided to the appropriate individuals. The information is sourced from data warehouse systems that are specifically set up and maintained to meet the reporting and communication needs of the organization.



MONITORING

In addition to the monitoring activities conducted by the Board of Directors (including the Audit Committee) as stipulated by law, the applicable governance provisions and the Charter, Kinepolis mainly relies on the following monitoring activities:

- Business Controlling: the Management, supported by the Business Controlling department, analyzes the progress made towards meeting the objectives and explain the discrepancies on a monthly basis. This analysis may identify potential improvements with regard to the existing risk management activities and measures;

- Internal Audit: the existing risk management activities and measures are regularly assessed by the Internal Audit department with regard to internal rules and best practices. Possible improvements will be discussed with the Management, and shall result in the implementation of specific action points to further tighten risk management.

DESCRIPTION OF THE MAIN BUSINESS RISKS

To gain insight into the main business risks, the Board of Directors and Management conduct an annual risk assessment, which is then analyzed and validated by the Board of Directors. As in previous years, the 2024 assessment was based on a written survey of participants, providing both quantitative and qualitative results to evaluate risks in order of severity. While this method allows Kinepolis to differentiate significant risks from less significant ones in a well-founded manner, it remains an estimate of potential risks, and the measures needed to mitigate them. As such, it cannot guarantee the avoidance of risk events. The following list, presented in no particular order, is a non-exhaustive overview of the risks to which Kinepolis is exposed.

AVAILABILITY AND QUALITY OF AUDIOVISUAL CONTENT

As Kinepolis Group does not produce its own content (such as films, etc.), it relies on the availability, diversity, and quality of films and other audiovisual content, as well as the ability to rent this content from distributors. To mitigate this dependency, Kinepolis Group strives to maintain strong, long-term relationships with major film distributors, producers, and other content suppliers. The company also pursues a strategy of program diversification including alternative content and actively plays a role as a distributor in Belgium, Spain, and France. Additionally, capital expenditure on tax shelter projects in Belgium is part of this broader strategy to secure content.

SEASONAL EFFECTS

Kinepolis Group's operating revenue can fluctuate from period to period, as film release schedules are determined by producers and distributors, independent of cinema operators. Additionally, certain periods, such as holidays, can influence visitor numbers, and weather conditions can impact the frequency of cinema visits. While Kinepolis acknowledges this risk, as the costs of a financial hedging policy would outweigh the potential benefits, the company seeks to mitigate the impact by adjusting its cost structure where possible.



COMPETITION

The position of Kinepolis Group as a cinema operator is subject to competition, just like every other product or service for which substitutes exist. This competition results not only from the presence of cinemas run by other operators in the markets in which the Group is active and from the possible opening of new cinema complexes in those markets, but also from the increasing distribution and sometimes even simultaneous or exclusive availability of films and series via online content media, such as Netflix, Apple and Disney+. This development may be further influenced by the ongoing technical improvement of the quality of these

alternative ways of watching a film. In addition to these legal alternatives, the cinema industry also has to deal with illegal downloads. Kinepolis is working actively together with distributors to set up measures to counter any possible increase in the illegal sharing of content online. Finally, the position of Kinepolis Group is impacted by increasing competition from other forms of leisure activities, such as concerts, sporting events, gaming, etc., that can have an influence on the behaviour of Kinepolis customers.

Kinepolis Group aims to strengthen its competitive position as a cinema operator by implementing its strategic vision, which is focused on being able to provide customers with a premium service, content, and movie experience, as well as through the development of innovative concepts.

ECONOMIC CONDITIONS

Changes in global, regional, or local economic conditions, as well as shifts in the areas where Kinepolis Group operates, can impact consumer behaviour and the production of new films, potentially affecting the company's operating profits. To mitigate this risk, Kinepolis focuses on enhancing internal efficiency and closely monitoring and controlling costs and margins. Additionally, fluctuations in economic conditions may also increase competitive risks.

RISKS ASSOCIATED WITH GROWTH OPPORTUNITIES

In the event of further growth, competition authorities may impose additional conditions and restrictions on Kinepolis Group's expansion (as discussed under 'Political, regulatory, and competition risks' below). Furthermore, growth opportunities, whether through acquisitions or new-build projects, carry inherent risks that could negatively affect the company's targets. To mitigate these risks, Kinepolis Group conducts thorough evaluations of growth opportunities in advance, ensuring that potential risks are properly assessed and, when necessary, effectively managed.

POLITICAL, REGULATORY AND COMPETITIVE RISKS

Kinepolis Group is committed to operating within the legal framework at all times. However, changes or new legislation, including tax laws, could potentially restrict the company's growth and operations or result in additional capital expenditure or costs. To manage these risks, Kinepolis proactively implements necessary training, such as compliance courses on competition law and privacy regulations, and ensures effective communication and defense of the company's positions with relevant political, administrative, or legal bodies. Additionally, all employees are required to comply with the Kinepolis Code of Conduct, and all partners must adhere to the Kinepolis Business Code of Conduct, which includes labour, ethical, and sustainability standards. Kinepolis has also updated its Whistleblower Policy, allowing for the confidential reporting of potential violations of regulations or the Code of Conduct, available 24/7.

TECHNOLOGICAL RISKS

The cinema industry has become highly computerized and automated, where making the right technological choices and ensuring the optimal functioning of projection, sales, and other ICT systems is essential for delivering top-tier customer service. As a result, there is a risk of IT system disruptions due to cyber-attacks or technological failures, which could impact sales, cash flows, financial results, and the company's reputation. Kinepolis Group manages these risks by staying up to date with the latest technological developments, regularly analyzing and evaluating system architecture, securing, and optimizing networks as needed, and implementing ICT best practices. The Chief Information Security Officer plays a key role in cybersecurity efforts. Additionally, Kinepolis is working on staff awareness initiatives, including automated training platforms that simulate advanced phishing attacks within the system environment.

EMPLOYEE RISKS

As a service-driven company, Kinepolis Group heavily relies on its employees to deliver high-quality service. Attracting and retaining the right managers and employees with the necessary skills and experience across all areas of the business is an ongoing challenge. Kinepolis addresses this challenge by offering competitive employment terms, effective knowledge management, open and targeted communication, internal career growth opportunities, and fostering a positive work environment. The company also regularly measures employee satisfaction through surveys and adjusts its policies as needed. In addition, Kinepolis places great emphasis on employee health, striving to create a work environment with minimal risks. Beyond meeting legal safety and prevention requirements, Kinepolis has implemented various measures, such as preventive health check-ups, evacuation drills, and safety training.

CUSTOMER RISKS

Customer experience is central to Kinepolis Group, which prioritizes managing risks that could negatively impact the customer journey. The company is especially focused on the physical safety of its customers, ensuring health and safety risks are minimized within its complexes. This includes everything from user-safe buildings and installations to safe products (e.g., adherence to HACCP standards, noise levels, and air quality in theatres) and security measures to prevent feelings of insecurity. Kinepolis consistently measures customer satisfaction using the Customer Satisfaction Index (CSI), which assesses the overall experience and allows for operational adjustments when needed.

In alignment with its Best Marketer strategy, Kinepolis also upholds the privacy and data integrity of its customers. The company has appointed a Data Protection Officer (DPO) and implemented a range of legal and security measures to safeguard customer data. Additionally, GDPR training is provided to staff, regular audits are conducted to ensure the privacy policy is up to date, and the company's GDPR maturity is reviewed in internal committees, including the Audit Committee. Lastly, Kinepolis aims to address customer questions and concerns promptly, offering timely and effective services to prevent or resolve complaints or disputes quickly. Poor management of these risks could lead to reduced customer satisfaction, reputational damage, and a decline in visitor numbers, as well as an increased likelihood of disputes and administrative fines.

RISKS RELATED TO EXCEPTIONAL EVENTS

Events of an exceptional nature, including but not limited to climate risks such as extreme weather or rising sea levels, wars, political unrest, terrorist attacks, pandemics, or similar occurrences in the countries where Kinepolis Group operates, could result in significant damage to multiplexes, a decrease in customer numbers, or disruptions to product delivery, negatively affecting operations. Kinepolis works to minimize the potential impact of such risks through a combination of preventive measures (such as building design decisions and evacuation planning), detection systems (such as fire detection), and by securing adequate insurance coverage.



ENVIRONMENTAL LIABILITY AND PROPERTY RISKS

The real estate owned and leased by Kinepolis Group is subject to environmental liability regulations and potential property risks. In addition to the previously mentioned measures for managing political and regulatory risks, Kinepolis takes necessary steps to prevent environmental damage and minimize property risks.

Risks related to the physical impacts of climate change, along with increasing regulatory and reporting requirements, present additional challenges. However, as Kinepolis Group operates across multiple regions, the physical risk of climate change significantly affecting business operations is naturally limited. Despite this, Kinepolis is mindful of the potential impact and is working on measures to mitigate its consequences in alignment with European objectives. The company is also committed to dedicating the required resources to develop robust reporting in accordance with European and national regulations.

OTHER RISKS

Following the annulment of the Belgian Competition Authority (BCA) decisions of 31 May 2017 and 26 April 2018, which relaxed the behavioral conditions imposed on Kinepolis Group in 1997, the BCA lifted the condition prohibiting organic growth without prior consent on 11 February 2020, effective from 12 August 2021. However, other behavioral conditions, including the requirement for prior approval from the BCA for acquisitions in Belgium, remain in effect.



FINANCIAL RISKS AND THE USE OF FINANCIAL INSTRUMENTS

Kinepolis Group is exposed to a number of financial risks in its daily operations, such as interest risk, currency risk, credit risk and liquidity risk.

Derivative financial products concluded with third parties can be used to manage these financial risks. The use of derivative financial products is subject to strict internal controls and regulations. It is Group policy not to undertake any trading positions in derivative financial instruments for speculative purposes.

Kinepolis manages its debts by making use of a combination of short-, medium- and long-term borrowings. The mix of debts with fixed and floating interest rates is established at Group level. The net financial debt of the Group at the end of 2024 was € 319.3 million, excluding lease liabilities.

The Notes to the Consolidated Financial Statements provide a more detailed description of how the above-mentioned risks are managed.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company complies with the principles of the 2020 Code.

In line with the 'comply or explain' principle, the Company has decided that it was in the interest of the Company and its shareholders, in addition to the circumstances already described above, to deviate from:

- **Provision 7.6. of the Code:** The Company has decided that Non-Executive Directors will not be partially remunerated in shares. This decision is rooted in the fact that long term value creation represents a fundamental pillar of the overall strategy of the Company and that all Directors, regardless of whether they hold shares in the Company, are equally committed to advancing this strategic priority. By not linking the remuneration of Non-Executive Directors to share-based incentives, the Company ensures that their focus remains aligned with Kinepolis' long-term vision and objectives, rather than being influenced by short-term market fluctuations.

- **Provision 7.9 of the Code:** The Company has chosen not to establish a minimum threshold for the number of shares to be held by members of the Executive Management. This decision is based on several key considerations:

  - Firstly, the existing remuneration package for the Executive Management is already designed to emphasize sustainable value creation. The structure of this package ensures that executive incentives are aligned with the Company's long-term goals, thereby encouraging decision-making and performance that contribute to the enduring success of Kinepolis.

  - Secondly, the Executive Management already holds a significant shareholding in the Company. This existing stake naturally aligns its interests with those of the shareholders, fostering a sense of ownership and accountability without the need for additional mandatory thresholds.

  - By not imposing a specific minimum shareholding requirement, the Company retains the flexibility to tailor its remuneration approach to the unique needs of its Executive Management and overall strategic framework. This decision reflects the Company's confidence in the commitment of its leadership to drive sustainable value creation and maintain alignment with the broader interests of its shareholders and stakeholders.

OTHER INFORMATION

RESEARCH AND DEVELOPMENT

In the year under review, Kinepolis developed several new concepts to benefit its operating entities, aligned with the company's three strategic pillars. Kinepolis strives to continuously adapt the customer experience to changing demographic trends and to innovate in areas such as seating, comfort, picture quality, sound, and other factors to enhance the customer experience and protect the Group's profitability.

In 2024, Kinepolis made further investments in premiumization, including the further expansion of Premiere and VIP seating, the roll out of ten new Laser Ultra theatres, twenty-two new ScreenX theatres, and the continued transition to laser projection. As a result, 65% of the global theatres are now equipped with laser projection.

IMPORTANT EVENTS AFTER THE BALANCE SHEET DATE

The Group is actively engaged in refinancing its debt and is evaluating a range of options.

CONFLICT OF INTERESTS POLICY

The following decisions were taken by the Board of Directors on 20 February and 19 March 2024, pursuant to Article 7:96 of the BCAC:

- The evaluation of the performance of the Executive Management in the year 2023 and the variable remuneration for the financial years 2022 and 2023.
- The quantitative and qualitative target setting for the Executive Management for the financial year 2024.
- The remuneration package of the Executive Management for the financial years 2024 and 2025.
- A minor adjustment to the Remuneration Policy.

RESULT APPROPRIATION AND DIVIDEND

In its proposal to the General Meeting regarding the allocation and distribution of the result, various factors were taken into consideration by the Board of Directors, including the financial situation of the Company, the operating profits, the current and expected cash flows, and the plans for expansion.

In line with this, a dividend payment in the amount of € 0.55 gross per share is proposed to the General Meeting.

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TOP 5 MOVIES 2024: ***Deadpool & Wolverine*** © *Disney*

CONSOLIDATED INCOME STATEMENT

AT 31 DECEMBER

IN '000 €	NOTE	2023	2024
Revenue	3	605 475	578 189
Cost of sales	6	-445 105	-439 383
Gross result		**160 370**	**138 807**
Marketing and selling expenses	6	-28 119	-26 743
Administrative expenses	6	-30 179	-30 922
Other operating income	4	5 485	2 271
Other operating expenses	4	-1 558	-1 338
Operating result		**105 999**	**82 075**
Financial income	7	2 772	4 332
Financial expenses	7	-32 999	-30 973
Result before tax		**75 771**	**55 433**
Income tax expenses	8	-19 697	-14 971
RESULT FOR THE PERIOD		**56 075**	**40 463**
Attributable to:			
Owners of the Company		56 064	40 463
Non-controlling interests		11	
RESULT FOR THE PERIOD		**56 075**	**40 463**
Basic result per share (€)	**19**	**2.08**	**1.51**
Diluted result per share (€)	**19**	**2.03**	**1.49**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

AT 31 DECEMBER

IN '000 €	NOTE	2023	2024
Result for the period		56 075	40 463
Realized results		**56 075**	**40 463**
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	18, 26	-3 777	3 704
Translation differences of annual accounts in foreign currencies	18	-1 481	2 371
Cash flow hedges - effective portion of changes in fair value	26	-70	-278
Income taxes relating to the components of other comprehensive income to be reclassified to profit or loss in subsequent periods	13	-131	99
		-5 459	**5 895**
Items that will not be reclassified to profit or loss:			
Remeasurement gains and losses on defined benefit plans	22	-197	-117
		-197	**-117**
Other comprehensive income for the period, net of income taxes		**-5 656**	**5 778**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**50 419**	**46 241**
Attributable to:			
Owners of the Company		50 420	46 252
Non-controlling interests		-1	-11
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**50 419**	**46 241**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER

ASSETS

IN '000 €	NOTE	2023	2024
Intangible assets	9	10 957	9 555
Goodwill	10	174 757	177 369
Property, plant and equipment	11	462 441	456 127
Right-of-use assets	27	318 487	312 949
Investment property	12	15 426	15 281
Deferred tax assets	13	16 139	16 495
Non-current tax assets	25	1 653	1 653
Other receivables	15	5 476	5 507
Other financial assets		27	27
Non-current assets		**1 005 365**	**994 964**
Inventories	14	7 469	8 354
Trade and other receivables	15	41 334	49 099
Current tax assets	25	10 279	6 577
Cash and cash equivalents	16	101 381	84 595
Derivative financial instruments	26	278	
Assets classified as held for sale	17	921	842
Current assets		**161 662**	**149 466**
TOTAL ASSETS		**1 167 027**	**1 144 430**

EQUITY AND LIABILITIES

IN '000 €	NOTE	2023	2024
Share capital	18	18 952	18 952
Share premium	18	1 154	1 154
Consolidated reserves		171 518	197 500
Translation reserve	18	2 209	8 284
Total equity attributable to owners of the Company		**193 833**	**225 890**
Non-controlling interests		**11**	
Total equity		**193 844**	**225 890**
Loans and borrowings	21	383 695	289 458
Lease liabilities	27	323 196	319 565
Net employee defined benefit liabilities	22	919	1 081
Provisions	23	1 920	3 025
Deferred tax liabilities	13	9 952	9 306
Other payables	24	6 379	8 666
Non-current liabilities		**726 059**	**631 101**
Bank overdrafts	16	113	3
Loans and borrowings	21	96 000	114 600
Lease liabilities	27	34 391	35 639
Trade and other payables	24	114 637	134 895
Provisions	23	98	134
Current tax liabilities	25	1 884	2 169
Current liabilities		**247 123**	**287 440**
TOTAL EQUITY AND LIABILITIES		**1 167 027**	**1 144 430**

CONSOLIDATED STATEMENT OF CASH FLOW

AT 31 DECEMBER

IN '000 €	NOTE	2023	2024
Result before tax		**75 771**	**55 433**
Adjustments for:			
Depreciations and amortizations	6	82 752	81 914
Provisions and impairments	15, 23	-2 012	1 102
Provisions for employee benefits	22	-201	79
Government grants	4	-2 311	-1 731
(Gains) Losses on sale of property, plant and equipment	4	388	68
Change in fair value of derivative financial instruments and unrealized foreign exchange results		614	-592
Unwinding of non-current receivables and provisions	7, 23	-29	23
Share-based payments	5	2 227	1 691
Impairment on tax shelter investments	7	188	
Amortization of refinancing transaction costs	7	501	363
Interest expenses and income	7	24 149	21 657
Forgiveness of lessee's lease payments	4, 27	-147	
Change in inventories		200	-916
Change in trade and other receivables		5 358	-3 448
Change in trade and other payables		-12 522	19 803
Cash flow from operating activities		**174 926**	**175 445**
Income taxes paid		-20 945	-12 967
Income taxes received		467	1 178
Net cash flow used in operating activities		**154 448**	**163 657**

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IN '000 €	NOTE	2023	2024
Acquisition of intangible assets	9	-2 311	-1 227
Acquisition of property, plant and equipment and investment property	11, 12	-33 712	-41 406
Advance lease payments	27	-104	
Acquisition of subsidiaries, net of acquired cash	10	-5 431	
Proceeds from sale of investment property, intangible assets and property, plant and equipment	9, 11, 12	-4	639
Net cash flow used in investing activities		**-41 562**	**-41 993**
Acquisition of non-controlling interests	18, 21	-685	
Payment of lease liabilities incl. forgiveness of lessee's lease payments	21, 27	-25 383	-24 835
Proceeds from loans and borrowings	21, 26	16 000	80 000
Repayment of loans and borrowings	21, 26	-28 378	-156 000
Interest paid	7, 21	-16 659	-13 565
Interest received	7, 21	1 520	1 174
Paid interest related to lease liabilities	21, 27	-9 566	-9 676
Purchase of treasury shares	18	-9 903	-2 028
Sale of treasury shares	18, 20, 21, 26	1 174	853
Dividends paid	18, 20, 21, 26	-7 016	-14 712
Net cash flow used in financing activities		**-78 896**	**-138 787**
NET + INCREASE / - DECREASE IN CASH AND CASH EQUIVALENTS		**33 990**	**-17 123**
Cash and cash equivalents at beginning of the period	16	67 751	101 267
Cash and cash equivalents at end of the period	16	101 267	84 592
Net foreign exchange difference		-474	448
NET + INCREASE / - DECREASE IN CASH AND CASH EQUIVALENTS		**33 990**	**-17 123**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (2024) 1/4

AT 31 DECEMBER

IN '000 €	2024							
	ATTRIBUTABLE TO OWNERS OF THE COMPANY						NON-CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	OTHER RESERVES	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS		
At 31 December 2023	**20 106**	**2 209**	**534**	**-30 367**	**4 575**	**196 776**	**11**	**193 844**
Result for the period						40 463		40 463
Realized results						**40 463**		**40 463**
Items to be reclassified to profit or loss if specific conditions are met in the future:								
Translation differences (Note 26)		6 075				11	-11	6 075
Cash flow hedges - effective portion of changes in fair value (Note 26)			-278					-278
Income taxes relating to the components of other comprehensive income to be reclassified to profit or loss in subsequent periods			99					99
		6 075	**-180**			**11**	**-11**	**5 895**
Items that will not be reclassified to profit or loss:								
Remeasurement on defined benefit plans (Note 22)						-117		-117
						-117		**-117**
Other comprehensive income for the period, net of income taxes		**6 075**	**-180**			**-106**	**-11**	**5 778**
Total comprehensive income for the period		**6 075**	**-180**			**40 357**	**-11**	**46 241**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (2024) **2/4**

AT 31 DECEMBER

IN '000 €	ATTRIBUTABLE TO OWNERS OF THE COMPANY						NON-CONTROLLING INTERESTS	2024 TOTAL EQUITY
	SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	OTHER RESERVES	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS		
Dividends to the shareholders (Note 18)						-14 712		-14 712
Purchase of treasury shares (Note 18)				-2 028				-2 028
Sale of treasury shares (Note 18)				886		-33		853
Share-based payments (Note 18)					-740	2 431		1 691
Total transactions with owners, recorded directly in equity				**-1 141**	**-740**	**-12 314**		**-14 195**
At 31 December 2024	**20 106**	**8 284**	**354**	**-31 508**	**3 835**	**224 819**		**225 890**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (2023) **3/4**

AT 31 DECEMBER

IN '000 €	ATTRIBUTABLE TO OWNERS OF THE COMPANY						NON-CONTROLLING INTERESTS	2023 TOTAL EQUITY
	SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	OTHER RESERVES	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						56 064	11	56 075
Realized results						**56 064**	**11**	**56 075**
Items to be reclassified to profit or loss if specific conditions are met in the future:								
Translation differences (Note 26)		-5 246					-12	-5 258
Cash flow hedges - effective portion of changes in fair value (Note 26)			-70					-70
Income taxes relating to the components of other comprehensive income to be reclassified to profit or loss in subsequent periods		-148	17					-131
		-5 394	**-53**				**-12**	**-5 459**
Items that will not be reclassified to profit or loss:								
Remeasurement on defined benefit plans (Note 22)						-197		-197
						-197		**-197**
Other comprehensive income for the period, net of income taxes		**-5 394**	**-53**			**-197**	**-12**	**-5 656**
Total comprehensive income for the period		**-5 394**	**-53**			**55 867**	**-1**	**50 419**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (2023) 4/4

AT 31 DECEMBER

IN '000 €	2023							
	ATTRIBUTABLE TO OWNERS OF THE COMPANY						NON-CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL AND SHARE PREMIUM	TRANSLATION RESERVE	OTHER RESERVES	TREASURY SHARES RESERVE	SHARE-BASED PAYMENTS RESERVE	RETAINED EARNINGS		
Dividends to the shareholders						-7 016		-7 016
Purchase of treasury shares (Note 18)				-9 903				-9 903
Sale of treasury shares (Note 18)				1 174				1 174
Share-based payments (Note 18)				-621	1 687	1 161		2 227
Acquisition / sale of non-controlling interests, without changes in control						-787	102	-685
Total transactions with owners, recorded directly in equity				**-9 350**	**1 687**	**-6 642**	**102**	**-14 203**
At 31 December 2023	**20 106**	**2 209**	**534**	**-30 367**	**4 575**	**196 776**	**11**	**193 844**

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1. MATERIAL ACCOUNTING POLICIES

CORPORATE INFORMATION

Kinepolis Group NV (the 'Company') is a company established in Belgium. The consolidated financial statements of Kinepolis Group (the parent company) for the year ending 31 December 2024 include the Company and its subsidiaries (together referred to as the 'Group'). These consolidated financial statements were approved for publication by the Board of Directors on 18 March 2025. The registered office of Kinepolis Group NV is located at Eeuwfeestlaan 20, Brussels, Belgium. The Group's principal activities and operations revolve around the management and operation of cinemas, as detailed in Notes 2 and 3.

STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IFRS accounting standards as published by the International Accounting Standards Board (IASB) and adopted by the European Union until 31 December 2024.

NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Several amendments apply for the first time in 2024, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements, year with a material impact on the Group's consolidated financial statements, are disclosed further. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

IFRS 18 – presentation and disclosures in financial statements

IFRS 18 replaces IAS 1 and responds to investors' demand for better information about companies' financial performance.

The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures or ''MPMs"
- Guidance on aggregation and disaggregation

Some requirements previously included in IAS 1 have been moved to IAS 8 and limited amendments have been made to IAS 7 and IAS 34. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. Retrospective application is required in both the annual and interim financial statements. The Group is currently assessing the impact the amendments will have on current practice.

BASIS OF PREPARATION

The consolidated financial statements are presented in Euro, and all values are rounded to the nearest thousand (€ 000), except when otherwise indicated. In certain cases, rounding up or down can lead to a non-material deviation of the total amount. The consolidated financial statements were drawn up on a historical cost basis apart from the financial assets measured at fair value through other comprehensive income. In accordance with IFRS 5, assets classified as held for sale are measured at the lower of their carrying amount and fair value, less costs to sell.

The accounting policies have been applied consistently across the Group. They are consistent with those applied in the previous financial period. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern in the foreseeable future.

BASIS OF CONSOLIDATION

Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. The Group's financial statements consolidate those of the parent company and all its subsidiaries at 31 December 2024. Subsidiaries are those entities over which the Company exercises control. Control means that the Company is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect these returns through its power over the entity. The financial statements of subsidiaries are recognized in the consolidated financial statements from the date that control commences, until the date that control ceases. All subsidiaries have a reporting date of 31 December.

Business combinations

Business combinations are accounted for using the acquisition method on the date when control is transferred to the Group. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see Intangible assets – Goodwill). Any gain on an advantageous purchase is immediately recognized in profit or loss. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the assets acquired are not a business, the reporting entity shall account for the transaction or other event as an asset acquisition.

Transactions eliminated on consolidation

Intercompany balances and transactions, along with any unrealized gains and losses on transactions within the Group or gains or losses from such transactions, are eliminated in the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only where there is no indication of impairment.

FOREIGN CURRENCY

Transactions in foreign currencies

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary assets and liabilities expressed in foreign currency are translated at the exchange rate on the transaction date. Non-monetary assets and liabilities in foreign currencies measured at fair value are translated to the functional currency

at the exchange rates on the date on which the fair value was determined. Exchange rate differences that arise in the translation are immediately recognized in the income statement, except for:

- Exchange rate differences arising from the translation of the net investment in foreign operations, and from loans and other currency instruments intended as hedges of such investments, included in other comprehensive income.
- Qualifying cash flow hedges to the extent that the hedges are effective.

Advance payments in foreign currencies are translated at the exchange rate on the transaction date specified in IFRIC 22. The transaction date, as a basis for determining the exchange rate, is set on the initial date on which the non-monetary assets and liabilities are recognized. If multiple advance payments are applicable, a transaction date is determined for each advance payment.

FINANCIAL STATEMENTS IN FOREIGN CURRENCIES

On consolidation, the assets and liabilities of foreign operations, including goodwill and fair value adjustments on acquisition, are translated into Euro at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in other comprehensive income, directly in equity, under translation reserves. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

If the settlement of monetary receivables from, or payables to foreign entities is neither planned nor likely in the foreseeable future, exchange rate gains and losses on these monetary items are deemed to be part of the net investment in these foreign entities, and are recognized in other comprehensive income, under the translation differences. Translation differences that arise from the revaluation of non-current loans from foreign subsidiaries with a different functional currency are also included in other comprehensive income in equity, as they form part of a net investment hedge of the participating interests in the same subsidiaries. The potential repayments of these loans are not considered to be a realisation of the net investment. Consequently, no reclassification to the income statement takes place.

NON-DERIVATIVE FINANCIAL INSTRUMENTS

Financial assets

Financial assets comprise trade and other receivables and cash and cash equivalents. Financial assets, other than those designated and effective as hedging instruments, can be classified into one of the following categories: (1) amortized cost, (2) fair value through profit or loss (FVTPL) or (3) fair value through other comprehensive income (FVOCI). Currently, the Group only holds financial assets categorized as (1) amortized cost.

Financial assets are initially measured at fair value. Transactions costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets (such as trade and other receivables, cash and cash equivalents) are subsequently measured at amortized cost using the effective interest method, less any impairment if they are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest.

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9 –

Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The amount of the allowance is deducted from the carrying amount of the asset and is recognized in the income statement.

Financial assets measured at amortized cost include cash and cash equivalents, which are cash and deposits with a residual maturity of less than three months and where the risk of changes in fair value is negligible. Bank overdrafts, which are an integral part of the Group's cash management, are viewed as part of cash and cash equivalents in the presentation of the statement of cash flow.

The Group derecognizes a financial asset when (i) the contractual rights to the cash flows arising from the financial asset expire, (ii) it transfers the rights to the cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or (iii) in a transaction in which the Group neither transfers nor retains the risks and benefits, but no longer retains control of the financial asset. When the Group enters into a transaction in which it transfers financial assets that are included in the balance sheet but retains substantially all risks and benefits of the transferred assets, the transferred assets remain recognized in the balance sheet.

Financial liabilities

The Group only accounts for financial liabilities at amortized cost. After initial recognition, liabilities at amortized cost are measured using the effective interest method, including any interest expense. The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss. The Group has the following (non-derivative) financial liabilities: private placement of bonds, trade payables, loans and borrowings from credit institutions and bank loans, refer to note 26 for more information.

Share capital

Ordinary shares are classified as equity. Additional costs that are directly attributable to the issuance of ordinary shares and stock options are deducted from equity, after deducting any tax effects.

Treasury shares: when share capital, classified as equity, is reacquired by the Company, the amount paid, including the directly attributable costs, is viewed as a change in equity. Purchased treasury shares are recognized as a deduction of equity. The profit or loss pursuant to the sale or cancellation of treasury shares is directly recognized in equity.

The Group recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws of Belgium, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to manage the interest risks deriving from operational, financial and investment activities. Under its treasury management policy, the Group does not use derivative financial instruments for trading purposes. Derivative financial instruments that do not meet the requirements of hedge accounting are, however, accounted for in the same way as derivatives held for trading purposes.

Derivative financial instruments are initially measured at fair value. Attributable transaction costs are expensed in the income statement as incurred. Subsequent to initial recognition, these instruments are measured at fair value. The accounting treatment of the resulting profits or losses depends on the nature of the derivative financial instrument.

The fair value of derivative financial instruments is the estimated amount that the Group will obtain or pay in an orderly transaction on the balance sheet date at the end of the contract in question, with reference to present interest and exchange rates and the creditworthiness of the counterparty.

Hedging

Cash flow hedges

Whenever derivative financial instruments serve to hedge the variability in cash flows of a liability or a highly probable future transaction, the effective portion of the changes in fair value of these derivatives is recorded directly in other comprehensive income. When the future transaction results in the recording of an asset or liability, the cumulative profits or losses are removed from equity and transferred to the carrying amount of the asset or liability. In the other case, the cumulative profits or losses are removed from equity and transferred to the income statement at the same time as the hedged transaction. The non-effective portion of profits and losses is recognized immediately in the income statement. Profits or losses deriving from changes in the time value of derivatives are not taken into consideration in determining the effectiveness of the hedging transaction and are recognized immediately in the income statement.

At the initial recognition of a derivative financial instrument as a hedging instrument, the Group formally documents the relationship between hedging instrument(s) and hedged item(s), including its risk management goals and strategy when entering the hedging transaction, the risk to be hedged and the methods used to assess the effectiveness of the hedge relationship. When entering the hedge relationship and subsequently, the Group assesses whether, during the period for which the hedge is designated, the hedging instruments are expected to be 'highly effective' in offsetting the changes in fair value or cash flows allocated to the hedged position(s) and whether the actual results of each hedge are within the range of 80% to 125%. A cash flow hedge of an expected transaction requires that it is highly likely that the transaction will occur and that this transaction results in exposure to the variability of cash flows such that this can ultimately impact the reported profit or loss.

Whenever a hedging instrument or hedge relationship is ended, but the hedged transaction has still not taken place, the cumulative gains or losses remain in equity and will be recognized in accordance with the above policies once the transaction takes place. When the hedged transaction is no longer likely, the cumulative gains or losses included in equity are immediately recorded in the income statement.

PROPERTY, PLANT AND EQUIPMENT

Owned assets

Items of property, plant and equipment are measured at cost less accumulated depreciations and impairments (see further). The cost of self-constructed assets includes the cost price of the materials, direct employee benefit expenses, any costs of dismantling and removal of the asset and the costs of restoring the location where the asset is located. Where parts of an item of property, plant and equipment have different useful lives, these are accounted for as separate property, plant and equipment items.

Gains and losses on the sale of property, plant and equipment are determined by comparing the sales proceeds with the carrying amount of the assets and are recognized within 'Other operating income and expenses' in the income statement.

Subsequent expenditure

The cost price of replacing part of property, plant and equipment is included in the carrying amount of the asset whenever it is probable that the future economic benefits relating to the assets will flow to the Group and the cost price of the assets can be measured reliably. The replaced part of property, plant and equipment will therefore

be derecognized, and the result of the remaining carrying amount will be included in the income statement. The costs of the daily maintenance of property, plant and equipment are recognized in the income statement as and when incurred.

Depreciations

Depreciations are charged to the income statement using the straight-line method over the expected useful life of the asset, and of the separately recorded major components of an asset. It begins when the asset is ready for its intended use. The residual value, useful lives and depreciation methods are reviewed annually. Land is not depreciated. The fair value adjustments for buildings from acquisition are depreciated over the estimated expected remaining useful life.

The estimated useful lives are as follows:

- Buildings: 30 years
- Photovoltaic panels: 20 years
- Building fixtures: 5 – 15 years
- Computers: 3 years
- Machinery and equipment: 5 – 10 years
- Furniture and vehicles: 3 – 10 years.

LEASES

The Group leases several sites, buildings, cars, equipment for in-theatre sales and projection equipment. A contract is classified as a lease if it includes the right to control the use of an identified asset for a specified period of time, in exchange for a consideration. Leases are recognized as right-of-use assets and the corresponding lease liabilities at the date on which the leased asset is available for use by the Group.

The lease term used to calculate lease liabilities is based on the underlying lease contracts, considering reasonably certain extension options and the likelihood of exercising an early termination option. Extension options that are reasonably certain to be exercised at the contract's inception are included in the lease liabilities. For the key category of land and buildings (cinema complexes), the Group generally applies a term of 15 to 20 years, reflecting its reasonable expectation of the asset's usage period.

The Group will only reassess the term of a lease when there has been a significant event or a significant change in circumstances, within the control of the Group. Significant events or changes in circumstances within the control of the Group include but are not limited to significant changes to the contract terms, exercise a renewal option or termination option and significant leasehold improvements.

The Group analyses all lease contracts to determine if they meet the lease definition and applies exemptions for leases with a term of 12 months or less and those with low-value assets. Payments for these leases are recognized as expenses in the income statement.

Right-of-use assets

Right-of-use assets are measured at the cost that includes:

- Initial recognition of the lease liabilities;
- Advance lease payments;
- Initial direct costs;
- Estimated costs for dismantling and repairs;
- Deferred investment contributions.

The right-of-use assets are depreciated on a straight-line basis, from the commencement date of the agreement, over the lease term, taking into account extensions that can be estimated with reasonable certainty. If the ownership of the leased asset is transferred to the Group at the end of the lease term or if the costs of

the right-of-use assets reflect that the Group will exercise a purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset. The useful life is determined in the same way as for other property, plant and equipment.

In addition, the right-of-use assets are reduced by impairments where applicable and are adjusted for certain remeasurements to the lease liabilities.

Lease liabilities

Lease liabilities are initially measured at the present value of future lease payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rates at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rates (IBR) are determined based on the interest rate the Group would pay to borrow under similar terms, with comparable security, in the same economic environment. This assessment is conducted by country and reviewed annually.

Lease payments recognized in the valuation of the lease liabilities include:

- Fixed lease payments;
- Minimum variable lease payments based on an index or rate;
- Amounts that are expected to be payable under a residual value guarantee;
- The exercise price of a purchase option that the Group will exercise with reasonable certainty, lease payments in an optional extension period that the Group believes will be exercised with reasonable certainty, and penalties for early termination of a lease, unless the Group is reasonably certain that it will not end early.

Lease liabilities are remeasured whenever there is a change in future lease payments as a result of a change in an index or a rate, if there is a change in the estimate of the amount that the Group will owe under a residual value guarantee, if the Group assesses whether or not it will exercise an option to purchase, extend or terminate, or if there is a change in expected future lease payments. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset. If the right-of-use asset no longer has a carrying amount, this is recognized in the income statement when the lease liability decreases.

All lease payments that expire within 12 months are recognized as current liabilities. All lease payments that expire after 12 months are recognized as non-current liabilities. Lease payments are split into the repayment of the lease liability and the financial interest cost. In the consolidated statement of cash flow, both can be found under ‘Cash flow from financing activities’. Interests are recognized as an expense in the income statement.

Leases as lessor

The Group leases out its investment properties and owned land and buildings. The Group has classified all leases as operating leases.

The Group also leases out parts of leased buildings, which, under the application of IFRS 16, are recognized under Right-of-use assets (the so-called subleases). When the right-of-use of these assets is not fully transferred to the sublessee (which is the case, amongst others, when the rental period of the sublease is significantly shorter than the one of the head lease), these subleases are classified as operating sublease agreements and the rental income is recognized in the income statement on a straight-line basis over the lease term. The Group assessed the classification of the subleases with reference to the right-of-use assets rather than the underlying assets and concluded that all subleases are classified as operating leases.

Lease income, including both fixed and variable components, is recognized in the income statement on a straight-line basis over the lease term. If an agreement includes both lease and non-lease components, the Group applies IFRS 15 to allocate

the consideration in the contract. Lease incentives paid or payable to the lessee are recognized as a reduction of lease income over the lease term.

INVESTMENT PROPERTY

Investment property is property that is held in order to earn lease income or for capital appreciation or both but is not intended for sale in the context of usual business operations, for use in the production, for delivery of goods or for administrative purposes. Investment property is measured at cost, less accumulated depreciations and impairments.

INTANGIBLE ASSETS AND GOODWILL

Goodwill

Goodwill arising from an acquisition is determined as the positive difference between the fair value of the consideration transferred plus the carrying amount of any non-controlling interest in the acquired entity, on the one hand, and the fair value of the acquired identifiable assets and liabilities, on the other. If this difference is negative, it is immediately recognized in the income statement. Goodwill is measured at cost less impairment losses. Goodwill is not amortized. Instead, it is subject to an annual impairment test.

Intangible assets

Intangible assets acquired by the Group are measured at cost less accumulated amortizations and impairment losses (see further). Costs of internally generated goodwill and brands are recognized in the income statement as incurred. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, or whenever there is a valid reason to do so. The indefinite life is reassessed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made prospectively.

Internally generated intangible assets

Development activities entail a plan or design to produce new or fundamentally improved products and processes. Internally developed intangible assets are capitalized whenever the development costs can be reliably determined, the product or process is technically and commercially feasible, the future economic benefits are probable, and the Group intends and has sufficient resources to complete the development and to actively use or sell it. The cost of internally generated intangible assets includes all costs directly attributable to the asset, primarily direct employee benefit expenses. Other development costs and expenditures for research activities are expensed to the income statement as and when incurred.

Subsequent expenditure

Subsequent expenditure in respect of intangible assets is capitalized only when it increases the future economic benefits specific to the related asset. All other expenditure is expensed as incurred.

Amortizations

Amortizations are charged to the income statement by the straight-line method over the expected useful life of the intangible assets. Intangible assets are amortized from the date on which they are ready for their intended use. Their estimated useful life is 3 to 15 years. The residual value, useful lives and amortization methods are reviewed annually.

INVENTORIES

Inventories are measured at the lower of cost or net realisable value. The net realisable value is equal to the estimated sales price less the estimated costs of completion and selling expenses. The cost of inventories includes the costs incurred in acquiring the inventories and bringing them to their present location and condition. Inventories are measured according to the latest purchase price.

IMPAIRMENT LOSSES

The carrying amounts of the non-financial assets of the Group, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is an indication of impairment, the recoverable amount of the asset is estimated. In case of goodwill and intangible assets with an indefinite useful life or which are not yet ready for their intended use, the recoverable amount is estimated at the same date each year. An impairment loss is recorded whenever the carrying amount of an asset, or the cash-generating unit to which the asset belongs, is higher than the recoverable amount.

The recoverable amount is the higher of the value in use or the fair value less costs to sell. When determining the value in use, the discounted value of the estimated future cash flows is calculated using a proposed weighted average cost of capital, that reflects both the current market rate and the specific risks regarding the asset or the cash-generating unit. Where an asset does not generate significant cash flows by itself, the recoverable amount is determined based on the cash-generating unit to which the asset belongs. Goodwill acquired in a business combination is allocated to groups of cash generating units that are expected to benefit from the synergies of the combination.

Impairment losses are recorded in the income statement. Impairment losses recorded with respect to cash-generating units are first deducted from the carrying amount of any goodwill assigned to cash-generating units (or groups of units) and then deducted proportionally from the carrying amount of the other assets of the unit (or group of units), excluding financial assets.

An impairment is reversed when the reversal can be objectively linked to an event occurring after the impairment was recorded. A previously recorded impairment is reversed when a change has occurred in the estimates used to determine the recoverable value, but not in a higher amount than the net carrying amount that would have been determined if no impairment had been recorded in previous years. Goodwill impairments are not reversed.

ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets for which the carrying amount is expected to be recovered mainly via a sales transaction and not through the continuing use thereof are classified as ‘held for sale’. Directly prior to this classification, the assets are measured in accordance with the financial accounting policies of the Group. Hereafter, the assets are measured on the basis of their carrying amount or, if lower, fair value less cost to sell. Non-current assets are no longer depreciated as soon as they are classified as held for sale. Impairment losses are recognized in the income statement.

POST-EMPLOYMENT BENEFITS

Defined contribution plans

The Group generally operates defined contribution pension schemes. A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined pension plans are recognized as an employee benefit expense in the income statement in the periods during which related services are rendered by employees.

Defined benefit plans

In Belgium, legal requirements (Art. 24 of the Law of 28 April 2003 – WAP) mandate a minimum return on defined contribution plans, classifying them as defined benefit plans under IFRS. Similarly, in France, the Group's obligation to pay a retirement premium upon employee retirement necessitates accounting for these as defined benefit plans.

The liability recognized on the balance sheet for these defined benefit plans represents the present value of future benefits employees have earned to date, offset by the fair value of plan assets. This liability is periodically assessed by an independent actuary using the projected unit credit method. The fair value of plan assets corresponds to the mathematical reserves accumulated within the insured plans.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' and 'selling and distribution expenses' in the consolidated statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

SHARE-BASED PAYMENTS AND RELATED BENEFITS

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans are cash-settled. The stock option exercise price is equal to the average of the closing price of the underlying shares over thirty days prior to the date of offer. No compensation costs or liabilities are recognized.

Share transactions with employees are charged to the income statement over the vesting period, based on the fair value on the date of offering, with a corresponding increase in equity. The fair value is determined using an option valuation model. The amount expensed is determined on the basis of the number of awards for which the service conditions are expected to be fulfilled.

To hedge its liabilities within the framework of the allocation of stock options to its directors and executives, the Group buys back its treasury shares at the specific times those options are allocated. This can occur by means of several buybacks. These shares will be charged to equity on transaction date for the sum paid, including the related costs. When the options are exercised, treasury shares are derecognized by applying the FIFO-principle. The difference between the option exercise price and the average price of the shares in question is recognized directly in equity.

PROVISIONS

A provision is recorded in the statement of financial position whenever the Group has an existing (legal or constructive) obligation as a result of a past event and where it is probable that the settlement of this obligation will result in an outflow of resources containing economic benefits. Where the effect is material, provisions are measured by discounting the expected future cash flows at a pre-tax discount rate that reflects both the current market assessment of the time value of money and, where applicable, the risks inherent to the obligation. In accordance with the contractual obligations of the Group, a provision for site restoration is set up whenever the Group is obliged to restore land to its original condition.

REVENUE

The Group generates revenue from box office sales (ticket revenue), in-theatre sales (food and beverages), business-to-business sales, Brightfish B2B sales, and film distribution (licensing and sales).

To determine whether to recognize revenue, the Group follows a 5-step process:

1. Identification of the contract with a customer;
2. Identification of the performance obligations in the contract;
3. Determination of the transaction price;
4. Allocation of the transaction price to the performance obligations in the contract; and
5. Recognition of revenue when the Company fulfils a performance obligation.

More specifically, the Group will apply the following principles and recognition rules when selling goods and delivering services:

Box office revenue

This includes income from ticket sales for movie screenings, including the sale of 3D glasses. Box office revenue is recognized on the date of the film screening. Revenue from advance ticket sales and prepaid vouchers is initially recorded as a liability and only recognized as revenue when the ticket is redeemed. Vouchers that are not redeemed ('breakage fees') are recognized as revenue based on expected non-redemption and no later than their expiry date.

Loyalty points are accounted for by recognizing a loyalty expense and a deferred revenue liability upon earning. The expense is allocated to box office and concession revenue based on estimated future redemption patterns. The liability is subsequently reduced when points are redeemed, with revenue recognized according to the redemption type.

The Group operates under a 'shared revenue' model, where film rental costs to the film distributor are incurred per visitor. These costs are recognized as part of the cost of goods sold on the date of the film screening, in line with revenue recognition.

In-theatre sales revenue

In-theatre sales (ITS) comprise revenue from the sale of beverages, snacks, and merchandise within cinema complexes. Revenue is recognized at the point of sale. Supplier discounts (PET intervention, volume discounts, collaboration costs and media or marketing support) are deducted from the cost of sales or from marketing costs.

Business-to-business and Brightfish revenue

This category includes revenue from corporate partnerships, events, and advertising services. Revenue from business-to-business events is recognized when the event takes place. If the event spans multiple periods, revenue is recognized on a straight-line basis over its duration. Revenue from screen advertising is recognized over the period in which the advertisement is shown, based on the number of film days per month. Revenue from business-to-customer promotions is recognized when the promotion occurs. Revenue from exchange deals is recognized when the service is delivered.

A portion of the business-to-business revenue is managed through the Belgian screen advertising sales house Brightfish and is classified under a separate operating segment. this follows the same recognition method as business-to-business revenue.

Film distribution revenue

This includes income from distributing films to various platforms and cinema operators. Theatrical distribution revenue is recognized over the film's screening period based on audience numbers. Revenue from 'after-theatrical rights' is recognized in two phases: initially based on usage and subsequently as a fixed one-off revenue when rights are transferred. Since the Group does not act as an agent for theatrical and after-theatrical rights revenue, this revenue is not offset by related costs.

GOVERNMENT GRANTS

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Any outstanding receivables related to these grants are recorded as grants receivable. In France, the Group receives grants from the Centre National du Cinéma et de l'Image Animée (CNC) to support cinema-related investments. These grants are funded by a levy on cinema operators, calculated as a percentage of ticket sales. They are recorded as liabilities on the balance sheet and recognized in the income statement over the useful life of the related assets. A similar programme with the same accounting treatment exists in Spain.

FINANCIAL INCOME

Financial income consists of interest received on investments, dividends, foreign exchange gains, the unwinding of receivables with regard to government grants and the profits on hedging instruments that are recognized in the income statement. Interest income is recognized in the income statement based on the effective interest method. Dividend income is included in the income statement on the date that the dividend is declared. Foreign exchange gains and losses are offset per currency.

FINANCIAL EXPENSES

The financial expenses comprise interest to be paid on loans, interest costs on lease liabilities, foreign exchange losses, the unwinding of discounts on non-current provisions and losses on hedging instruments that are recognized in the income statement. Interest charges are recognized based on the effective interest method. Foreign exchange gains and losses are compensated per currency.

INCOME TAX EXPENSES

Income tax expenses consist of current and deferred taxes. Income taxes are recorded in the income statement except where they relate to a business combination, or elements recorded directly in equity. In this case, the income taxes are recognized directly in equity or goodwill.

Current taxes consist of the expected tax payable on the taxable profit of the year, calculated using tax rates enacted or substantively enacted at the balance sheet date, as well as tax adjustments in respect of prior years. The amount of current income

taxes is determined on the basis of the best estimate of the tax gain or expense, with due consideration for any uncertainty with regard to income tax.

Additional income taxes resulting from issuing dividends are recognized simultaneously with the liability to pay the dividend in question.

Deferred taxes are recorded based on the balance sheet method, for all temporary differences between the taxable base and the carrying amount for financial reporting purposes, for both assets and liabilities. No deferred taxes are recognized for the following temporary differences:

- Initial recognition of assets and liabilities in a transaction that is not a business combination and that does not affect accounting or taxable profits;
- Differences with regard to investments in subsidiaries to the extent that an offsetting entry is unlikely in the near future;
- Taxable temporary differences that arise at the initial recognition of goodwill.

The amount of the deferred taxes is based on expectations with regard to the realisation of the carrying value of the assets and liabilities, whereby the tax rates enacted or substantively enacted at the balance sheet date are used.

A deferred tax asset is only recorded in the consolidated statement of financial position when it is probable that adequate future taxable profits are available against which the tax benefit can be utilized. Deferred tax assets are reduced whenever it is no longer probable that the related tax benefit will be realized.

The deferred and current tax receivables and liabilities are offset per tax jurisdiction if the Group has a legally enforceable right to offset the amounts and it intends to settle the liability on a net basis, or to realize the receivable and the liability simultaneously.

EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

SEGMENT REPORTING

An operating segment is a clearly distinguishable component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses in relation to transactions with any of the Group's other components. The Group is organized geographically. The different countries constitute operating segments, in accordance with the internal reporting to the CEO and CFO of the Group.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates, and assumptions that impact reported revenues, expenses, assets, liabilities, and related disclosures. Due to inherent uncertainties, actual outcomes may differ, potentially requiring material adjustments in future periods. Judgements and estimates reflect conditions at the reporting date and are continuously reviewed based on historical experience and reasonable expectations of future events. While management relies on its best knowledge of the business and anticipated actions, differences between estimates and actual results may occur.

The estimates and assumptions with a significant probability of causing a material adjustment to the value of the assets and liabilities during the next financial period are stated below. There were no such material adjustments in the reporting period:

Impairment tests for intangible assets, goodwill, property, plant and equipment, right-of-use assets and investment property:
The recoverable amount of the cash-generating units is defined as the higher of their value in use or their fair value less costs to sell. These calculations require the use of estimates and assumptions regarding, among other things, discount rates, future investments and expected operating performance. We refer to note 10 for the relevant assumptions.

Provisions:
The estimates and judgements that most impact the amount of the provisions are the estimated costs and the expected likelihood and timing of the cash outflows. They are based on the most recent available information at balance sheet date. We refer to note 23 for the relevant assumptions.

Recoverability of deferred tax assets:
Deferred tax assets for unused tax losses will only be recognised if future taxable profits will be available to be able to recover these losses (based on budgets and estimates). The budgets and estimates are further expanded to future expected taxable profits in order to analyse the recoverability of the losses and credits. The actual tax result may differ from the assumption made when the deferred tax was recorded. For more information we refer to note 13.

Leases (IFRS 16) - Determining the term of a lease:
A contract is classified as a lease if it includes the right to control the use of an identified asset for a specified period of time in exchange for a consideration. When determining the term of a lease, the Group took into account reasonably certain extension options and whether or not to exercise an early termination option. This is assessed for each contract separately. As a general principle in making this assessment for the key lease assets, lease agreements for land and buildings (cinema complexes), Kinepolis Group has considered that a term between 15 and 20 years reflects the entity's reasonable expectation of the period during which the underlying asset will be used. The same term is also used in our valuation and impairment models to determine future cash flows. Moreover, the lease term is considered reasonably certain in view of the useful life of the leasehold improvements and the investments made. For more information we refer to note 27.

Other assumptions and estimates will be discussed in the respective notes where they are used.

2. SEGMENT REPORTING

Segment information is given for the Group's geographic segments. The geographic segments reflect the countries in which the Group operates. The prices for intersegment transactions are determined on a business-like, objective basis. The segment information was drawn up in accordance with IFRS. Segment results, assets and liabilities of a particular segment include those items that can be attributed, either directly or reasonably, to that segment.

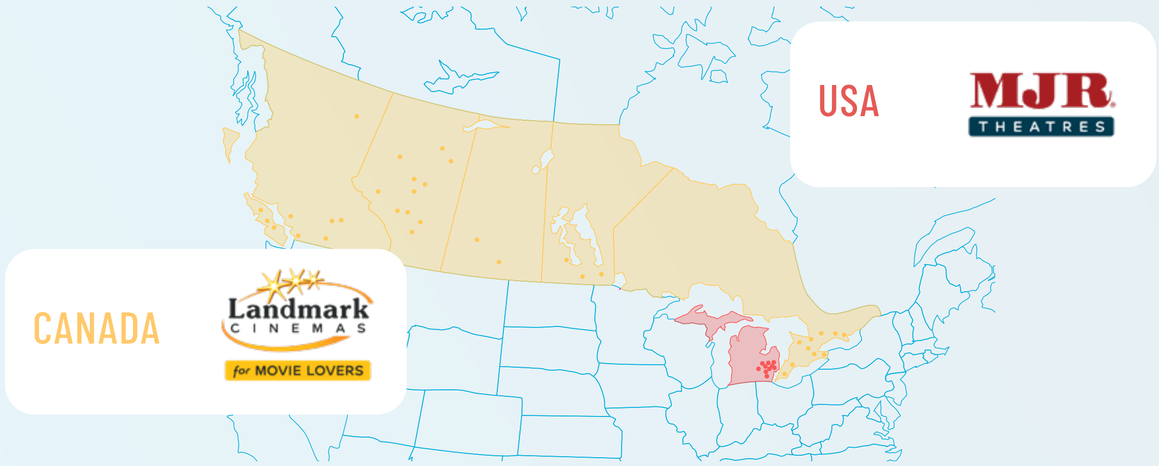
Financial income and expenses and income tax expenses and their related assets and liabilities (excluding lease liabilities) are not monitored by segment by the Group's CEO and CFO.

The capital expenditures of a segment are all costs incurred during the reporting period to acquire assets that are expected to remain in use in the segment for longer than one reporting period.

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 the 'Other' geographical segment, in accordance with the internal reporting to the CEO and CFO of the Group.

In presenting information on the basis of geographic segments, revenue from the segment is based on the geographic location of the customers. The basis used for the assets of the segments is the geographic location of the assets.





SEGMENT REPORTING

AT 31 DECEMBER

INCOME STATEMENT (2024)

IN '000 €	2024									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Segment revenue	169 921	88 485	141 340	51 498	55 471	64 560	19 014	4 730		595 020
Intersegment revenue	-16 770	-61								-16 831
Revenue	153 152	88 424	141 340	51 498	55 471	64 560	19 014	4 730		578 189
Cost of sales	-101 818	-63 470	-116 892	-42 879	-46 684	-52 481	-11 986	-3 172		-439 383
Gross result	**51 334**	**24 954**	**24 447**	**8 619**	**8 787**	**12 079**	**7 028**	**1 559**		**138 807**
Marketing and selling expenses	-11 746	-2 959	-5 240	-2 107	-1 706	-1 614	-1 265	-106		-26 743
Administrative expenses	-17 634	-1 568	-6 432	-928	-1 290	-2 355	-312	-402		-30 922
Other operating income	169	1 751	15	207	58		54	18		2 271
Other operating expenses	-188	-833	-249		-8	-54	-4	-2		-1 338
Segment result	**21 933**	**21 345**	**12 541**	**5 790**	**5 841**	**8 057**	**5 501**	**1 067**		**82 075**
Financial income									4 332	4 332
Financial expenses									-30 973	-30 973
Result before tax										55 433
Income tax expenses									-14 971	-14 971
RESULT FOR THE PERIOD										**40 463**

BALANCE SHEET – ASSETS (2024)

IN '000 €	2024									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Intangible assets	4 403	443	2 743	288	107	1 560	12			9 555
Goodwill	6 586	15 870	33 322	22 015	34 057	53 173	5 844	6 502		177 369
Property, plant and equipment	54 145	83 555	69 225	43 522	112 757	74 027	10 992	7 904		456 127
Right-of-use assets	11 394	31 519	162 330	39 435	22 153	42 192	3 926			312 949
Investment property				6 721				8 561		15 281
Deferred tax assets									16 495	16 495
Non-current tax assets				1 653						1 653
Other receivables	1	4 253	155	1 092			5			5 507
Other financial assets									27	27
Non-current assets	**76 529**	**135 640**	**267 776**	**114 725**	**169 075**	**170 952**	**20 778**	**22 967**	**16 522**	**994 964**
Inventories	2 699	997	1 709	654	1 200	885	155	54		8 354
Trade and other receivables	19 571	9 713	9 309	1 983	3 198	3 320	1 849	155		49 099
Current tax assets									6 577	6 577
Cash and cash equivalents									84 595	84 595
Assets held for sale			842							842
Current assets	**22 270**	**10 709**	**11 860**	**2 637**	**4 399**	**4 205**	**2 004**	**210**	**91 172**	**149 466**
SEGMENT ASSETS	**98 799**	**146 349**	**279 636**	**117 363**	**173 473**	**175 157**	**22 782**	**23 177**	**107 694**	**1 144 430**

BALANCE SHEET - EQUITY AND LIABILITIES (2024)

IN '000 €	2024									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Share capital and share premium									20 106	20 106
Consolidated reserves									197 500	197 500
Translation reserve									8 284	8 284
Equity attributable to the owners of the Company									**225 890**	**225 890**
Loans and borrowings									289 458	289 458
Lease liabilities	8 648	30 430	174 193	38 416	20 895	43 258	3 725			319 565
Net employee defined benefit liabilities	87	994								1 081
Provisions	1 593	31	1 100			301				3 025
Deferred tax liabilities									9 306	9 306
Other payables	143	7 906		554	63					8 666
Non-current liabilities	**10 472**	**39 360**	**175 293**	**38 970**	**20 959**	**43 559**	**3 725**		**298 764**	**631 101**
Bank overdrafts									3	3
Loans and borrowings									114 600	114 600
Lease liabilities	2 965	3 323	16 860	4 320	3 569	4 073	530			35 639
Trade and other payables	48 334	23 879	29 623	9 515	9 734	9 082	3 661	1 067		134 895
Provisions	99				35					134
Current tax liabilities									2 169	2 169
Current liabilities	**51 399**	**27 202**	**46 483**	**13 834**	**13 338**	**13 155**	**4 191**	**1 067**	**116 772**	**287 440**
SEGMENT EQUITY AND LIABILITIES	**61 871**	**66 562**	**221 776**	**52 805**	**34 296**	**56 714**	**7 915**	**1 067**	**641 425**	**1 144 430**

CAPITAL EXPENDITURE (2024)

IN '000 €	2024									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Capital expenditure	8 393	9 450	13 977	2 874	1 956	4 589	1 209	185		42 632

NON-CASH ELEMENTS (2024)

IN '000 €	2024									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Depreciations, amortizations, impairments and provisions	11 509	12 863	26 475	8 278	11 145	10 833	1 943	419		83 464
Share-based payment expense	1 691									1 691
TOTAL	**13 199**	**12 863**	**26 475**	**8 278**	**11 145**	**10 833**	**1 943**	**419**		**85 155**

INCOME STATEMENT (2023)

AT 31 DECEMBER

IN '000 €	2023									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Segment revenue	192 972	88 450	144 519	56 158	67 145	62 205	19 237	4 731		635 419
Intersegment revenue	-29 828	-115								-29 944
Revenue	163 144	88 335	144 519	56 158	67 145	62 205	19 237	4 731		605 475
Cost of sales	-102 554	-61 682	-118 827	-43 949	-51 894	-51 526	-12 118	-2 557		-445 105
Gross result	**60 590**	**26 653**	**25 693**	**12 210**	**15 251**	**10 680**	**7 120**	**2 174**		**160 370**
Marketing and selling expenses	-11 613	-2 645	-7 425	-2 056	-1 769	-1 376	-1 130	-104		-28 119
Administrative expenses	-17 481	-1 247	-6 482	-948	-1 296	-2 095	-218	-414		-30 179
Other operating income	166	2 223	349	699	61	1 729	244	14		5 485
Other operating expenses	-442	-390	-676	-1	-19	-7	-24			-1 558
Segment result	**31 220**	**24 594**	**11 458**	**9 904**	**12 228**	**8 931**	**5 992**	**1 671**		**105 999**
Financial income									2 772	2 772
Financial expenses									-32 999	-32 999
Result before tax										**75 771**
Income tax expenses									-19 697	-19 697
RESULT FOR THE PERIOD										**56 075**

BALANCE SHEET – ASSETS (2023)

IN '000 €	2023									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Intangible assets	5 206	907	2 800	317	75	1 630	22			10 957
Goodwill	6 586	15 870	33 960	22 015	34 057	49 924	5 844	6 502		174 757
Property, plant and equipment	53 992	83 748	68 659	45 483	119 018	72 231	11 238	8 072		462 441
Right-of-use assets	8 682	32 653	175 178	38 099	17 003	42 705	4 168			318 487
Investment property				6 721				8 706		15 426
Deferred tax assets									16 139	16 139
Non-current tax assets									1 653	1 653
Other receivables	1	4 222	199	1 051			5			5 478
Other financial assets									27	27
Non-current assets	**74 466**	**137 399**	**280 796**	**113 686**	**170 153**	**166 490**	**21 276**	**23 280**	**17 819**	**1 005 365**
Inventories	2 751	782	1 560	634	1 158	332	187	65		7 469
Trade and other receivables	16 934	7 745	6 828	2 448	2 879	3 002	1 271	228		41 334
Current tax assets									10 279	10 279
Derivative financial instruments									278	278
Cash and cash equivalents									101 381	101 381
Assets held for sale			921							921
Current assets	**19 685**	**8 527**	**9 308**	**3 081**	**4 037**	**3 334**	**1 458**	**293**	**111 938**	**161 662**
SEGMENT ASSETS	**94 150**	**145 926**	**290 105**	**116 767**	**174 190**	**169 824**	**22 734**	**23 573**	**129 757**	**1 167 027**

BALANCE SHEET - EQUITY AND LIABILITIES (2023)

IN '000 €	2023									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Share capital and share premium									20 106	20 106
Consolidated reserves									171 518	171 518
Translation reserve									2 209	2 209
Equity attributable to the owners of the Company									193 834	193 834
Non-controlling interests									11	11
Total equity									**193 844**	**193 844**
Loans and borrowings									383 695	383 695
Lease liabilities	6 640	31 210	185 752	36 648	15 650	43 342	3 954			323 196
Net employee defined benefit liabilities	77	842								919
Provisions	1 555	176	189							1 920
Deferred tax liabilities									9 952	9 952
Other payables	70	5 662		583	63					6 378
Non-current liabilities	**8 342**	**37 890**	**185 941**	**37 231**	**15 713**	**43 342**	**3 954**		**393 646**	**726 059**
Bank overdrafts									113	113
Loans and borrowings									96 000	96 000
Lease liabilities	2 190	3 112	17 036	3 846	4 120	3 585	502			34 391
Trade and other payables	42 868	20 545	23 291	7 690	9 417	7 133	2 966	726		114 637
Provisions	67				31					98
Current tax liabilities									1 884	1 884
Current liabilities	**45 125**	**23 657**	**40 327**	**11 536**	**13 568**	**10 719**	**3 468**	**726**	**97 997**	**247 123**
SEGMENT EQUITY AND LIABILITIES	**53 467**	**61 547**	**226 269**	**48 767**	**29 281**	**54 060**	**7 422**	**726**	**685 488**	**1 167 027**

CAPITAL EXPENDITURE (2023)

IN '000 €	2023									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Capital expenditure	7 875	5 813	8 077	4 141	1 746	6 107	2 113	152		36 024

NON-CASH ELEMENTS (2023)

IN '000 €	2023									
	BELGIUM	FRANCE	CANADA	SPAIN	NETHERLANDS	UNITED STATES	LUXEMBOURG	OTHERS	NOT ALLOCATED	TOTAL
Depreciations, amortizations, impairments and provisions	11 220	11 370	26 887	7 999	11 132	10 659	1 747	-148		80 865
Share-based payment expense	2 227									2 227
TOTAL	**13 447**	**11 370**	**26 887**	**7 999**	**13 132**	**10 659**	**1 747**	**-148**		**83 092**

3. REVENUE

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

IN '000 €	2023	2024
Box Office	318 612	301 468
In-theatre Sales	192 795	184 042
Business-to-Business	63 562	64 668
Brightfish	12 395	10 386
Film Distribution	4 800	3 101
Total revenue from contracts with customers	**592 164**	**563 664**
Real Estate – Rental Income	13 311	14 525
TOTAL REVENUE	**605 475**	**578 189**

In 2024, total revenue amounted to € 578.2 million, down 4.5% from 2023. Revenue from visitor-related activities, specifically ticket sales and sales of drinks and snacks, decreased by 5.1%. Revenue from B2B activities increased by 1.7% and revenue from real estate by 9.1%.

Revenue from ticket sales (Box Office, BO) decreased by 5.4% to € 301.5 million, in line with the decrease in visitor numbers. Despite that, BO revenue per visitor increased by 2.8%. This increase was noticeable in almost all countries, thanks in part to the success of premium cinema experiences and inflation-compensating price increases.

Revenue from the sale of drinks and snacks (In-theatre Sales, ITS) decreased by 4.5% to € 184.0 million. ITS revenue per visitor (excluding home delivery) increased by 3.6%, thanks to higher consumption per visitor and inflation-compensating price increases in almost all countries.

B2B revenue (excluding Brightfish) increased by 1.7%, mainly due to an increase in revenue from 'Sales & Events' (+2.3%), partly offset by a slight decrease in screen advertising revenue (-0.4%). Revenue at Brightfish, the Belgian screen advertising sales house, fell 16.2%, mainly due to fewer local events and a reduction in revenue from local screen advertising.

Revenue from Kinepolis Film Distribution (KFD) fell 35.4% to € 3.1 million in 2024. In 2023, KFD still benefited from successful releases such as 'Wil', 'The Eight Mountains' and 'Zillion'. In 2024, however, there were fewer releases that managed to achieve the same success, leading to the decline in sales.

Rental income was up 9.1%, driven by higher rental income in Belgium, France, and Poland, influenced by new tenants and indexations.

Revenue from Box Office and In-theatre Sales (which together represented 84.0% of total revenue) are directly linked to the evolution of the visitors. These in turn depend on the number of films produced, their success with the customer and external factors, such as competitive activities, weather conditions and exceptional events. Consequently, the number of visitors, and therefore the turnover, can be very volatile. For more information regarding the risks involved, we refer to 'Description of the main business risks' in the 'Corporate Governance Statement' section.

B2B consists of three main components: sales of vouchers, sales of cinema advertising, and sales of film-related and non-film-related events. Film related events make up the bulk of B2B and are closely related to the line-up and the number of films produced and their potential success. The sale of vouchers and cinema advertising strongly depend on the macroeconomic climate and business confidence.

Brightfish results depend heavily on the macro-economic climate, advertising spending in the FMCG industry, and the share of cinema and marketing campaigns among major advertisers.

The results for film distribution depend on the number and success of the Flemish productions of which Kinepolis Film Distribution (KFD) owns the rights, combined with the international releases of which Kinepolis Film Distribution owns the rights for the Belgian and Luxembourg territory, together with Dutch Filmworks (DFW).

4. OTHER OPERATING INCOME AND EXPENSES

OTHER OPERATING INCOME

IN '000 €	2023	2024
Government grants	2 311	1 731
Government grants and support measures due to the Covid-19 pandemic	1 588	
Rent concessions due to the Covid-19 pandemic	94	
Capital gains on disposal of property, plant and equipment and investment property	49	33
Other grants – not Covid-19 related	828	74
Others	616	433
TOTAL	**5 485**	**2 271**

Government grants

In France, the Group receives grants from the Centre National du Cinéma et de l'image Animée (CNC) for cinema related investments. These grants come from a fund financed by a contribution from cinema operators in the form of a percentage of ticket sales. The grants are recorded as liabilities on the balance sheet and are taken into the result over the useful life of the related assets, at € 1.6 million in 2024 (2023: € 2.2 million). We refer to note 24.

In Spain, Kinepolis received capital grants from the government for € 0.1 million in 2024 (2023: € 0.1 million) to finance investment projects for innovation, digitalisation and audio-visual techniques, financed by the European Union. The grants are recorded on the balance sheet as liabilities and are recognized in the result over the useful life of the related assets. We refer to note 24.

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

As a result of the outbreak of the Covid-19 pandemic, governments, in the various countries where Kinepolis operates, and the CNC in France have decided to provide support measures. The Group obtained in 2023 non-directly attributable or general grants for € 1.6 million in the United States, linked to employee retention during the Covid-19 period. In 2024, the allocation of these grants is extinguished in line with the positive development of the Covid-19 pandemic.

Rent concessions as a result of the Covid-19 pandemic

The Group obtained € 0.1 million rent concessions in 2023 as a direct result of the Covid-19 pandemic. The rent concessions obtained are only included in 'Other operating income' if the conditions of Covid-19-related rent concessions (amendments to IFRS 16) are met. These lease concessions were fully phased out in 2024 as the impact of the Covid-19 pandemic diminished.

Other grants

Furthermore, in 2024, the Group also obtained € 0.1 million (Spain: € 0.1 million) in other subsidies. Through 2023, the Group obtained € 0.8 million (Spain: € 0.6 million and Luxembourg € 0.2 million).

OTHER OPERATING EXPENSES

IN '000 €	2023	2024
Losses on disposal of property, plant and equipment	-437	-101
Losses on disposal of trade receivables	-365	-510
Others	-756	-779
TOTAL	**-1 558**	**-1 338**

In 2023, the cinemas Landmark Kitchener, Landmark Brooks and Cineast Enschede were closed resulting in write-downs, decommissioning costs, and capital losses. In 2024, only the cinema Landmark West Kelowna was closed. Losses on trade receivables increased by € 0.2 million, mainly due to minor rent concession receivables that are no longer expected to be recovered. In 2024, a € 0.5 million write-down was recorded for an intangible asset at Kinepolis Nîmes due to the expiration of associated rights (included in 'others').

5. EMPLOYEE BENEFIT EXPENSES AND OTHER SOCIAL BENEFITS

IN '000 €	2023	2024
Wages and salaries	-72 165	-75 240
Mandatory social security contributions	-13 383	-13 899
Employer contributions to employee insurances	-1 039	-1 349
Share-based payments	-2 227	-2 855
Other employee benefit expenses	-2 820	-1 691
TOTAL	**-91 635**	**-95 033**
Total full-time equivalents at the balance sheet date	1 976	2 160

The number of FTEs at balance sheet date increased by 9.3% in 2024 compared to 2023, principally in Canada and the US. The increase of personnel costs is a combination of an increase in average FTEs as well as salary increases, partly offset by lower share-based payment expenses. The share-based payment expenses are related to the impact of the stock option plan 2023, as detailed in note 20.

6. ADDITIONAL INFORMATION ON OPERATING EXPENSES BY NATURE

The table below shows the breakdown of cost of sales by nature:

IN '000 €	2023	2024
Purchases	-214 980	-199 400
Services and other goods	-77 093	-78 242
Employee benefit expenses and other social benefits	-66 842	-70 138
Depreciations and amortizations	-80 371	-79 044
Provisions and impairments	2 072	-501
Others	-7 893	-12 058
COST OF SALES	**-445 105**	**-439 383**

In 2024, the cost of sales decreased by 1.3% compared to 2023 (from € 445.1 million to € 439.4 million). This decrease is mainly attributed to the decrease in activities during 2024, which resulted in lower operating costs (including film rights, drinks and snacks). This decrease was partly offset by inflation and rising personnel expenses.

The table below shows the breakdown of marketing and selling expenses by nature:

IN '000 €	2023	2024
Services and other goods	-18 105	-16 478
Employee benefit expenses and other social benefits	-9 421	-9 581
Depreciations and amortizations	-634	-803
Provisions and impairments	47	128
Others	-6	-9
MARKETING AND SELLING EXPENSES	**-28 119**	**-26 743**

The table below shows the breakdown of administrative expenses by nature:

IN '000 €	2023	2024
Services and other goods	-12 778	-12 766
Employee benefit expenses and other social benefits	-15 373	-15 314
Depreciations and amortizations	-2 002	-1 619
Provisions and impairments	23	-1 177
Others	-48	-47
ADMINISTRATIVE EXPENSES	**-30 179**	**-30 922**

Sales and marketing expenses decreased by 4.9%, while administrative expenses rose by 2.5%. The increase in administrative expenses was primarily driven by provisions recorded in the US and Canada for € 1.2 million (see Note 21), while all other costs declined.

7. FINANCIAL INCOME AND EXPENSES

FINANCIAL INCOME

IN '000 €	2023	2024
Interest income	1 828	942
Foreign exchange gains	698	3 056
Unwinding of non-current government grants receivable	68	16
Others	178	318
TOTAL	**2 772**	**4 332**

The increase in financial income is mainly linked by an increase in foreign exchange gains, offset by a decrease in interest income on bank deposits. In 2024, as in 2023, the foreign exchange gains mainly relate to the fluctuations of the Canadian Dollar against the Euro.

FINANCIAL EXPENSES

IN '000 €	2023	2024
Interest expenses	-16 412	-12 924
Interest expenses on lease liabilities	-9 565	-9 675
Foreign exchange losses	-516	-2 243
Impairments on tax shelter investments	-188	0
Others	-6 318	-6 132
TOTAL	**-32 999**	**-30 973**

The decrease in interest expenses is largely due to lower interest obligations following loan and borrowing repayments. The interest expenses attributed to lease liabilities amounted to € 9.7 million (2023: € 9.6 million). For more information we refer to note 21 and 27, respectively. The exchange rate losses mainly relate to the fluctuations of the Canadian Dollar against the Euro for the non-realized exchange losses. The costs related to refinancing (which lastly took place in 2021) are included in the result via the effective interest method and are part of the other financial expenses. For more information we refer to notes 21 and 26. The impact on the income statement per refinancing round can be found in the table below:

IN '000 €	TOTAL COST	RECOGNIZED IN INCOME STATEMENT IN 2023	RECOGNIZED IN INCOME STATEMENT IN 2024	OUTSTANDING POSITION PER 31 DECEMBER 2024
Refinancing 2012	1 096	-14	-13	0
Refinancing 2015	1 663	-65	-36	2
Refinancing 2016	45	-3	-3	0
Refinancing 2017	450	-50	-51	95
Refinancing 2019	1 708	-259	-256	329
Refinancing 2021	449	-110	-5	117
TOTAL	**5 411**	**-501**	**-363**	**542**

The remaining other financial expenses in 2024 and 2023 mainly relate to bank charges. The bank charges are partly volume-related, with the result that this decrease partly explained by the decrease in the number of visitors.

8. INCOME TAX EXPENSES

IN '000 €	2023	2024
Current tax expenses	-15 694	-15 536
Deferred tax expenses	-4 003	566
TOTAL	**-19 697**	**-14 971**

Total income taxes decreased in line with the decline in net result before taxes. The effective tax rate was 27.0% in 2024 (2023: 26.0%). The change in the effective tax rate reflects several offsetting factors, as detailed in the tax reconciliation further.

EFFECTIVE TAX RATE RECONCILIATION

IN '000 €	2023	2024
Result before tax	**75 771**	**55 433**
Belgian tax rate	**25.00%**	**25.00%**
Income taxes using the local tax rate	-18 943	-13 851
Effect of tax rates in foreign jurisdictions	50	26
Disallowed expenses	-542	-946
Tax-exempt income	310	78
Losses for which no deferred tax asset is recognized	11	0
Use of unrecognized losses and tax losses for which no deferred tax asset was recognized	269	111
Non-deductible expenses for stock option plans	-557	-423
Under / (over) provision in prior periods	-311	5
Other adjustments	16	28
TOTAL INCOME TAX EXPENSES	**-19 697**	**-14 971**
Effective tax rate	**25.99%**	**27.01%**

On 23 May 2023, the International Accounting Standards Board issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 which clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements Qualified Domestic Minimum Top-up Taxes. The Group has adopted these amendments. However, they are not yet applicable for the current reporting year as the Group's consolidated revenue is currently below the threshold of € 750 million.

9. INTANGIBLE ASSETS

IN '000 €	PATENTS AND LICENSES	OTHERS	INTERNALLY GENERATED INTANGIBLE ASSETS	TOTAL
Acquisition Value	*24 189*	*6 550*	*5 320*	*36 059*
Amortizations	*-18 665*	*-1 568*	*-4 417*	*-24 650*
Net carrying amount at 31/12/2022	**5 524**	**4 982**	**903**	**11 408**
Acquisitions	2 115	4	192	2 311
Sales and disposals	-303		-39	-342
Acquisition through business combinations	13			13
Amortizations	-1 833	-126	-376	-2 335
Effect of exchange rate fluctuations	-17	-85		-102
Acquisition Value	*26 352*	*6 432*	*3 959*	*36 742*
Amortizations	*-20 851*	*-1 656*	*-3 279*	*-25 786*
Net carrying amount at 31/12/2023	**5 501**	**4 776**	**680**	**10 957**
Acquisitions	1 104		123	1 227
Sales and disposals	-61	-4		-66
Impairment losses		-448		-448
Amortizations	-1 740	-125	-291	-2 155
Effect of exchange rate fluctuations	24	15		39
Acquisition Value	*22 299*	*5 828*	*4 082*	*32 204*
Amortizations	*-17 471*	*-1 613*	*-3 570*	*-22 654*
Net carrying amount at 31/12/2024	**4 828**	**4 214**	**512**	**9 555**

The patents and licenses mainly comprise software purchased from third parties. The internally generated intangible assets mainly concern the changes to the Group's ticketing system software.

The 'Other' category includes the trade name 'Landmark Cinemas', which amounts to € 2.7 million (2023: € 2.8 million). The trade name has an indefinite useful life. The trade name was retained with the acquisition of Landmark Cinemas in 2017, as this is the second largest cinema group in Canada. Further organic growth on the Canadian market and the marketing of the existing cinemas is carried out under the name 'Landmark Cinemas'. In addition, this category also contains the trade name 'MJR Theatres' for € 1.2 million (2023: € 1.3 million) with a definite useful life.

The acquisitions amount to € 1.2 million in 2024 (2023: € 2.3 million) and mainly concern investments in various software used by the Group, as well as investments in IT infrastructure. These consist of the internal hours worked for € 0.1 million and purchases from third parties for € 1.1 million.

10. NON-FINANCIAL ASSETS AND BUSINESS COMBINATIONS

IMPAIRMENT TEST

At the end of 2024, as every year, the Group performs annual impairment tests on (groups of) CGUs to which goodwill has been allocated. In doing so, management monitors impairment tests, as always, at country level. This is also the level at which the goodwill is monitored for internal management purposes. These tests considered, as every year, the economic situation, geopolitical changes, inflation and cost increases, the expected evolution of visitor figures, EBITDA, free cash flow and the components that determine the Group's assumed weighted average cost of capital, in particular the risk-free interest rate, the market risk premium and the cost of debt.

An annual impairment test must always be performed for intangible assets with an indefinite useful life, regardless of whether there are indications of impairment. With respect to the carrying amount of intangible assets with indefinite useful life allocated to the cash-generating unit 'Canada', we refer to note 9.

Each year, the key performance indicators from the budget for the next year is taken as the basis for the next 20 years for all cash-generating units. These key performance indicators have been combined with the latest visitor estimation for the next years in a forecasting model with the following characteristics:

- The evolution of visitor numbers for the following years is based on independent external sources.
- EBITDA grows by 1% annually, this is applied for all countries and for each cash-generating unit. This is only intended to compensate for inflation while keeping the EBITDA margin constant.
- The assumptions regarding replacement investments are based on historical ratios, adjusted for changes in the life and replacement cycle of the underlying equipment and are differentiated depending on whether they refer to buildings that are owned or leased. The amounts are determined based on the group guidelines, which must be followed by all countries.
- Kinepolis faces inflation in its markets, but its cinema business model limits the impact. With the 'shared revenue model,' only 45% to 50% of costs are inflation sensitive. The 'shared revenue model' means that for each ticket sold, a certain percentage is ceded to the film distributor in accordance with specific agreements. Additionally, Kinepolis' real estate ownership offers protection from rental cost inflation. In Europe and the US, 70% to 75% of visitors go to owned complexes, minimising rental cost exposure. For leased sites, inflation affects rent, but Kinepolis adjusts prices to maintain margins. In Canada, most complexes are leased, but rent increases were fixed at lower rates, keeping margins and EBITDA stable despite inflation. Based on this, we believe that for the Group, despite inflation, the predetermined margins and EBITDA will be preserved.

As a result of the impairment tests that were performed, no impairment was identified.

As always, management monitors the goodwill impairment tests at country level. This is also the level at which the goodwill is monitored for internal management purposes. The cash flows of the Group are generated per country:

- The programming of films and negotiations with distributors takes place at country level.
- The management structures are organized at country level.
- The tickets are sold through the websites, which are organized at country level.
- The pricing of tickets, drinks and snacks is set at country level.
- The film rental is negotiated at country level.
- Marketing contributions by distributors are negotiated on a country-by-country basis.
- Screen advertising is managed at country level.
- Vouchers are sold via the business-to-business sales teams per country. Customers use their vouchers through the central back-office systems at country level.
- The business-to-business events are organized at complex and country level.

The proposed weighted average cost of capital and theoretical parameters for 2024 and 2023 are outlined in the table below:

2024	RISK-FREE INTEREST RATE	MARKET RISK PREMIUM	BETA	PROPOSED COST OF DEBT BEFORE TAX	COST OF OWN EQUITY	DEBT CAPITAL / EQUITY	PROPOSED WACC	WACC BEFORE TAX
Belgium	2.78%	7.12%	0.94	3.99%	9.48%	27.89%	**7.67%**	**7.95%**
France	2.93%	6.91%	0.99	4.14%	9.81%	32.61%	**7.62%**	**7.96%**
Canada	3.09%	5.97%	1.47	4.87%	11.86%	57.56%	**7.13%**	**7.84%**
Spain	2.93%	9.01%	1.15	4.14%	13.30%	43.43%	**8.87%**	**9.32%**
Netherlands	2.44%	5.97%	1.04	3.65%	8.64%	36.25%	**6.49%**	**6.83%**
US	3.82%	5.97%	1.13	6.09%	10.59%	42.67%	**8.00%**	**8.67%**
Luxembourg	2.66%	5.97%	0.96	3.87%	8.42%	29.93%	**6.77%**	**7.06%**
Switzerland	0.38%	5.97%	0.95	2.65%	6.03%	25.51%	**5.07%**	**5.17%**
Poland	5.35%	7.58%	0.54	6.56%	9.42%	25.51%	**8.37%**	**8.69%**

2023	RISK-FREE INTEREST RATE	MARKET RISK PREMIUM	BETA	PROPOSED COST OF DEBT BEFORE TAX	COST OF OWN EQUITY	DEBT CAPITAL / EQUITY	PROPOSED WACC	WACC BEFORE TAX
Belgium	3.60%	6.62%	1.17	4.75%	11.32%	25.03%	**9.38%**	**9.67%**
France	3.56%	6.62%	1.17	4.70%	11.27%	29.97%	**8.95%**	**9.30%**
Canada	4.17%	6.62%	1.17	5.83%	11.89%	58.41%	**7.49%**	**8.35%**
Spain	4.03%	6.62%	1.17	5.18%	11.75%	39.46%	**8.64%**	**9.16%**
Netherlands	2.80%	6.30%	1.26	4.90%	10.74%	35.00%	**8.25%**	**8.69%**
United States	4.95%	6.62%	1.17	7.25%	12.67%	44.91%	**9.40%**	**10.24%**
Luxembourg	3.16%	6.62%	1.17	4.31%	10.88%	28.33%	**8.71%**	**9.02%**
Switzerland	1.16%	6.62%	1.17	2.30%	8.87%	24.07%	**7.22%**	**7.29%**
Poland	5.97%	6.62%	1.17	7.11%	13.69%	70.00%	**8.14%**	**9.09%**

Below, we've provided additional explanations for the theoretical parameters:

- The debt-to-equity ratio is differentiated by country due to the impact of lease liabilities under IFRS 16 at country level. Equity is based on the enterprise value of the Company, and not on the consolidated equity.
- The parameters for the weighted average cost of the capital are tested annually based on the assumptions used by the analysts who follow the Group's share, while also taking into account the specific circumstances of each country.
- For risk free rate Kinepolis uses the specific risk-free rate of the country based on 10-year treasury yield on country basis.
- For market risk premium we assumed in the past the average of the analysts however as from 2024 Kinepolis uses a combination of the Group's average market risk premium as determined by analysts and country-specific premiums from the Damodaran database in order to calculate the market risk premium. This allows Kinepolis to establish distinct market risk premiums for each country.
- For the beta we assumed in the past the average of the levered betas of the analysts. However as from 2024, we used the average levered beta to calculate the unlevered beta for the entire Group using the total debt-to-equity. Subsequently, we re-levered the beta for each country, adjusting it based on the specific debt/equity ratio of that country. However, in the case of Poland where we do not operate cinemas but only hold the real estate while another party manages cinema operations, we referenced Damodaran's database of sector-specific betas in Europe to determine the unlevered beta for real estate operations. We then re-levered the beta to reflect Poland's specific debt-to-equity ratio.
- For cost of debt before tax Kinepolis uses the specific risk-free rate of the country based on 10-year treasury yield increased by a credit spread which is based on a credit rating of Kinepolis Group of BBB.

Management believes that the assumptions used in the impairment tests provide the best estimates of future developments and believes that no reasonably possible change in any of the key assumptions would lead to a carrying amount of the cash-generating units that would materially exceed their recoverable amount. As every year, a sensitivity analysis was performed with regard to the weighted average cost of capital and attendance at limited margin. We conclude from this that with an increase in the weighted average cost of capital by 200 base points in all countries, no impairment occurs in any country except in Polen up to a possible impairment of € 0.2 million.

GOODWILL

IN '000 €	2023	2024
BALANCE AT END OF PREVIOUS PERIOD	174 870	174 757
Acquisitions through business combinations	2 162	
Effect of exchange rate fluctuations	-2 275	2 612
BALANCE AT END OF CURRENT PERIOD	**174 757**	**177 369**

The acquisitions through business combinations are discussed elsewhere in this note (see Business combinations).

GOODWILL PER CASH-GENERATING UNIT

IN '000 €	2023	2024
Belgium	6 586	6 586
France	15 870	15 870
Canada	33 960	33 322
Spain	22 015	22 015
Netherlands	34 057	34 057
United States	49 923	53 173
Luxembourg	5 844	5 844
Poland	6 502	6 502
BALANCE AT END OF CURRENT PERIOD	**174 757**	**177 369**

BUSINESS COMBINATIONS

Acquisitions 2024

There were no new business combinations during 2024.

Acquisitions 2023

'Belfort' acquisition
On 29 March 2023, Kinepolis Group acquired the French company 'Pathé Belfort' from the Pathé Group. The cinema complex is leased and has 14 screens with a total of 2 562 seats and is located in eastern France, between Strasbourg and Lyon.

The transaction has an enterprise value of € 5.4 million. The inclusion of the Belfort cinema in the Group's consolidation scope as of 29 March 2023, the date on which control was acquired, resulted in goodwill of € 2.1 million.
At 31 December 2023, the Belfort cinema contributed €2.3 million in revenue, € 0.6 million in EBITDA and € 0.02 million of earnings to the Group's consolidated result. If the transfer of control had taken place on 1 January 2023, the acquisition would have contributed € 3.0 million in revenue, € 0.8 million in EBIT and € 0.03 million in result.

'Amnéville' acquisition (acquisition in 2022 - final calculation of goodwill in 2023).
At the end of 2022, Kinepolis Group acquired the Gaumont cinema in Amnéville. Kinepolis took over both the operational management as well as the cinema property. The complex has 12 screens with a total of 2 462 seats and is located near Luxembourg.

The transaction had an enterprise value of € 7.9 million. At the end of 2022, the goodwill related to the inclusion of the Amnéville cinema in the scope of consolidation was determined at € 2.4 million. A further non-material adjustment linked to the creation of a provision for pensions was made in 2023. Final goodwill remained € 2.4 million.

Both Belfort and Amnéville acquisitions fit perfectly into the Kinepolis Group's expansion strategy. The goodwill stems from strengthening Kinepolis' position in the east and northeast of France, synergy benefits and being able to offer the Kinepolis film experience to even more visitors. Transaction costs for both acquisitions (Belfort and Amnéville) amounted to € 0.8 million.

Net identifiable assets and liabilities

IN '000 €	AMNÉVILLE	BELFORT
Property, plant and equipment	5 441	1 755
Intangible assets		13
Right-of-use assets		4 047
Deferred tax assets	19	424
Inventory	26	13
Trade and other receivables		1 835
Provision for pensions	-77	-110
Lease liabilities		4 047
Bank overdrafts		-1
Trade and other payables		-602
TOTAL	**5 409**	**3 327**

Goodwill calculation and reconciliation with the consolidated statement of cash flow

IN '000 €	AMNÉVILLE	BELFORT
Net identifiable assets and liabilities	5 409	3 327
Goodwill	2 449	2 104
ACQUISITION OF SUBSIDIARIES, NET OF ACQUIRED CASH, IN THE STATEMENT OF CASH FLOW	**7 858**	**5 431**

11. PROPERTY, PLANT AND EQUIPMENT

IN '000 €	LAND & BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	ASSETS UNDER CONSTRUCTION	TOTAL
Acquisition Value	775 296	446 734	2 012	1 224 042
Amortizations	-401 254	-340 276		-741 530
Net carrying amount at 31/12/2022	**374 042**	**106 458**	**2 012**	**482 512**
Acquisitions	5 463	28 249		33 712
Sales and disposals		-7	-64	-71
Acquisition through business combinations	1 404	348	4	1 756
Transfer to other categories	701	525	-1 462	-236
Amortizations	-26 954	-25 120		-52 074
Effect of exchange rate fluctuations	-2 438	-704	-17	-3 159
Acquisition Value	785 244	473 363	474	1 259 081
Amortizations	-432 291	-364 351		-796 641
Net carrying amount at 31/12/2023	**352 954**	**109 012**	**474**	**462 440**
Acquisitions	11 517	28 803	1 004	41 323
Sales and disposals	-3	-147	-37	-188
Transfer to other categories	270	139	-409	0
Amortizations	-25 006	-25 373	0	-50 379
Effect of exchange rate fluctuations	2 484	460	-13	2 931
Acquisition Value	801 402	494 735	1 018	1 297 155
Amortizations	-459 187	-381 841	0	-841 028
Net carrying amount at 31/12/2024	**342 215**	**112 894**	**1 018**	**456 127**

Acquisitions

Acquisitions in 2024 include investments in Canada (€ 14.0 million), the United States (€ 4.6 million), France (€ 9.5 million), Belgium (€ 7.2 million), Spain (€ 2.9 million), Luxembourg (€ 1.2 million), the Netherlands (€ 1.9 million) and Switzerland (€ 0.1 million).

In 2024, Kinepolis invested € 41.3 million in property, plant, and equipment. Of this, € 11.5 million was allocated to internal expansion, supporting the launch of new ScreenX and Laser ULTRA theatres and the continued rollout of premium cinema experiences. An additional € 12.6 million was dedicated to external expansion, including the opening of Landmark Windsor (Canada), the renovation of Kinepolis Béziers and Belfort (France), and the launch of Kinepolis Almería (Spain). The remaining € 17.2 million, internally referred to as 'maintenance capex,' was invested in existing cinemas, covering energy-saving initiatives, renovations, new equipment, servers, and security installations.

Of the total investments, € 3.8 million was classified as 'green star capex', aimed at improving the group's environmental footprint. This included energy-saving initiatives such as HVAC system upgrades, the installation of electric vehicle charging stations, LED lighting upgrades and investments in energy-efficient Laser ULTRA projectors. This amount is also included under eligible green capex in the ESG Report, section EU Taxonomy, alongside IFRS 16-related additions of electric vehicles under right-of-use assets (Refer to section 27 – Leases).

Impairment losses

In 2023, Kinepolis permanently closed three cinemas: Landmark Kitchener (12 screens), Landmark Brooks (1 screen), and Cineast Enschede (3 screens). Related assets were impaired to fair value if below their carrying amount, resulting in a € 1.2 million impairment loss. No impairment losses recognized in 2024.

12. INVESTMENT PROPERTY

IN '000 €	LAND & BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	TOTAL
Acquisition Value	22 832	471	23 303
Amortizations	-6 963	-462	-7 425
Net carrying amount at 31/12/2022	**15 869**	**9**	**15 878**
Acquisitions	4		4
Transfer to other categories	-680		-680
Amortizations	-312	-2	-314
Effect of exchange rate fluctuations	538	1	539
Acquisition Value	23 089	509	23 598
Amortizations	-7 670	-501	-8 171
Net carrying amount at 31/12/2023	**15 419**	**8**	**15 427**
Acquisitions	81		81
Amortizations	-331	-2	-333
Effect of exchange rate fluctuations	106		106
Acquisition Value	23 395	500	23 894
Amortizations	-8 119	-494	-8 613
Net carrying amount at 31/12/2024	**15 275**	**6**	**15 281**

As of 18 January 2007, the land, building, machinery and equipment in Poznań (PL) are no longer used for own operations, but leased to Cinema City, owned by the cinema group Cineworld, and to a number of smaller third parties. As required by IAS 40 (Investment property), the assets in question have been transferred to this category. The total carrying amount of the investment property in Poland is € 8.6 million (2023: € 8.7 million).

The plot in Valencia (ES) has been part of the investment property since 2015 for a value of € 6.7 million (2023: € 6.7 million), as it is reserve capacity that is not necessary for the execution of the business and can be redeveloped.

Transfer from/to other categories

In 2023, the assets included in land and buildings of the complex in Winnipeg Towne (CA) were transferred to 'Assets held for sale' as the company planned to sell the building within 12 months for an amount at least equal to the net carrying amount, which occurred in 2024. No transfers to other categories were made in 2024.

Rental income

Rental income from investment properties amounts to € 1.7 million (2023: € 1.4 million). Direct operating expenses (including repairs and maintenance) arising from investment properties amount to € 0.6 million (2023: € 0.6 million).

Fair value

The fair value of the investment property is measured periodically by independent experts. The independent experts possess the required recognized professional qualifications and experience in appraising real estate at the locations and in the categories concerned.

The fair value of investment properties as of 2024 is € 35.2 million (2023: € 47.2 million). The decrease is primarily attributable to Poland, where previous valuations were based on a historical external appraisal, periodically adjusted. In 2024, a comprehensive revaluation was conducted, incorporating current rental values and updated tenancy schedules, resulting in the decline in fair value.

The fair value of the investment property is recognized as a level 3 fair value based on the unobservable inputs that were used for the measurement. The market approach is used for the measurement of the fair value of the land and buildings. The independent experts base the price per square meter on their knowledge of the market and information on market transactions relating to comparable assets. The size, characteristics, location and layout of the land and buildings and the destination of the area in which they are situated have also been considered. When determining the fair value of the buildings, their accessibility and the visibility from the street are also taken into account. The fair value of the other assets that are part of investment property is measured on the basis of the cost approach, in which the current replacement value of the assets is adjusted to account for physical, functional and economic obsolescence.

13. DEFERRED TAXES

IN '000 €	2023	2024
Deferred tax assets	16 139	16 495
Deferred tax liabilities	9 952	9 306

The rise in net deferred tax assets and liabilities is primarily driven by higher deferred taxes on intangible assets, property, plant, and equipment, as well as IFRS 16. This increase is partially offset by lower deferred taxes on carried-forward tax losses and a reduced temporary difference on goodwill due to tax-accepted amortizations.

Tax losses carried forward and unused tax credits

For tax losses carried forward and unused tax credits amounting to € 9.3 million (2023: € 9.6 million) no deferred tax asset was recognized 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.

A deferred tax asset of € 94.6 million (2023: € 98.5 million) was recognized in the balance sheet for tax losses carried forward and unused tax credits. The decrease is primarily due to a € 9.5 million reduction in deferred tax assets in Canada, partially offset by a € 6.6 million increase in the United States.

The Group bases itself on the assumptions used for the annual impairment test. We refer to note 10 for the relevant assumptions. These assumptions and estimates of the impairment test are further extended to future expected taxable profits in order to further analyse the recoverability of the losses. After an extensive analysis, it is considered probable for these losses that sufficient taxable profit will be available in the future.

The tax losses carried forward are indefinite in Belgium, France, the Netherlands, Luxembourg and the United States. In Canada, tax losses carried forward can be carried forward for 20 years.

The tax losses carried forward and unused tax credits can be allocated as follows:

IN '000 €	2023			2024		
	TOTAL	LOSSES FOR WHICH A DEFERRED TAX ASSET IS RECOGNIZED	LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNIZED	TOTAL	LOSSES FOR WHICH A DEFERRED TAX ASSET IS RECOGNIZED	LOSSES FOR WHICH NO DEFERRED TAX ASSET IS RECOGNIZED
Belgium	14 450	7 137	7 313	13 874	6 564	7 310
France	3 182	3 182		2 820	2 820	
Canada	27 597	27 597		18 129	18 129	
Netherlands	586	586		586	586	
United States	59 347	59 347		65 898	65 898	
Luxembourg	1 751	627	1 124	1 751	627	1 124
Poland	1 124		1 124	914		914
TOTAL	**108 037**	**98 476**	**9 561**	**103 972**	**94 624**	**9 348**

Deferred tax assets and liabilities

The deferred tax assets and liabilities recognized in the statement of financial position can be attributed as follows:

IN '000 €	2023			2024		
	ASSETS	LIABILITIES	DIFFERENCE	ASSETS	LIABILITIES	DIFFERENCE
Intangible assets and property, plant and equipment	1 618	-30 451	-28 833	2 514	-28 855	-26 341
Goodwill	-716		-716	-1 991		-1 991
Right-of-use assets		-78 712	-78 712		-77 770	-77 770
Receivable CNC grants	117		117	1		1
Trade and other receivables	6	-2	4	81		81
Provisions		-142	-142	309	-145	164
Deferred CNC grants	443	-177	267	330	-138	192
Provisions for employee benefits	223		223	271		271
Derivative financial instruments through equity		-70	-70			
Lease liabilities	88 704		88 704	88 461		88 461
Trade and other payables	383	-169	214	419	-488	-69
Tax losses carried forward and unused tax credits	25 132		25 132	24 189		24 189
TOTAL	**115 910**	**-109 722**	**6 188**	**114 584**	**-107 395**	**7 189**
Tax offsetting	-99 771	99 771		-98 089	98 089	
NET DEFERRED TAX ASSETS AND LIABILITIES	**16 139**	**-9 952**	**6 188**	**16 495**	**-9 306**	**7 189**

CHANGES IN DEFERRED TAX BALANCES DURING THE YEAR

The effect of exchange rate fluctuations in 2024 mainly related to deferred taxes in the United States and Canada (€ 0.3 million – 2023: € -0.4 million). In 2023 there were also other changes that were not included in results or were linked to exchange rate movements (€ 0.5 million - 2024: € 0.0 million). These were mainly linked to deferred tax balances recognized upon the acquisition of Belfort.

IN '000 €	2022	RECOGNIZED IN INCOME STATEMENT	EFFECT OF EXCHANGE RATE FLUCTUATIONS	RECOGNIZED IN OCI	OTHER	2023	RECOGNIZED IN INCOME STATEMENT	EFFECT OF EXCHANGE RATE FLUCTUATIONS	RECOGNIZED IN OCI	2024
Intangible assets and property, plant and equipment	-32 169	2 889	447			-28 833	2 856	-364		-26 341
Goodwill	456	-1 138	-34			-716	-1 180	-95		-1 991
Right-of-use assets	-82 408	2 554	1 142			-78 712	725	217		-77 770
Receivable CNC grants	134	-17				117	-116			1
Trade and other receivables	18	-14				4	77			81
Provisions	-140	-2				-142	305	1		164
Deferred CNC grants	340	-73				267	-75			192
Provisions for employee benefits	191	32				223	-50		99	271
Derivative financial instruments through equity	-87	-19		17	19	-70	70			
Lease liabilities	92 037	-2 045	-1 288			88 704	58	-301		88 461
Trade and other payables	316	-104	2			214	-284	1		-69
Tax losses carried forward and unused tax credits	31 321	-6 064	-642		517	25 132	-1 820	877		24 189
TOTAL	**10 010**	**-4 002**	**-373**	**17**	**536**	**6 188**	**566**	**336**	**99**	**7 189**

14. INVENTORIES

IN '000 €	2023	2024
3D glasses	642	580
Goods purchased for resale in cinemas	4 862	5 661
Components inventory, technical department	1 588	1 642
Others	377	471
TOTAL	**7 469**	**8 354**

The cost of sales of inventories recognized in the income statement was € 45.0 million (2023: € 47.8 million).

15. TRADE AND OTHER RECEIVABLES

OTHER NON-CURRENT RECEIVABLES

IN '000 €	2023	2024
Cash guarantees	1 290	1 419
CNC grants	4 058	3 981
Other receivables	130	107
TOTAL	**5 478**	**5 507**

The non-current grants primarily consist of sector-related grants available in France from the CNC, which are awarded based on visitor numbers. In 2024, € 0.5 million in new CNC grants were obtained, while an additional € 0.5 million was reclassified to short-term. Cash guarantees mainly relate to security deposits provided to lessors, primarily in Spain.

TRADE AND OTHER CURRENT RECEIVABLES

IN '000 €	2023	2024
Trade receivables	29 385	35 000
Tax receivables, other than income taxes	2 040	2 444
Deferred charges and accrued income	4 895	6 134
Tax shelter receivables	94	88
Tax shelter investments	116	116
Grants receivable related to the Covid-19 pandemic	1 560	1 659
CNC grants	2 384	2 832
Other receivables	860	826
TOTAL	**41 334**	**49 099**

Total trade and other current receivables increased from € 41.3 million in 2023 to € 49.1 million in 2024, mainly driven by a € 5.6 million rise in trade receivables, reflecting higher revenue in the last weeks of 2024 compared to 2023. Additionally, deferred charges and accrued income grew by € 1.2 million, mainly driven by timing of rent invoices.

AGEING OF THE TRADE AND OTHER NON-CURRENT AND CURRENT RECEIVABLES

IN '000 €	2023			2024		
	GROSS CARRYING AMOUNT	IMPAIRMENT	NET CARRYING AMOUNT	GROSS CARRYING AMOUNT	IMPAIRMENT	NET CARRYING AMOUNT
Not yet due on reporting date	32 590	-7	32 583	38 783	-10	38 773
Less than 30 days past due	8 015	-17	7 998	9 318	-91	9 227
Between 31 and 120 days past due	3 518	-175	3 343	4 036	-203	3 833
Between 120 days and 1 year past due	1 791	-211	1 580	2 118	-749	1 369
Over 1 year past due	2 237	-929	1 308	2 092	-688	1 404
TOTAL	**48 151**	**-1 339**	**46 812**	**56 347**	**-1 741**	**54 606**

MOVEMENT OF IMPAIRMENTS ON TRADE RECEIVABLES

IN '000 €	2023	2024
BALANCE AT END OF PREVIOUS PERIOD	**-3 143**	**-1 339**
Recognized impairments	-392	-1 320
Used impairments	423	421
Reversed impairments	1 817	498
Effect of exchange rate fluctuations	-44	-2
BALANCE AT END OF CURRENT PERIOD	**-1 339**	**-1 741**

In 2024, impairments on trade receivables increased by € 0.4 million, mainly due to € 1.3 million in newly recognized impairments. This was partially offset by € 0.5 million in reversed impairments and € 0.4 million in used impairments. The value of impairments is determined in accordance with IFRS 9. For more details, refer to note 26. There are no ageing concerns for financial assets other than trade receivables.

16. CASH AND CASH EQUIVALENTS

IN '000 €	2023	2024
Cash at bank and in hand	101 381	84 595
TOTAL	**101 381**	**84 595**
Bank overdrafts used for the statement of cash flow	-113	-3
CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOW	**101 267**	**84 592**

There are no significant unavailable cash and cash equivalents.

17. ASSETS CLASSIFIED AS HELD FOR SALE

IN '000 €	2023	2024
BALANCE AT END OF PREVIOUS PERIOD		**921**
Transfer from / to assets held for sale	921	
Recognized impairments		-61
Effect of exchange rate fluctuations		-18
BALANCE AT END OF CURRENT PERIOD	**921**	**842**

As per 31 December 2024, the assets held for sale amounted to € 0.8 million.

During 2024, Kinepolis decided to close the cinema complex Landmark Brooks (CA). For this owned complex, the assets were transferred from 'Property, plant and equipment' to 'Assets held for sale' for the remaining net carrying amount of € 0.1 million. The listing price was adjusted in 2024, leading to the impairment booked.

In 2022, it was decided to close the Winnipeg Towne complex (CA). The building was put up for sale in 2023 and consequently, the assets for land and buildings were transferred from 'Property, plant and equipment' to 'Assets held for sale' for the net carrying amount of € 0.7 million.

The Group expects both buildings to be sold within the next year.

18. EQUITY

The various components of equity, as well as the changes between 31 December 2024 and 31 December 2023, are set out in the consolidated statement of changes in equity.

Share capital

The share capital of the Company at 31 December 2024 was € 19.0 million (2023: € 19.0 million), represented by 27 365 197 ordinary shares without nominal value (2023: 27 365 197 shares). All shares are paid up in full. The share premium at 31 December 2024 was € 1.2 million (2023: € 1.2 million). The ordinary shares are entitled to a dividend, and the holders of these shares are entitled to cast one vote at the shareholder meetings of the Company.

Treasury shares reserve

At the Extraordinary General Meeting on 10 May 2023, authorization was granted to the Board of Directors to repurchase treasury shares, under certain conditions.

On 12 June 2023, Kinepolis announced the commencement 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 Kinepolis Group NV - up to 200 000 own shares on or off Euronext Brussels between 13 June 2023 and 16 August 2023. The buyback program was ended on 16 August 2023. During the buyback program, 117 699 shares were bought for a total amount of € 5 233 532.60.

On 22 September 2023 Kinepolis announced the commencement of a share buyback program, starting on 25 September 2023, in which an independent intermediary has been given a discretionary mandate to buy back - on behalf of Kinepolis Group NV - up to 151 000 own shares on or off Euronext Brussels between 25 September 2023 and 24 March 2024.

On 14 February 2024, the repurchase program was ended early, considering the repurchase of the maximum number of shares was reached. During this buyback program, 151 000 shares were bought for a total amount of € 6 697 595.35.

In 2024, a total of 49 000 treasury shares were bought back pursuant to the above buyback programs for € 2.0 million (2023: 219 699 shares - € 9.9 million). In 2024, 20 539 treasury shares were sold pursuant to the exercise of options for € 0.9 million (2023: 27 654 shares - € 1.2 million). Furthermore, no shares were cancelled in 2024 or 2023. The total number of treasury shares at 31 December 2024 was 616 582 (2023: 588 121). The majority of these shares will be used for the stock option plans.

Translation reserve

The translation reserve includes, on the one hand, all exchange rate differences resulting from the translation of the annual accounts of foreign entities in foreign currencies and, on the other hand, exchange rate differences of the translation of intra-group non-current borrowings in foreign currencies. The movement in 2024 is mainly due to the exchange rate fluctuation of the American Dollar and the Canadian Dollar against the Euro.

In addition, some non-current borrowings with Switzerland, Poland, Canada and the United States are considered as a net investment hedge for the participating interest in the same subsidiaries. Consequently, the translation differences on these borrowings were included in equity under the other comprehensive income. For more information we refer to note 26.

Share-based payments reserve

On 31 December 2024 a total of 433 750 options were allocated (2023: 657 409). These shares entitle their holders to one share per option. The options will expire 8 years after the date of approval of the Plan by the General Meeting. On 10 May 2024, the remaining unexercised stock options under the 2016 Stock Option Plan expired. In accordance with IFRS 2, the remaining reserve for these unexercised stock options, totalling € 2.2 million, has been recognized in results carried forward. For more information we refer to note 20.

Dividends to the shareholders

On 18 February 2025, a gross dividend of € 0.55 per share entitled to dividend was proposed for the 2024 financial year. Based on the number of shares entitled to dividend at the date of publication of this annual report, this means a gross dividend of € 14.7 million. This dividend has not yet been approved by the Company's General Meeting and is therefore not yet recognized in the consolidated financial statements.

For the financial year 2023, a dividend of € 0.55 was paid per share entitled to dividend. Total amount of dividend was € 14.7 million.

Non-controlling interests

The participation of Kinepolis Group in Landmark Cinemas Holding LTD and Landmark Cinemas Canada LP increased in 2023 from 99.3% to 100.0% due to the acquisition of the remaining non-controlling interests.

19. RESULT PER SHARE

Basic result per share

The calculation of the result per share is based on the result of € 40.5 million, attributable to the ordinary shareholders (2023: € 56.1 million), and on a weighted average of the number of ordinary shares, outstanding during the financial year, of 26 747 060 (2023: 26 907 356).

Diluted result per share

The calculation of the diluted result per share is based on the result of € 40.5 million attributable to the ordinary shareholders (2023: € 56.1 million), and on a weighted average of the number of diluted ordinary shares, outstanding during the financial year, of 27 180 810 (2023: 27 564 765).

IN '000 (UNLESS INDICATED OTHERWISE)	2023	2024
RESULT ATTRIBUTABLE TO OWNERS OF THE COMPANY	56 064	40 463
Weighted average number of ordinary shares	26 907	26 747
Effect of stock options	657	434
Weighted average number of diluted shares	27 565	27 181
BASIC RESULT PER SHARE (IN €)	**2.08**	**1.51**
DILUTED RESULT PER SHARE (IN €)	**2.03**	**1.49**

20. SHARE-BASED PAYMENTS

Stock option plan 2016 – expired in 2024

The General Meeting approved a stock option plan on 11 May 2016. 543 304 options could be allocated under this stock option plan. It was decided to set the exercise price at the average closing price of the Kinepolis Group share over 30 days preceding the offer. The options expired 8 years after the date of the approval of the Plan by the General Meeting on 10 May 2024.

This stock option plan was offered to the Chair of the Board of Directors, Executive Management and eligible management staff of the Company or its subsidiaries on 29 December 2016.

Throughout 2024, no options were granted (2023: 0), 20 539 options were exercised (2023: 27 654) and the remaining 233 120 options outstanding have expired (2023: 25 000).

YEAR	GRANTED	EXERCISED	FORFEITED/EXPIRED	TOTAL
2017	396 500			396 500
2018	23 500		-3 000	20 500
2019	21 000			21 000
2020		-11 495	-6 737	-18 232
2021		-58 299		-58 299
2022		-25 156	-30 000	-55 156
2023		-27 654	-25 000	-52 654
2024		-20 539	-233 120	-253 659
Total	**441 000**	**-143 143**	**-297 857**	**0**

The fair value of these share-based payments was estimated when these options were allocated. The Black-Scholes model is used for this. The expected volatility is based on the historic volatility calculated on the basis of five years.

AMOUNTS IN € (UNLESS INDICATED OTHERWISE)	12/2016 (1)	12/2017	04/2019	10/2019
Fair value of allocated options	7.30 / 9.71	12.91	8.87	9.98
Share price at grant date	44.19 / 48.29	57.30	51.30	57.80
Exercise price	41.55	48.25	49.75	53.40
Expected volatility	23.43% / 23.53%	25.45%	26.41%	24.81%
Original expected term (in years)	8	7	6	5
Expected dividend growth	7.86%	7.86%	8.30%	8.30%
Risk-free interest rate	-0.14%	0.01%	-0.179%	-0.443%

(1) Due to the evolution of the share price during the period of acceptance, two fair values were calculated for the allocated options, based on above listed parameters.

Stock option plan 2023

On 17 May 2023, the Board of Directors approved the stock option plan 2023. Under this new plan, 550 000 options can be allocated. It was decided to set the exercise price at the average closing price of the Kinepolis Group share over 30 days preceding the offer. The options will expire 8 years after the date of the approval of the Plan by the Board of Directors. This stock option plan was offered to the Executive Management and eligible management staff of the Company or its subsidiaries on 16 June 2023.

Throughout 2024, 70 000 options were granted (2023: 403 750). 40 000 options were forfeited in 2023 (2024: 0).

YEAR	GRANTED	EXERCISED	FORFEITED	TOTAL
2023	403 750			403 750
2024	70 000		-40 000	30 000
Total	**473 750**		**-40 000**	**433 750**

The fair value of these share-based payments was estimated when these options were allocated. The Black-Scholes model is used for this. The expected volatility is based on the historic volatility calculated on the basis of two years. The fair value of the options is expensed according to the period in which the options can be exercised. The fair value of the options totals € 5.8 million. Of this, an amount of € 1.7 million was expensed as at 31 December 2024 (2023: 2.2 million).

AMOUNTS IN € (UNLESS INDICATED OTHERWISE)	06/2023	10/2023	12/2023	04/2024	10/2024	12/2024
Fair value of allocated options	13.62	14.68	12.61	13.17	12.01	11.09
Share price at grant date	43.80	46.70	45.35	40.50	38.95	38.70
Exercise price	43.76	43.76	45.32	42.23	38.77	37.88
Expected volatility	34.80%	33.10%	32.20%	40.77%	38.63%	36.64%
Original expected term (in years)	8.00	8.00	8.00	7.00	7.00	7.00
Expected dividend yield	0.56%	0.56%	0.57%	0.95%	0.99%	0.99%
Risk-free interest rate	2.72%	2.72%	2.98%	2.70%	2.47%	2.29%

The options are exercisable for the first time during the first exercise period that falls in the fourth calendar year after the year in which the options were offered to the participants. The options only become unconditional once the other party has been employed for a certain period. The options can be exercised in instalments. For the options granted in 2023, the first slice of 66.64% can be exercised from 1 January 2027, a second slice of 16.66% from 1 January 2028 and the last slice of 16.70% from 1 January 2029. For the options granted in 2024, the first slice of 66.64% can be exercised from 1 January 2028, a second slice of 16.66% from 1 January 2029 and the last slice of 16.70% from 1 January 2030.

Outstanding options

AMOUNTS IN € (UNLESS INDICATED OTHERWISE)	2023		2024	
	NUMBER OF OPTIONS	AVERAGE FAIR VALUE	NUMBER OF OPTIONS	AVERAGE FAIR VALUE
OUTSTANDING OPTIONS AT END OF PREVIOUS PERIOD	306 313		657 409	
Options allocated during the year	403 750		70 000	
Options exercised during the year	-27 654		-20 539	
Options forfeited during the year	-25 000		-273 120	
OUTSTANDING OPTIONS AT END OF CURRENT PERIOD	**657 409**	**11.99**	**433 750**	**13.34**

21. LOANS AND BORROWINGS

This note provides information on the Group's interest-bearing loans and borrowings. For further information on the contractual terms of these loans and borrowings and the Group's exposure to interest and foreign currency risks, we refer to note 26.

NON-CURRENT LOANS AND BORROWINGS

IN '000 €	2023	2024
Private placement of bonds	384 600	290 000
Transaction costs refinancing	-905	-542
TOTAL	**383 695**	**289 458**

CURRENT LOANS AND BORROWINGS

IN '000 €	2023	2024
Private placement of bonds		94 600
Loans and borrowings with credit institutions	80 000	20 000
Other loans	16 000	
TOTAL	**96 000**	**114 600**

In January 2015, the Group concluded a private placement of bonds with institutional investors for € 96.0 million. € 61.4 million was placed with a term of 7 years, € 34.6 million with a term of 10 years, both with a fixed interest rate. In January 2022, € 61.4 million was repaid. In January 2025, the remaining € 34.6 million has been repaid.

In December 2017, the Group concluded a private placement of bonds with institutional investors for € 125.0 million. € 60.0 million was placed with a term of 8 years (will be repaid by December 2025) and € 65.0 million with a term of 10 years, both at a fixed interest rate.

In July 2019, the Group concluded a private placement of bonds with institutional investors for an amount of € 225.0 million. The full amount was placed with a term of 7.5 years at a fixed interest rate.

A credit agreement for a roll-over credit was concluded in 2012. This credit agreement was revised and extended in December 2019. In December 2021, the maturity date of the roll-over credit was extended from December 2024 to December 2026, by exercising the two available extension options. As of 31 December 2024, there is an outstanding draw on the roll-over credit of € 20.0 million (2023: € 0.0 million). For more information we refer to note 26.

In 2021, due to the long-term impact of the Covid-19 pandemic on the cinema sector, Kinepolis contracted an additional loan of € 80.0 million with its house bankers for a term of 3 years, with a variable interest rate and supported by a government guarantee. Given the volatility of the market throughout 2022, Kinepolis decided to hedge the variable interest rate to a fixed interest rate. In 2023, the loan was transferred from long-term to short-term loan. The loan was repaid in January 2024. For more information, we refer to note 26.

At the end of 2024, there was no outstanding 'Commercial Paper' debt (2023: € 16.0 million). This amount is part of 'Other loans'.

The transaction costs are recognized in the result over the term of the financing. The amount not taken into the result is deducted from the interest-bearing loans. At the end of 2024, this amounts to € 0.5 million (2023: € 0.9 million). For more information we refer to note 7.

RECONCILIATION BETWEEN THE MOVEMENT OF THE FINANCIAL LIABILITIES AND THE CONSOLIDATED STATEMENT OF CASH FLOW

IN '000 €	NOTE	FINANCIAL LIABILITIES		EQUITY			TOTAL
		LOANS AND BORROWINGS	LEASE LIABILITIES	TREASURY SHARES RESERVE	RETAINED EARNINGS	NON-CONTROLLING INTERESTS	
BALANCE AT 31/12/2023		**479 695**	**357 587**	**-30 367**	**196 776**	**11**	**1 003 703**
Cash flow from financing activities							
of lessee's lease payments	27		-24 835				-24 835
Proceeds from loans and borrowings	26	80 000					80 000
Repayment of loans and borrowings	26	-156 000					-156 000
Interest paid	7	-13 565					-13 565
Interest received	7	1 174					1 174
Paid interest related to lease liabilities	27		-9 676				-9 676
Purchase of treasury shares	18			-2 028			-2 028
Sale of treasury shares	18			886	-33		853
Dividends paid	18				-14 712		-14 712
NET CASH FLOW USED IN FINANCING ACTIVITIES		**-88 391**	**-34 511**	**-1 142**	**-14 745**		**-138 788**
Other adjustments							
Interest expenses	7	12 924					12 924
Refinancing costs	7	363					363
Interest received correction (not linked to financial liabilities, but part of cash flow from financing activities)	7	-1 174					-1 174
Movement accrued interests	26	641					641
Movement lease liabilities	27		32 128				32 128
Total other adjustments		**12 753**	**32 128**				**44 881**
Total other equity adjustments					**42 788**	**-11**	**42 777**
BALANCE AT 31/12/2024		**404 058**	**355 204**	**-31 508**	**224 819**		**952 573**

22. NET EMPLOYEE DEFINED BENEFIT LIABILITIES

The amounts on the balance sheet are determined as follows:

IN '000 €	2023	2024
Belgian employee benefits (defined benefit plan)	49	62
French employee benefits (defined benefit plan)	842	994
Other	28	25
Total	**919**	**1 081**

BELGIAN EMPLOYEE BENEFITS (DEFINED BENEFIT PLAN)

The pension plans held by the Group in Belgium are included under 'defined benefit plans'. The Group has two pension plans in Belgium that are deemed to be pension plans with defined contributions by law. As Belgian law applies to all second pillar pension plans (so-called 'Vandenbroucke Law'), all Belgian plans with defined contributions are qualified under IFRS as a defined benefit plan. The 'Vandenbroucke Law' states that, in the context of the defined contribution plans, the employer must guarantee a minimum return of a percentage that is adjusted based on market returns, with a minimum of 2.50% (changed as of 1 January 2025) and a maximum of 3.75%, which reduces the risk for the employer.

These minimum return requirements for the defined contribution plans in Belgium expose the employer to a financial risk (because there is a legal obligation to pay future contributions if the fund has insufficient assets to pay all the employee benefits related to the work performed by the employees in the current and past periods). Consequently, these plans must be classified and recognized in the accounts as a defined benefit plan as under IAS 19.

The amounts for the pension plans held in Belgium are determined as follows as at 31 December 2024:

IN '000 €	2023	2024
Liability	6 716	7 267
Fair value of fund investments	-6 667	-7 205
Net liability (asset) from defined benefit plans	**49**	**62**

Assets concern qualifying insurance policies and are not part of the Group's own financial instruments. The minimum return guarantee is currently 2.50%.

Actuarial assumptions

The main actuarial assumptions are:

IN %	2023	2024
Weighted average discount rate	3.20%	3.20%
Expected inflation	2.30%	2.00%
Expected general pay rise	3.30%	3.00%

Life expectancy is based on the Belgian mortality table MR / FR, adjusted by -5 years.

Total comprehensive income

For these pension plans, the following amounts are included in total comprehensive income:

IN '000 €	2023	2024
Included in the income statement		
Pension costs allocated to the year of service	-233	-239
Interest expenses	7	5
	-226	-234
Included in other comprehensive income		
Change to estimate of defined benefit rights	-76	-44
	-76	-44
Total comprehensive income	**-302**	**-278**

The expected pension costs from defined benefit plans for 2024 amount to € 0.3 million and primarily relate to allocated pension costs.

Sensitivity analysis

IN '000 €	2024	
	INCREASE	DECREASE
Discount rate (1% movement)	78	-250
Future salary growth (1% movement)	-19	17
Future inflation rate (1% movement)	-27	22
Future mortality (1% movement)	1	-1
Normal retirement age (1 year movement)	12	-11

Its defined benefit plans expose the Group to several risks, the most important of which are explained below:

- Changes to discount rate: a reduction in the discount rate leads to an increase in the liabilities;
- Salary risk: the gross liabilities of most schemes are calculated on the basis of the future payments to the participants;
  As a consequence, a higher-than-expected salary rise will lead to higher liabilities;
- Increase of retirement age: an increase of the retirement age leads to an increase in the liabilities;
- Longevity risk: pension plans provide participants benefits as long as they live, so an increase in life expectancy will result in an increase in plan liabilities.

FRENCH EMPLOYEE BENEFITS (DEFINED BENEFIT PLAN)

The Group has an obligation in France to pay a departure benefit to employees following their retirement. This compensation is also accounted for as a defined benefit plan.

Actuarial assumptions

The main actuarial assumptions are:

IN %	2023	2024
Discount rate	3.41%	3.12%
Expected salary inflation	2.00%	2.00%

Total comprehensive income

For this obligation, the following amounts are included in total comprehensive income:

IN '000 €	2023	2024
Included in the income statement		
Costs allocated to the year of service	-56	-66
Past service pension cost	69	
Interest expenses	-26	-28
	-13	-94
Included in other comprehensive income		
Change in experience adjustments, financial and demographic assumptions	-120	-73
	-120	-73
TOTAL COMPREHENSIVE INCOME	**-133**	**-167**

The expected costs for this obligation for 2024 amount to € 0.1 million.

23. PROVISIONS

The provisions mainly relate to site restoration and a few disputes.

Site restoration

The lease of the Brussels (BE) cinema complex on the land owned by the City of Brussels has a definite term. The Company has a contractual obligation to restore the site to its original state.

At 31 December 2024, the provision for the demolition of the building and the restoration of the site to its original state was € 1.5 million (2023: € 1.4 million).

Disputes

At 31 December 2024, the provision for disputes was € 1.7 million (2023: € 0.5 million). These relate to disputes regarding employee matters and disputes from third parties for the purpose of obtaining compensations. When these provisions will be used or reversed depends on the outcome of the related legal disputes and is therefore uncertain. The estimates and judgements that primarily impact the amount of the provisions are the estimated costs, the expected likelihood and the timing of the cash outflows. They are based on the most recent available information at the balance sheet date.

IN '000 €	2023	2024
BALANCE AT END OF PREVIOUS PERIOD	2 266	2 018
Additions of provisions	159	959
Unwinding of provisions	38	38
Use of provisions	-254	263
Reversal of provisions	-188	-120
Effect of exchange rate fluctuations	-3	
BALANCE AT END OF CURRENT PERIOD	2 018	3 159
Balance at end of current period (non-current)	1 920	3 025
Balance at end of current period (current)	98	134
TOTAL	**2 018**	**3 159**

24. TRADE AND OTHER PAYABLES

OTHER NON-CURRENT PAYABLES

IN '000 €	2023	2024
Deferred grants	5 664	7 802
Other payables	714	864
TOTAL	**6 379**	**8 666**

The other non-current payables primarily comprise the grants that can be claimed from the CNC in France based on the number of visitors. In Spain, Kinepolis received capital grants from the government in 2024 to finance investment projects for innovation, digitalisation, and audio-visual techniques, financed by the European Union. Both grant programs, for an amount of € 7.8 million (2023: € 5.7 million), are recognized as 'Other operating income' in line with the depreciation rate of the assets for which these grants were obtained. We refer to note 4 for more information. The category 'Other payables' mainly includes guarantees received for € 0.7 million (2023: € 0.7 million).

TRADE AND OTHER CURRENT PAYABLES

IN '000 €	2023	2024
Trade payables	60 520	79 219
Current contract liabilities - Vouchers	28 385	31 512
Payables related to remuneration and social security	12 414	11 071
Accrued charges and deferred income	5 329	5 063
Tax payables, other than income taxes	7 693	7 479
Other payables	226	551
TOTAL	**114 637**	**134 895**

Trade payables rose by € 18.7 million, primarily driven by increased activity in the final weeks of 2024 compared to 2023. This includes higher payables for film studio rentals, as well as increased costs related to food and events. A significant portion of the increase is also attributed to the timing of payments. Payables related to remuneration and social security fell by € 1.3 million, partly due to the timing of bonus payments. Vouchers increased by € 3.1 million, reflecting fluctuations in visitor numbers and redemption patterns. Their average maturity varies by region: less than 12 months in Europe, five years in the US, and unlimited in Canada.

CONTRACT LIABILITIES - CURRENT CONTRACTUAL OBLIGATION WITH REGARD TO VOUCHERS

IN '000 €	2023	2024
BALANCE AT END OF PREVIOUS PERIOD	24 701	28 385
Newly issued vouchers	61 108	50 895
Vouchers exercised or expired	-57 214	-47 659
Effect of exchange rate fluctuations	-212	-118
BALANCE AT END OF CURRENT PERIOD	**28 383**	**31 503**

25. TAX ASSETS AND LIABILITIES

NON-CURRENT TAX ASSETS

IN '000 €	2023	2024
Non-current tax assets	1 653	1 653

In 2020, the Group was informed that it was going to receive a tax audit on the tax unit in Spain regarding corporate income taxes for the years 2015 and 2016. Throughout 2022, the authorities completed their audit work, and the Group was informed that the Spanish Authorities noticed disputes. As a result, Kinepolis had to pay an additional amount of € 1.7 million to the tax Authorities in 2022.

The Group has filed objections to these disputes. Based on the conclusions of the Group's tax advisors, there are technical and factual arguments that justify that it is more than likely that the dispute will be annulled by the authorities. As a result, the amount paid is recognized as a 'Non-current tax asset' on the balance sheet. As of 31 December 2024, there is no evolution in the ongoing proceedings.

CURRENT TAX ASSETS AND LIABILITIES

IN '000 €	2023	2024
Current tax assets	10 279	6 577
Current tax liabilities	1 884	2 169

Current tax assets amount to € 6.6 million (2023: € 10.3 million). At the end of 2024, there were current tax assets in Belgium (€ 5.3 million) and Luxembourg (€ 1.1 million), due to prepayments which were higher than the taxes due.

Current tax liabilities increased from € 1.9 million to € 2.2 million in 2024. Current tax liabilities mainly consist of taxes payable in France (€ 0.8 million) and the Netherlands (€ 1.2 million), due to lower prepayments compared to the taxes due.

26. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

RISK MANAGEMENT

Financial risk management

The Group's principal financial instruments are bank loans, private and public bonds, lease liabilities and cash. The Group has various other financial instruments, such as trade and other receivables and payables, which arise directly from its operations. When required, the Group also enters into derivative transactions, primarily interest rate forward contracts, interest rate swaps and forward exchange contracts. The purpose is to manage the interest rate and foreign currency risks arising from the Group's activities and its sources of financing. In 2024, no derivative instruments are being used.

The main risks arising from the Group's financial instruments are the interest rate risk, the liquidity risk, the foreign currency risk and the credit risk. It is Group's policy to negotiate the terms of the derivative financial instruments to match the terms of the hedged item, so as to maximise hedge effectiveness. It is Group's policy not to allow the use of derivative financial instruments for speculative purposes. The Board of Directors investigates and approves policies for managing each of these risks. These policies are summarized in this document. The accounting treatment of the derivative financial instruments is included in the accounting policies.

Interest rate risk

The Group's exposure to market risk arising from changes in interest rates primarily relates to the Group's current and non-current loans and borrowings.
Group policy is to manage interest rate expenses with a mixture of fixed and variable interest rate liabilities. To manage this mix in a cost-efficient manner, the Group can enter into certain transactions:

- Interest rate swaps and interest rate forward contracts in which the Group agrees to exchange, at specified intervals, the difference between the fixed and variable interest amounts, calculated by reference to a pre-agreed principal amount;
- Interest rate derivatives with fixed ceilings, hence limiting the impact of interest rate fluctuations.

The Group pursues a conservative financial policy and, since 2008, only uses derivative financial instruments to hedge the interest rate risk.

At the balance sheet date of prior year, the Group had interest rate swap agreements outstanding on which the Group received a variable interest rate equal to EURIBOR and paid a fixed interest rate. These swaps are used to cover the variability in the cash flows of the underlying loans. These interest rate swaps were classified as cash flow hedges in accordance with IFRS 9 hedge accounting. Consequently, the portion of the profit or loss on the interest rate swap, which was considered to be an effective hedge, was recognized directly in equity. In 2024, there are no interest rate swap agreements anymore which lead to a decrease in equity of € 0.3 million.

On 31 December 2024, 95.06% of the Group's loans and borrowings had been contracted at a fixed interest rate (2023: 96.67%).

Interest rate risk sensitivity analysis

The interest-bearing loans and borrowings at the balance sheet date were € 404.6 million (2023: € 480.6 million). € 20.0 million or 4.94% of the interest-bearing loans and borrowings have a variable interest rate (2023: € 96.0 million or 20.0%).
Total interest expenses, excluding interest expenses attributed to the lease liabilities, charged to the income statement in 2024, amount to € 12.9 million (2023: € 16.4 million).

Foreign currency risk

The Group has a foreign currency risk on positions that derive from purchases or sales and from outstanding loans and borrowings with Group companies in currencies other than the functional currency (Euro) (transactional risk). Group policy is focused to limit the cash impact of exchange rate fluctuations on the result as much as possible. Derivative instruments can be used at any time to hedge this risk.

39.1% (2023: 37.3%) of the sales of the Group companies are denominated in currencies other than the functional currency, in particular the sales of Landmark Cinemas (Canada) in Canadian Dollar and the sales of MJR Theatres (United States) in US Dollar. Given the fact that the cash flows from these countries are reinvested in the countries concerned, there are no forward contracts to hedge the foreign currency risk of the operational cash flows from these countries. The purchases of the subsidiaries of the Group mainly concern the purchases of materials by the Group in US and Canadian Dollar. On 31 December 2024, the Group has no outstanding forward exchange contracts (2023: $ 0.0 million) with the intention of hedging this risk.

Loans between Kinepolis Financial Services NV or Kinepolis Group NV and other Group companies are expressed in the currency of the latter. Exchange rate results regarding

the non-current loans in Canadian Dollar, US Dollar, Swiss Franc and Polish Zloty from Kinepolis Financial Services NV to Kinepolis Canada LTD, Kinepolis Schweiz AG and Kinepolis Poznań Sp. Z.o.o, as well as from Kinepolis Group NV to Kinepolis US INC are recognized in other comprehensive income, as these loans are considered to be part of the Group's net investment in these foreign entities.

The following exchange rate results were recorded directly in equity, before taxes:

IN '000 €	2023	2024
Canadian Dollar	-1 329	-760
US Dollar	-3 268	4 633
Polish Zloty	262	99
Swiss Franc	558	-268
TOTAL	**-3 777**	**3 704**

The Group is also exposed to a foreign currency risk due to the inclusion in the consolidation of foreign companies that do not have the Euro as their functional currency (Canada, United States, Switzerland and Poland). This translation risk is not hedged. Only the US and Canadian Dollar have a material effect.

The tables below state the possible exchange rate changes for the Canadian Dollar, US Dollar, Polish Zloty and Swiss Franc against the Euro, estimated based on theoretical and actual volatility. The actual volatility has been determined based on the evolution of the rate over the past 5 years.

Sensitivity analysis for foreign currency risk

1 EURO CORRESPONDS TO:	CLOSING RATE 31/12/2024	AVERAGE RATE 2024	THEORETICAL VOLATILITY	POSSIBLE CLOSING RATE 31/12/2024	POSSIBLE AVERAGE RATE 2024
Canadian Dollar	1.4948	1.4821	10%	1.35 - 1.64	1.33 - 1.63
US Dollar	1.0389	1.0824	10%	0.94 - 1.14	0.97 - 1.19
Polish Zloty	4.2750	4.3058	10%	3.85 - 4.70	3.88 - 4.74
Swiss Franc	0.9412	0.9526	10%	0.85 - 1.04	0.86 - 1.05

If, at the balance sheet date, the Canadian Dollar, the US Dollar, the Polish Zloty and the Swiss Franc had strengthened / weakened as indicated above, and all other variables being constant, the result of 2024 would have been € 0.3 million lower or € 0.3 million higher, and equity would be € 15.0 million higher or € 12.3 million lower at the end of 2024. Only the Canadian Dollar and the US Dollar have a material impact in the above sensitivity analysis.

1 EURO CORRESPONDS TO:	CLOSING RATE 31/12/2024	AVERAGE RATE 2024	ACTUAL VOLATILITY	POSSIBLE CLOSING RATE 31/12/2024	POSSIBLE AVERAGE RATE 2024
Canadian Dollar	1.4948	1.4821	5.71%	1.41 - 1.58	1.40 - 1.57
US Dollar	1.0389	1.0824	8.57%	0.95 - 1.13	0.99 - 1.18
Polish Zloty	4.2750	4.3058	6.28%	4.01 - 4.54	4.04 - 4.58
Swiss Franc	0.9412	0.9526	8.94%	0.86 - 1.03	0.87 - 1.04

If, at the balance sheet date, the Canadian Dollar, the US Dollar, the Polish Zloty and the Swiss Franc had strengthened / weakened as indicated above, and all other variables being constant, the result of 2024 would have been € 0.3 million lower or € 0.2 million higher, and equity would be € 10.8 million higher or € 9.3 million lower at the end of 2024. Only the Canadian Dollar and the US Dollar have a material impact in the above sensitivity analysis.

Credit Risk

The credit risk with respect to trade receivables is the risk of financial loss to which the Group is exposed if a customer fails to meet the contractual obligations. Credit losses are recognized on the basis of a model based on 'expected credit losses' in line with IFRS 9 – Financial Instruments. The application of this model requires judgement by the Group, taking into account the impact of changes in economic factors on expected credit losses.

In accordance with IFRS 9, the loss allowances will be determined on the following basis:

- The 12-month expected credit losses: these are expected credit losses that result from possible default events that take place within 12 months after the end of the reporting date.
- Expected credit losses over the full life cycle: these are expected credit losses that result from possible default events over the expected life of a financial instrument.

The determination on the basis of expected credit losses over the full life cycle always applies to trade receivables and contractual assets without a significant financing component.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9 – Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The amount of the allowance is deducted from the carrying amount of the asset and is recognized in the income statement.

In order to assess the materiality of the provision for impairment losses, Kinepolis conducted an analysis over a five-year period (2020-2024). The Group recognized an average of less than 0.01% (2019-2023: 0.01%) of total revenue, which is considered to be immaterial. The majority of the activities of the Group are cash-based transactions. It is Group policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, the receivable balance is monitored on an ongoing basis. Based on the above analysis, the Group decided that the impact of the model based on expected credit losses over the full life cycle of Kinepolis Group is immaterial.

With regard to credit risk from the other financial assets of the Group, including cash and cash equivalents, the Group's exposure to credit risk consists of the counterparty default risk, with a maximum exposure equal to the carrying amount of these instruments.

There are no significant concentrations of credit risk within the Group. The Group has no customers that account for more than 10% of revenue.

Liquidity risk

The Group's goal is to ensure that there is sufficient financing for the long term. The financing need is determined based on 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, Kinepolis Financial Services NV.

Capital management

The Board of Directors' policy is aimed at maintaining a strong capital position in order to retain the confidence of investors, creditors and markets and to safeguard the future development of the business activities. The Board of Directors monitors the return on equity, which is defined by the Group as the operating result divided by equity, excluding non-controlling interests. The Board of Directors also monitors the level of the dividend payable to the shareholders if circumstances permit.

The Board of Directors seeks a balance between the higher return that is potentially available with a higher level of debt on the one hand, and the benefits and security

of a solid equity position on the other. In seeking this balance, the Board of Directors' objective is to achieve the pre-defined level of ratios of net financial debt to EBITDAL and net financial debt to equity.

To hedge against a new stock option plan in 2023, two new share repurchase programs were initiated: a first between 13 June 2023, and 16 August 2023 in which 117 699 shares were repurchased, and a second between 25 September 2024 and 24 March 2024, which closed early on 14 February 2024 after reaching the anticipated maximum of 151 000 shares. The Group continues to strive for a combination of a higher-than-average market return with a lower-than-average risk through the combination of its strategic pillars with an expansion strategy based on improvement potential, and a cautious financial policy regarding the debt ratio, taking the real estate position of the Group into account. We refer to note 19 for more information.

FINANCIAL INSTRUMENTS

Debt portfolio

On 15 February 2012, within the framework of the refinancing of its existing syndicated credit and the financing of the further general development of the Group, Kinepolis Group NV signed a € 90.0 million credit agreement with ING Belgium, KBC Bank and BNP Paribas Fortis until 31 March 2017 (roll-over credit). At the end of June 2015, this existing credit facility was renewed with the bank consortium for the full term until the end of June 2020. In May 2016, the term of the existing credit agreement for € 90.0 million was extended by one year, to June 2021. In December 2019, the existing credit agreement for the roll-over credit was revised and extended. Belfius was added to the existing bank consortium, and the roll-over credit was expanded from € 90.0 million to € 120.0 million. Of this, € 30.0 million can be drawn in a currency other than Euro. In December 2021, the maturity date of the roll-over credit was extended from December 2024 to December 2026, by exercising the two foreseen extension options. On 31 December 2024, there is an outstanding draw on this credit facility of € 20.0 million (2023: € 0.0 million).

At the end of 2024, there was no outstanding 'Commercial Paper' debt (2023: € 16.0 million). This outstanding balance reduces the availability of the roll-over credit by the same amount.

In January 2015, the Group also concluded a private placement of bonds with institutional investors for € 96.0 million: € 61.4 million was placed with a term of 7 years, € 34.6 million with a term of 10 years. A fixed annual gross interest is paid on both bonds. This private placement complies with the Group's financial strategy and serves to support expansion by increasing the diversification of the sources of financing and by refinancing the existing credits. In January 2022, € 61.4 million was repaid from available financial funds. In January 2025, the remaining € 34.6 million has been repaid.

In December 2017, the Group concluded a private placement of bonds with institutional investors for an amount of € 125.0 million: € 60.0 million was placed with a term of 8 years, and € 65.0 million with a term of 10 years. A fixed annual gross interest is paid on both bonds. This private placement was primarily used to finance the acquisition of Landmark Cinemas in Canada.

In July 2019, the Group concluded a private placement of bonds with institutional investors for € 225.0 million, with a term of 7.5 years. A fixed annual gross interest is paid on the bond. The private placement was mainly used to finance the various acquisitions in 2019, investments in the renovation of existing complexes and the construction of new complexes.

In 2021, Kinepolis took an additional loan of € 80.0 million with its main bankers for a term of 3 years, with a variable Interest rate and support via a government guarantee. Given the volatility of the market throughout 2022, Kinepolis decided to hedge the variable Interest rate to a fixed interest rate. The loan was repaid in January 2024.

Covenants
Kinepolis has not provided securities linked to its debt portfolio. Only several conditions apply with regard to the sale or the guarantee of certain of the Group's assets to a third party. Kinepolis is required to comply with conditions relating to, among others, the maximum debt ratio (covenants) on its bank debt. Currently, this only relates to the roll-over credit of € 120.0 million (outstanding draw per 31 December 2024 of € 20.0 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 financial covenants consist of a maximum leverage ratio of 3.75, which temporarily increases to 4.25 in the case of a material acquisition, and a minimum interest coverage ratio of 4.5. In addition, there are a number of potentially restrictive commitments that restrict or prohibit certain trading transactions. The definitions of the covenants have been adapted to the standard IFRS 16: Leases. As such, for the determination of the leverage ratio, among other things, the net financial debt is corrected for the lease liabilities on the one hand, and the EBITDA is corrected for the impact of IFRS 16 on the other.

As of 31 December 2024, the Group was in compliance with its covenants:

- Net Financial Debt/adjusted EBITDA: 2.25 (maximum 3.75)
- Interest Coverage (adjusted EBITDA/net interest cost): 10.94 (minimum 4.5)

The additional credit of € 80.0 million, which was reimbursed in January 2024, in line with existing bank credit, provided for a number of conditions limiting asset disposals, acquisitions and dividend payments, above a financial debt ratio of 3.75.

Interest payable on term loans is calculated based on the EURIBOR applicable for the selected borrowing period plus the negotiated margin. The average interest rate on the debt portfolio on 31 December 2024 was 2.85% (2023: 2.66%). Since the vast majority of loans are at a fixed interest rate, no sensitivity analysis was performed for the remaining variable portion.

Financial liabilities – future cash flows

The following table gives an overview of the contractual maturities for the non-discounted financial liabilities at 31 December, including the estimated interest payments:

IN '000 €	2023				2024			
	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL
Private placement of bonds	10 598	405 156		415 754	105 198	299 958		405 156
Trade payables	60 520			60 520	79 219			79 219
Loans and borrowings with credit institutions	80 783			80 783	20 245			20 245
Other loans	16 000			16 000				
Bank overdrafts	113			113	3			3
Non-derivative financial liabilities	168 014	405 156		573 170	204 664	299 958		504 622
Interest rate swaps	-278			-278				
Derivative financial instruments	-278			-278				
TOTAL	**167 736**	**405 156**		**572 892**	**204 664**	**299 958**		**504 622**

In respect of interest-bearing financial liabilities with a variable interest rate, the following table gives an overview of the expected maturities:

IN '000 €	2023		2024	
	TOTAL	< 1 YEAR	TOTAL	< 1 YEAR
Loans and borrowings with credit institutions	80 000	80 000	20 000	20 000
Other loans	16 000	16 000		
TOTAL	**96 000**	**96 000**	**20 000**	**20 000**

Hedging activities

The Group uses derivative financial instruments to hedge the interest rate risk and the foreign currency risk. All derivative financial instruments are measured at fair value. At year-end of 2024, there are no hedging activities.

The following table gives the remaining term of the outstanding derivative financial instruments at balance sheet date. The amounts given in this table are the nominal values.

IN '000 €	2023				2024			
	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL
Interest rate swaps	80 000			80 000				
TOTAL	**80 000**			**80 000**				

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 amortized cost). For financial assets and liabilities where the carrying amount is a reasonable approximation of fair value (for example trade receivables or lease liabilities), no fair value is required to be disclosed.

IN '000 €	2023		2024	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Private placement of bonds – fixed interest rate	384 600	355 955	384 600	370 968
Interest-bearing loans – variable interest rate	96 000	96 000	20 000	20 000
Bank overdrafts	113	113	3	3
Transaction costs refinancing	-905	-905	-542	-542
TOTAL	**479 808**	**451 955**	**404 060**	**390 429**

The following table gives the nominal or contractual amounts and the actual fair value of all outstanding derivative financial instruments (cash flow hedging instruments). The nominal or contractual amounts reflect the volume of the derivative financial instruments outstanding at the balance sheet date. As such, they represent the Group's risk on these transactions. At year-end 2024, no derivative financial instruments were used by the Group.

IN '000 €	2023		2024	
	NOMINAL VALUE	FAIR VALUE	NOMINAL VALUE	FAIR VALUE
Interest rate swap	80 000	278		
TOTAL	**80 000**	**278**		

The fair value of financial products related to the interest rates is determined by discounting the expected future cash flows, taking into account the current market interest rates and the interest rate curve for the remaining life of the instrument. There were no outstanding forward exchange contracts at 31 December 2024.

The fair value of the derivative instruments is included in the balance sheet of the Group as follows (value before tax) (no outstanding derivative financial instruments at year-end 2024):

IN '000 €	2023			2024		
	ASSETS	LIABILITIES	NET VALUE	ASSETS	LIABILITIES	NET VALUE
Non-current	278		278			
TOTAL	**278**		**278**			

The change in the fair value of the derivative financial instruments on the balance sheet is as follows:

IN '000 €	NOMINAL VALUE	CARRYING AMOUNT		INCLUDED IN THE FOLLOWING LINE ITEM IN THE STATEMENT OF FINANCIAL POSITION	CHANGES IN THE FAIR VALUE OF THE HEDGING INSTRUMENT INCLUDED IN OTHER COMPREHENSIVE INCOME
		ASSETS	LIABILITIES		
Interest rate swap				Derivative financial instruments	-278

Fair value – hierarchy

The following table provides an overview of financial instruments recognized at fair value by the valuation method. The different levels are defined as follows:

- Level 1: quoted market prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: input that does not refer to any quoted market price included in level 1, and that is observable for the asset or the liability, either directly (i.e., as price) or indirectly (i.e., derived from price).
- Level 3: input for the asset that is, or the liability that is not based on observable market data (unobservable input).

IN '000 €	2023			2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
Interest rate swaps		278				
TOTAL		**278**				

Level 3 fair values

Per 31 December 2024 there were no contingent considerations (2023: € 0.0 million).

27. LEASES

LEASES AS LESSEE

The Group leases several sites, buildings, cars, equipment for in-theatre sales and projection equipment. If the contracts are classified as leases, they are recognized on the date on which the leased asset is available for use by the Group. The weighted average underlying incremental borrowing rate applied throughout 2024 is 5.15% (2023: 4.03%). The incremental borrowing rates are updated on a yearly basis and will be applied to new leases or for changes to existing lease agreements which are to be measured at a revised discount rate.

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
Depreciations	-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	5 799	3 533		103	9 435
New leases through business combinations	4 047				4 047
Expired leases and disposals	116	-1		-35	80
Remeasurements	3 557	234			3 791
Depreciations	-26 965	-1 372	-249	-568	-28 154
Effect of exchange rate fluctuations	-4 153		-10	-13	-4 176
Acquisition value	435 108	6 333	1 550	3 950	446 941
Depreciations	-122 432	-2 511	-1 040	-2 473	-128 456
NET CARRYING AMOUNT AT 31/12/2023	**312 676**	**3 823**	**510**	**1 477**	**318 485**
New leases	7 465	4 845			12 310
Expired leases and disposals		7			7
Remeasurements	11 643	-41			11 602
Depreciations	-26 076	-1 680	-207	-584	-28 548
Effect of exchange rate fluctuations	-889		-9	-12	-910
Acquisition value	450 474	9 002	1 429	3 913	464 818
Depreciations	-145 656	-2 048	-1 135	-3 030	-151 870
NET CARRYING AMOUNT AT 31/12/2024	**304 818**	**6 953**	**294**	**883**	**312 948**

Lease liabilities

IN '000 €	TOTAL
NET CARRYING AMOUNT AT 31/12/2022	**370 371**
New leases	9 332
New leases through business combinations	4 047
Interest	9 566
Repayment	-34 949
Forgiveness of lessee's lease payments	-146
Remeasurements	4 056
Effect of exchange rate fluctuations	-4 690
NET CARRYING AMOUNT AT 31/12/2023	**357 587**
New leases	12 310
Interest	9 676
Repayment	-34 511
Remeasurements	11 334
Effect of exchange rate fluctuations	-1 192
NET CARRYING AMOUNT AT 31/12/2024	**355 204**

At 31 December 2024, the Group had a lease liability of € 355.2 million (2023: € 357.6 million) and a right-of-use asset of € 312.9 million (2023: € 318.5 million). During 2024 the lease liabilities decreased with € 2.4 million and the right-of-use assets with € 5.5 million. The RealD 3D equipment used by the Group is included under the right-of-use assets (€ 0.9 million). As these assets are fully prepaid, there is no outstanding lease liability for these assets.

New leases

The new leases mainly consist of new leases concluded for buildings (€ 7.5 million), mainly linked to the new cinema complexes in Almería (Spain) for € 3.6 million and Windsor (Canada) for € 3.6 million. New car leases amount to € 4.8 million. Of this, €2.9 million relates to the addition of electric vehicles, which is included in eligible green capex under the EU Taxonomy and reported in the ESG Report, section EU Taxonomy together with 'green star capex' as reported in note 11 - Property, plant and equipment.

Remeasurements

During 2024 several leases were adjusted, mainly due to changes to the contractual term or other adjustments such as indexations or new negotiations for future lease payments. All this led to a remeasurement of the lease liabilities of € 11.3 million and a remeasurement of the right-of-use assets of € 11.6 million. The largest impact is linked to the renewal of the lease and related terms of our cinema complex in Almere (The Netherlands) (€ 7.5 million).

Impairment losses

In 2024 as well as in 2023, there were no impairment losses for leasing contracts.

Impact on the consolidated result and the statement of cash flow

Per 31 December 2024 the Group had € 28.5 million (2023: € 28.2 million) depreciations on right-of-use assets and € 9.7 million (2023: € 9.6 million) interest on lease liabilities. The Group repaid € 34.5 million lease liabilities in 2024 (2023: € 34.9 million), of which € 9.7 million (2023: € 9.6 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 31 December:

IN '000 €	2023				2024			
	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL	< 1 YEAR	1-5 YEARS	> 5 YEARS	TOTAL
NON-DISCOUNTED LEASE LIABILITIES	34 813	128 490	266 750	430 054	36 080	136 226	253 059	425 365

Not recognized under IFRS 16

Exemption from recognition

The Group has decided to make use of the option of exemption of recognition under IFRS 16 for short-term leases and leases in which the underlying asset has a low value. The operational lease cost related to the exempt short-term leases amounts to € 0.0 million in 2024 (2023: € 0.0 million) and are considered as immaterial.

Variable lease liabilities

In addition, variable lease liabilities are also not recognized under IFRS 16. The total operational lease cost of this amounts to € 2.5 million in 2024 (2023: € 2.5 million). This has led to the same outgoing cash flow that is classified in the consolidated statement of cash flow under 'Cash flow from operating activities'.

The main parameters of variable lease liabilities are the realized revenue and the number of visitors. The Group has performed a sensitivity analysis with possible changes in the variable lease liabilities, estimated based on a theoretical volatility of both revenue and number of visitors to be able to estimate the future impact. If the revenue and the number of visitors would increase by 10%, the total operational lease cost of the variable lease liability would increase to € 2.6 million. If the revenue and the number of visitors would decrease by 10%, the total operational lease cost of the variable lease liability would be € 1.9 million.

Lease commitments already entered into

As of 31 December 2024, the Group had not entered into any other lease commitments that impact the future outgoing cash flow.

Extension options

If the Group were to exercise all possible renewal options that it has available in the contracts as of 31 December 2024, there would be an additional outgoing cash flow of non-discounted lease liabilities of € 298.6 million over the entire term of the related contracts. As of 31 December 2024, the Group believes that these additional potential renewal options will not yet be exercised with reasonable certainty, so they are not included in the ending balance of the lease liabilities and the non-discounted lease liability. If the Group were not to recognize any renewal options, the future cash outflow of non-discounted lease liabilities would decrease from € 425.4 million to € 265.5 million.

LEASES AS LESSOR

The Group has leased out parts of its property under operational leases. The non-discounted lease payments under non-cancellable operational leases are recoverable as follows:

IN '000 €	2023	2024
Less than one year	8 200	7 176
Between one and two years	4 699	4 123
Between two and three years	2 698	2668
Between three and four years	1 578	1 275
Between four and five years	974	1 078
More than five years	2 211	1 500
TOTAL	**20 360**	**17 821**
Minimum lease payments in the income statement with regard to operational leases	9 109	9 910
Variable lease payments in the income statement with regard to operational leases	782	661

The Group leases out part of its complexes to third parties for the exploitation of shops or cafés. These concessions have a term of 1 to 20 years (renewable) unless they are agreed for an undefined term.

In addition, the parking lots of several complexes are leased out for a term of 1 to 15 years (renewable) or for an indefinite term in Belgium, for a period of 9 years or for an indefinite term in Luxembourg or for an indefinite term in Poland and France. A fixed rent is charged for part of these parking lots. The revenue from the other parking lots is variable, based on the number of parking tickets sold, adjusted for management expenses.

28. CAPITAL COMMITMENTS

As of 31 December 2024, the Group had significant capital commitments amounting to € 1.0 million, primarily related to the committed implementation of ScreenX in North America for € 0.4 million and new projectors for € 0.6 million. The € 8.1 million decrease compared to the previous year is entirely due to project timing. At the end of 2023, several committed renovation projects were still in progress, whereas this was not the case at the end of 2024.

At the end of prior year, the Group had material capital commitments of € 9.1 million, mainly for the renovation of cinema complexes (Béziers, Windsor…) at € 8.8 million and new projectors at € 0.3 million.

29. CONTINGENCIES

At the end of 2024 the Group had unrecognized contractual obligations for € 1.5 million (2023: € 10.5 million). These mainly concerned minimum guarantee commitments of Kinepolis Film Distribution NV towards Dutch Filmworks BV and local producers for films that have not yet been released, but for which contractual obligations already exist. Last year, this also concerned conditional contractual obligations for potential investments in real estate, but which ultimately did not materialize.

30. RELATED PARTIES

The transactions between the Group and its subsidiaries were eliminated in the consolidation and are accordingly not included in this note. The transactions with other related parties are explained below.

Remuneration of the directors and executive management

IN '000 €	2023	2024
Directors		
Remuneration	920	923
Executive Management (CEO)		
Short-term employee benefits	1 581	1 350
TOTAL	**2 501**	**2 273**

In 2023, the Group's CEO was granted 112 500 options under the Incentive Plan. No additional options were granted to him in 2024. The total fair value of these options amounts to € 1.5 million. Of this, € 0.4 million has been allocated and recognized in profit and loss for 2024 (compared to € 0.6 million in 2023). For further details, please refer to the Remuneration Report in the Corporate Governance Statement and Note 20.

Transactions with other related parties

Kinohold BIS SA provides certain administrative services to the Group, for which it charged € 0.1 million in 2024 (2023: € 0.1 million).

31. SUBSEQUENT EVENTS

The remaining outstanding amount of € 34.6 million from the private placement of bonds with institutional investors, completed in 2015 (of which € 61.4 million was repaid in 2022), was fully repaid in January 2025. The Group is actively engaged in refinancing its debt and is evaluating a range of options. Additionally, no significant events have occurred after the year-end 2024 up to the publication date.

32. MANDATES AND REMUNERATION OF THE STATUTORY AUDITOR

The total fee in relation to services provided by the statutory auditor EY Bedrijfsrevisoren BV, represented by Mr. P. Eelen (in 2023: KPMG Bedrijfsrevisoren, represented by Mr. F. Poesen) and by companies related to the auditor to the entire Group can be summarized as follows:

IN '000 €	2023	2024
Remuneration of the statutory auditor	436	589
Other audit-related services		85
Other assignments outside the audit assignments	8	
Remuneration for exceptional services or special assignments performed within the Company and its subsidiaries by the statutory auditor		
Total remuneration of the statutory auditor	**444**	**674**
Remuneration for persons associated with the statutory auditor for the performance of a mandate as statutory auditor	483	280
Tax advisory services	51	
Other assignments outside the audit assignments	91	
Remuneration for exceptional services and special assignments performed within the Company and its subsidiaries by persons associated with the statutory auditor		
Total remuneration for persons associated with the statutory auditor	**625**	**280**
TOTAL	**1 069**	**954**

33. GROUP ENTITIES

LIST OF THE FULLY CONSOLIDATED COMPANIES

COUNTRY	NAME	MUNICIPALITY	VAT OR COMPANY REGISTRATION NUMBER	% 2023	% 2024
Belgium	Brightfish NV	Brussels	BE 0450 523 725	100	100
	Kinepolis Braine SA	Braine-L'Alleud	BE 0462 688 911	100	100
	Kinepolis Film Distribution (KFD) NV	Brussels	BE 0445 372 530	100	100
	Kinepolis Financial Services NV	Brussels	BE 0886 547 831	100	100
	Kinepolis Group NV	Brussels	BE 0415 928 179	100	100
	Kinepolis Immo Hasselt NV	Hasselt	BE 0455 729 358	100	100
	Kinepolis Immo Multi NV	Brussels	BE 0877 736 370	100	100
	Kinepolis Liège NV	Hasselt	BE 0459 469 796	100	100
	Kinepolis Mega NV	Brussels	BE 0430 277 746	100	100
	Kinepolis Multi NV	Kortrijk	BE 0434 861 589	100	100
Canada	Kinepolis Canada LTD	Calgary	CA 2020 757 353	100	100
	Landmark Cinemas Holding LTD	Calgary	CA 2020 757 536	100	100
	Landmark Cinemas Canada LP	Calgary	CA 2017 564 317	100	100
	Landmark Cinemas Canada GP	Calgary	CA 2017 564 317	100	100

COUNTRY	NAME	MUNICIPALITY	VAT OR COMPANY REGISTRATION NUMBER	% 2023	% 2024
France	Eden Panorama SA	Lomme	FR 02340483221	100	100
	Forvm Kinepolis SA	Nîmes	FR 86421038548	100	100
	Kinepolis Bourgoin SA	Bourgoin-Jallieu	FR 65779487297	100	100
	Kinepolis France SAS	Lomme	FR 20399716083	100	100
	Kinepolis Film Distribution France SAS	Lomme	FR 43789848280	100	100
	Kinepolis Immo St. Julien-lès-Metz SAS	Metz	FR 51398364463	100	100
	Kinepolis Immo Thionville SA	Thionville	FR 10419162672	100	100
	Kinepolis Le Château du Cinéma SAS	Lomme	FR 60387674484	100	100
	Kinepolis Mulhouse SA	Mulhouse	FR 18404141384	100	100
	Kinepolis Nancy SAS	Nancy	FR 00428192819	100	100
	Kinepolis Prospection SAS	Lomme	FR 45428192058	100	100
	Kinepolis St. Julien-lès-Metz SAS	Metz	FR 43398364331	100	100
	Kinepolis Thionville SAS	Thionville	FR 09419251459	100	100
	Utopolis Longwy SAS	Longwy	FR 21432763563	100	100
	Kinepolis Belfort SAS	Belfort	FR 21432763563	100	100

COUNTRY	NAME	MUNICIPALITY	VAT OR COMPANY REGISTRATION NUMBER	% 2023	% 2024
Luxembourg	Utopolis Belval SA	Luxembourg	LU 220 75 333	100	100
	Majestiek International SA	Luxembourg	LU 19942206638	100	100
	Utopia SA	Luxembourg	LU 160 90 380	100	100
Netherlands	Kinepolis Immo BV	Utrecht	NL 003182794B01	100	100
	Kinepolis Rotterdam BV	Utrecht	NL 808810261B01	100	100
	Kinepolis Bioscopen Holding BV	Utrecht	NL 822624382B01	100	100
	Kinepolis Enschede BV	Utrecht	NL 808883574B01	100	100
	Kinepolis Groningen BV	Utrecht	NL 816165774B01	100	100
	Kinepolis Huizen BV	Utrecht	NL 820697230B01	100	100
	Kinepolis Exploitatie BV	Utrecht	NL 819683036B01	100	100
	Kinepolis UBOS BV	Utrecht	NL 856681866B01	100	100
	Kinepolis Immo Schagen BV	Utrecht	NL 815246353B01	100	100
	Kinepolis Cinemagnus Schagen BV	Utrecht	NL 815293446B01	100	100
	Kinepolis Immo Hoofddorp BV	Utrecht	NL 821608563B01	100	100
	Kinepolis Cinemeerse Hoofddorp BV	Utrecht	NL 821608666B01	100	100
	City Monumenten Utrecht BV	Utrecht	NL 002611375B01	100	100
	NH Haarlem BV	Utrecht	NL 855813593B01	100	100
	Cineschalkstad BV	Utrecht	NL 855814275B01	100	100
	Utopia Nederland BV	Almere	NL 804687237B03	100	100
	Utrechtse Film Onderneming 'Ufio' BV	Utrecht	NL 003182812B01	100	100
	Kinepolis Immo Spijkenisse BV	Utrecht	NL 810523358B01	100	100
	Kinepolis Spijkenisse BV	Utrecht	NL 800351575B01	100	100
Poland	Kinepolis Poznań Sp. Z.o.o.	Poznań	NIP 5252129575	100	100
Spain	Kine Invest SA	Pozuelo de Alarcon	ESA 824 896 59	100	100
	Kinepolis España SA	Pozuelo de Alarcon	ESA 814 870 27	100	100
	Kinepolis Granada SA	Pozuelo de Alarcon	ESA 828 149 55	100	100
	Kinepolis Jerez SA	Pozuelo de Alarcon	ESA 828 149 22	100	100
	Kinepolis Madrid SA	Pozuelo de Alarcon	ESA 828 149 06	100	100
	Kinepolis Paterna SA	Pozuelo de Alarcon	ESA 828 149 14	100	100
	Cines Llobregat SL	Madrid	NIF B651 443 70	100	100
	Cines El Punt SA	Madrid	NIF A621 222 21	100	100
United States	Kinepolis US INC	Michigan	EIN 61-1936179	100	100
	MJR Group LLC	Michigan	EIN 38-3367945	100	100
	MJR Sterling Heights LLC	Michigan	EIN 46-3910496	100	100
Switzerland	Kinepolis Schweiz AG	Schaffhausen	CH 2903013216-5	100	100

CHANGES IN THE CONSOLIDATION SCOPE

No changes in the consolidation scope during 2024.

INDEPENDENT AUDITOR'S REPORT TO THE GENERAL MEETING OF KINEPOLIS GROUP NV FOR THE YEAR ENDED 31 DECEMBER 2024

In the context of the statutory audit of the Consolidated Financial Statements of Kinepolis Group NV (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated statement of the financial position as at 31 December 2024, the consolidated income statement, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flow and consolidated statement of changes in equity for the year ended 31 December 2024 and the disclosures including material accounting policy information (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 8 May 2024, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee and following recommendation of the workers' council. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2026. We performed the audit of the Consolidated Financial Statements of the Group for one year.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have audited the Consolidated Financial Statements of Kinepolis Group NV, that comprise of the consolidated statement of the financial position on 31 December 2024, the consolidated income statement, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flow and consolidated statement of changes in equity of the year and the disclosures including, material accounting policy information, which show a consolidated balance sheet total of € 1 144 430 thousand and of which the consolidated income statement shows a profit for the year of € 40 463 thousand.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2024, and of its consolidated results for the year then ended, prepared in accordance with the IFRS Accounting Standards as adopted by the European Union and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Impairment of goodwill

Description of the key audit matter

As set out in Note 10, 'Non-financial assets and business combinations', the Group performed an impairment assessment over goodwill; which amounts to € 177 369 thousand and represents 15.5% of the Group's total assets as of 31 December 2024. Goodwill has been allocated to a group of cash-generating units ('CGUs') for impairment testing purposes since this is the lowest level on which the Group is monitoring goodwill. The Group has exercised judgement in the allocation of its goodwill to a group of CGUs.

The Group determined the recoverable amount of a CGU based on its value in use ('VIU') using a discounted cash flow valuation model. This valuation model is complex and requires estimating cash flow projections impacted by management's expectations of future performance, revenue growth, margin evolution and the discount rate. Due to the involvement of significant judgements, complexity of the valuation methodology, inherent uncertainty related to forecasting and assumptions that are affected by economic conditions, we consider this matter as a key audit matter.

Summary of the procedures performed

- We challenged management's identification of the grouped CGUs with reference to our understanding of the Group's business and the requirements of the prevailing accounting standards;
- We included our internal valuation specialist in our team to analyze and test the valuation model, the methodology and clerical accuracy, and to assess the abovementioned critical assumptions used in the valuation model;
- We evaluated and challenged the key assumptions of revenue growth, expected margin evolution, and the discount rate by comparison to peer-group information, the Group's cost of capital and relevant risk factors;
- We carried out probing inquiries to management involved in the preparation of the business plan (adopted and approved by the Board of Directors), which serves as the basis in the valuation model;
- We analyzed and tested the sensitivity analysis prepared by management to understand the impact of reasonable changes in the key assumptions on the available headroom for the CGU;
- We considered additional impairment indicators by reading minutes of the board of directors' meetings, and we held regular discussions with management and the audit committee;
- We assessed the adequacy of the information disclosed in note 10 to the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with the IFRS Accounting Standards and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISA's, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report and other information included in the annual report

The Board of Directors' report on the Consolidated Financial Statements contains the consolidated sustainability information that is subject to our separate limited assurance report. This section does not cover the assurance on the consolidated sustainability information included in the annual report.

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Section '2024 In review': financial information included in Key Figures and Ratios;
- Section 'Corporate Governance'

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

No additional services, that are compatible with the audit of the Consolidated Financial Statements as referred to in Article 3:65 of the Code of companies and associations and for which fees are due, have been carried out.

European single electronic format (“ESEF”)

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori).

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Kinepolis Group NV per 31 December 2024 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori) are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

Other communications

This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Ghent, 28 March 2025

EY Bedrijfsrevisoren BV
Statutory Auditor
represented by

Paul Eelen*
Partner
** Acting on behalf of a BV/SRL*

25PE0093

CONDENSED FINANCIAL STATEMENTS OF KINEPOLIS GROUP NV

The following information is an extract from the statutory financial statements of Kinepolis Group NV, drawn up in accordance with the Belgian accounting principles. These statutory financial statements will be filed, together with the report of the Board of Directors to the General Meeting and the auditor's report, with the National Bank of Belgium within the legal deadline.

It should be noted that only the consolidated financial statements as presented above give a true and fair view of the financial position and performance of Kinepolis Group NV. As Kinepolis Group NV is essentially a holding company that accounts for its investments at cost in its statutory financial statements, these separate financial statements only give a limited view of the financial position of Kinepolis Group NV. The Board of Directors has therefore deemed it appropriate to present only a condensed unconsolidated balance sheet and income statement, prepared according to the Belgian accounting principles for the year ended 31 December 2024.

The statutory auditor's report is 'unqualified' and confirms that the statutory financial statements of Kinepolis Group NV, prepared in accordance with Belgian accounting principles for the year ending 31 December 2024, give a true and fair view of the financial position of Kinepolis Group NV in accordance with all legal and regulatory provisions. The statutory financial statements of Kinepolis Group NV can be obtained free of charge from the website of the National Bank of Belgium (www.nbb.be), in the section 'Central Balance Sheet Office', subsection 'Consult' or can be requested free of charge from the Investor Relations department of Kinepolis Group.

CONDENSED UNCONSOLIDATED BALANCE SHEET OF KINEPOLIS GROUP NV

IN '000 €	2023	2024
Non-current assets	611 384	610 873
Intangible assets	5 027	4 059
Property, plant and equipment	1 256	989
Financial fixed assets	605 101	605 825
Current assets	70 718	52 829
TOTAL ASSETS	**682 102**	**663 702**
Equity	165 537	178 600
Issued capital	18 952	18 952
Share premiums	1 154	1 154
Legal reserve	1 895	1 895
Unavailable reserves	25 926	24 293
Available reserves	7 050	7 050
Profit carried forward	110 560	125 255
Provisions and deferred taxes	150	182
Non-current loans and borrowings	384 600	290 000
Current loans and borrowings	121 218	179 402
Accrued charges and deferred income	10 597	15 518
TOTAL EQUITY AND LIABILITIES	**682 102**	**663 702**

CONDENSED UNCONSOLIDATED INCOME STATEMENT OF KINEPOLIS GROUP NV

IN '000 €	2023	2024
Operating income	99 163	80 187
Operating expenses	-48 129	-49 621
OPERATING RESULT	**51 035**	**30 565**
Financial result	47 174	-12 201
Current tax expenses	-5 958	-5 316
PROFIT / (LOSS) FROM THE FINANCIAL YEAR FOR APPROPRIATION	**92 250**	**13 048**

APPROPRIATION OF THE RESULTS OF KINEPOLIS GROUP NV

IN '000 €	2023	2024
Profit / (loss) from the fiscal year for appropriation	92 250	13 048
Profit carried forward from previous financial year	44 287	110 575
Transfer to / (from) equity:		
- to the unavailable reserves		1 632
- to the other reserves	11 251	
Profit to be carried forward	110 575	110 543
Dividend	**14 712**	**14 712**

MANDATES AND REMUNERATION OF THE STATUTORY AUDITOR OF KINEPOLIS GROUP NV

IN '000 €	2023	2024
Remuneration of the statutory auditor(s) for the performance of a mandate as statutory auditor	**301**	**267**
Other audit-related services		85
Other assignments outside the audit assignments	3	
Remuneration for exceptional services or special assignments performed within the Company by the statutory auditor(s)	**3**	**85**
Tax advisory services	34	
Other assignments outside the audit assignments		
Remuneration for exceptional services or special assignments performed within the Company by persons associated with the statutory auditor(s)	**34**	
TOTAL	**337**	**352**

RECONCILIATIONS

ADJUSTMENTS IN '000€	2023	2024
EBITDA	924	-107
Depreciations, amortizations and impairment losses	-1 200	
Share-based payments (IFRS 2)*	-2 227	-1 691
Income tax expenses	626	449
Net impact of adjustments	**-1 877**	**-1 348**

* *Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively.*

RECONCILIATION OF ADJUSTED RESULT IN '000€	2023	2024
Operating result	105 999	82 075
Financial result	-30 228	-26 641
Result before tax	**75 771**	**55 433**
Income tax expenses	-19 697	-14 971
Result for the period	**56 075**	**40 463**
Net impact of adjustments	1 877	1 348
Adjusted result for the period	**57 952**	**41 811**

RECONCILIATION OF EBITDAL IN '000€	2023	2024
EBITDA	186 864	165 539
Costs related to lease contracts (excl. rent abatements and common charges)	-35 500	-34 595
EBITDAL	**151 364**	**130 944**

RECONCILIATION OF ADJUSTED EBITDAL IN '000€	2023	2024
EBITDAL	151 364	130 944
Impact of adjustments on EBITDA	1 303	1 797
Adjusted EBITDAL	**152 667**	**132 741**

RECONCILIATION ADJUSTED EBITDA VS EBITDA IN '000€	2023	2024
Operating result	105 999	82 075
Depreciations and amortizations	82 877	81 914
Provisions and impairments	-2 012	1 551
EBITDA	**186 864**	**165 539**
Impact of adjustments on EBITDA	1 303	1 797
Adjusted EBITDA	**188 167**	**167 336**

RECONCILIATION OF NET FINANCIAL DEBT IN '000€	2023	2024
Financial debt	837 395	759 265
Cash and cash equivalents	-101 381	-84 595
Tax shelter investments	-116	-116
Net financial debt	**735 898**	**674 553**

RECONCILIATION OF NET FINANCIAL DEBT EXCL. LEASE LIABILITIES IN '000€	2023	2024
Financial debt excl. lease liabilities	479 808	404 061
Cash and cash equivalents	-101 381	-84 595
Tax shelter investments	-116	-116
Net financial debt excl. lease liabilities	**378 311**	**319 349**
Impact lease liabilities	357 587	355 204
Net financial debt	**735 898**	**674 553**

RECONCILIATION FREE CASH FLOW IN '000€	2023	2024
Cash flow from operating activities	174 926	175 445
Income taxes paid / received	-20 478	-11 789
Maintenance capital expenditures for intangible assets, property, plant and equipment and investment property	-18 845	-18 456
Interest paid / received	-15 139	-12 390
Payment of lease liabilities	-34 949	-34 511
Free cash flow	**85 515**	**98 300**

RECONCILIATION ROCE IN '000€	2023	2024
Operating result	105 999	82 075
Impact of adjustments on EBIT	2 503	1 797
Adjusted EBIT	**108 502**	**83 872**
Average non-current assets	1 025 781	1 000 164
Average deferred tax assets	-18 641	-6 317
Average assets classified as held for sale	460	881
Average inventories	7 578	7 911
Average trade receivables	29 157	32 192
Average trade payables	-66 964	-69 869
Capital employed	**977 371**	**954 963**
Return on capital employed (ROCE)	**11.1%**	**8.8%**

RECONCILIATION ROCE EXCL. IFRS 16 IN '000€	2023	2024
Operating result + IFRS 16 depreciations - costs related to lease contracts (excl. rent abatements and common charges)	98 653	76 020
Impact of adjustments on EBIT	2 503	1 797
Adjusted EBIT excl. IFRS 16	**101 156**	**77 817**
Average non-current assets excl. right-of-use assets	699 806	684 446
Average deferred tax assets excl. impact IFRS 16	-12 141	-10 443
Average assets classified as held for sale	460	881
Average inventories	7 578	7 911
Average trade receivables	29 157	32 192
Average trade payables	-66 964	-69 869
Capital employed excl. IFRS 16	**657 896**	**645 118**
Return on capital employed (ROCE) excl. IFRS 16	**15.4%**	**12.1%**

RECONCILIATION CURRENT RATIO IN '000€	2023	2024
Current assets	161 662	149 466
Current liabilities	247 123	287 440
Current ratio	**65%**	**52%**

RECONCILIATION CURRENT RATIO EXCL. CURRENT LEASE LIABILITIES IN '000€	2023	2024
Current assets	161 662	149 466
Current liabilities excl. current lease liabilities	212 732	251 801
Current ratio excl. current lease liabilities	**76%**	**59%**

RECONCILIATION CAPITAL EXPENDITURE ACCORDING TO THE STATEMENT OF CASH FLOW IN '000€	2023	2024
Acquisition of intangible assets	2 311	1 227
Acquisition of property, plant and equipment and investment property	33 712	41 406
Advance lease payments	104	
Acquisition of subsidiaries, net of cash acquired	5 431	
Proceeds from sale of investment property, intangible assets and property, plant and equipment	4	-639
Total capital expenditure according to the statement of cash flow	**41 562**	**41 993**

RECONCILIATION GEARING RATIO IN '000€	2023	2024
Net financial debt	735 898	674 553
Equity	193 844	225 890
Gearing ratio	**3.80**	**2.99**

RECONCILIATION GEARING RATIO EXCL. LEASE LIABILITIES IN '000€	2023	2024
Net financial debt excl. lease liabilities	378 311	319 349
Equity	193 844	225 890
Gearing ratio excl. lease liabilities	**1.95**	**1.41**

GLOSSARY AND APMS

This glossary 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 + amortizations + 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(L)

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

Adjustments*

The adjustments exclude items that fall outside normal operations, such as results from the disposal of fixed assets, exceptional impairment losses on assets, exceptional provisions, costs related to restructuring and acquisitions, expenses for share-based payments and other long-term incentive programs and other exceptional income and expenses.

** Starting in FY24, the adjustments incorporate an adjustment for share-based payment expenses (IFRS 2), applied retroactively.*

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 stock option plans x dilution effect of the stock option plans)

Dividend

Payment of the result of the 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

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

- Maintenance
- Digital equipment
- Remodelling
- Expansion

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

FINANCIAL CALENDAR 2025

THURSDAY
24
APR 2025
PUBLICATION BUSINESS UPDATE Q1 2025

WEDNESDAY
14
MAY 2025
GENERAL MEETING KINEPOLIS GROUP NV

THURSDAY
21
AUG 2025
PUBLICATION HALF-YEAR RESULTS 2025 PRESENTATION TO PRESS AND ANALYSTS

THURSDAY
23
OCT 2025
PUBLICATION BUSINESS UPDATE Q3 2025

These dates are subject to change. For the latest financial calendar, please refer to the website: www.kinepolis.com/corporate

STATEMENT WITH REGARD TO THE INFORMATION INCORPORATED IN THE ANNUAL REPORT

The undersigned certifies that, to his knowledge:

- The financial statements, which have been prepared in accordance with the applicable standards and on a going concern basis, give a true and fair view of the equity, financial position and performance of the Company and the entities included in the consolidation as a whole;
- The report of the Board of Directors gives a fair view of the development and performance of the business and the position of the Company, and the entities included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

18 March 2025

Eddy Duquenne

CEO Kinepolis Group

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