CINEMAONE

CHAIRMAN'S REPORT
FOR THREE MONTHS ENDED DECEMEBER 31, 2025

Overview

After the postponement of the release of the much anticipated Michael Jackson biography picture *Michael* along with *Mortal Kombat 2* from the month of October 2025 into spring 2026, the Q1 FY 2026 period commenced with movie attendance at the very low end of expectations. In fact, the domestic US and Canadian markets recorded the lowest October in almost 3 decades excluding the Covid-19 pandemic period.

However, by late November and December 2025 the motion picture industry again proved that when the movies are there the audiences are there too. The enduring relationship between theatrical distribution and audience turnout was demonstrated with the strong December performance of *Zootopia 2* and *Avatar Fire and Ash*. The two Disney titles became the two highest grossing movies of 2025 with a combined December tally of US $1.8B globally, elevating December 2025 to the highest grossing December since pre-Covid 2019.

Financial Performance

In the wake of the lackluster start to FY 2026, CinemaONE's consolidated results for the three (3) month period ended December 31, 2025 compared to the restated prior year period were as follows: Net Revenue decreased by -13% to TT $4.0M (FY 2025: TT $4.7M). Gross Profit was -11% below at TT $2.8M (FY 2025: TT $3.1M). With continued operating cost containment, the Operating Loss was moderately reduced to TT -$.3M (FY 2025: TT -$.4M). The CINE1 Group also narrowly improved the Net Loss versus the prior year to TT -$2.2M (FY 2025: -$2.3M). EBITDA was above the prior year period at TT $1.5M versus the prior year (FY 2025: TT $1.4M).

Future Outlook

Expert industry analysts drawing on the depth and strength of the global box office repository of Comscore (www.comscore.com) are quite upbeat in their forecasts for calendar year 2026 given the committed movie slate for the full year highlighted by Universal's *Super Mario Galaxy Movie, Michael* and the *Odyssey*, Disney's *The Mandalorian, Toy Story 5*, *Moana 2* and *Avengers Doomsday*, Sony's *Spiderman: Brand New Day* and *Jumanji* sequel and Warner Brothers' *Mortal Kombat 2*, *Supergirl* and *Dune 3*.

According to Gower Street's Chief Analyst Thomas Beranek, who led the work on the 2026 projection highlighted below. "We predict 2026 will be the highest grossing global year since 2019 ($42.3bn), topping the current high of 2023 ($33.9bn)".

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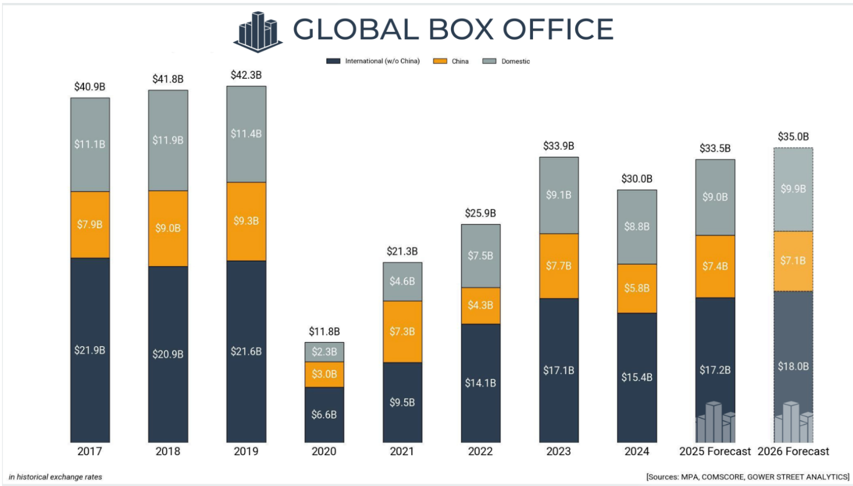

The CinemaONE Group is steadily advancing its space rationalization and optimization strategy in an effort to recalibrate key lease and operating expenses with expected movie theatre admissions. The Group expects financial improvement associated with these initiatives in the upcoming Q2 and Q3 periods of FY 2026.

Happy Carnival 2026!

Brian Jahra
Chairman
February 14, 2026

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3 MONTHS ENDED DEC. 31, 2025	3 MONTHS ENDED DEC. 31, 2024 RESTATED	12 MONTHS ENDED SEP. 30, 2025
Assets	**UNAUDITED**	**UNAUDITED**	**AUDITED**
Non-current assets			
Property Plant and Equipment	66,919,360	72,051,195	68,295,233
Right-of-Use Assets	38,024,319	37,707,072	38,298,470
Deferred Tax Asset	12,636,994	12,057,314	12,636,994
Due from related parties	3,332,420	3,286,419	3,302,170
Total Non-current Assets	**120,913,094**	**125,102,000**	**122,532,867**
Current assets			
Cash and cash equivalents	209,745	356,753	98,085
Cash and cash equivalents-restri	291,310	290,952	291,246
Other Current Assets	1,425,676	2,026,613	1,342,345
Total Current Assets	**1,926,731**	**2,674,318**	**1,731,676**
Total Assets	**122,839,824**	**127,776,318**	**124,264,543**
Equity & Liabilities			
Paid/Issued Share Capital	38,213,147	38,213,147	38,213,147
Retained earnings	(32,064,315)	(22,924,450)	(29,856,960)
Total Equity	**6,148,832**	**15,288,697**	**8,356,187**
Liabilities			
Non-current Liabilities			
Borrowings	5,913,626	40,065,110	5,455,538
Lease Liability	29,633,401	34,731,007	29,287,417
Deferred Tax Liability	12,990,994	11,495,453	12,990,994
Accruals and Other Liabilities	-	8,309,920	-
Total Non-current Liabilities	**48,538,020**	**94,601,489**	**47,733,949**
Current Liabilities			
Borrowings	49,267,848	8,691,981	35,138,940
Lease Liability	10,296,592	2,433,469	9,883,951
Accruals and Other Liabilities	8,588,532	6,760,681	23,151,516
Total Current liabilities	**68,152,972**	**17,886,132**	**68,174,407**
Total Equity & Liabilities	**122,839,824**	**127,776,318**	**124,264,543**

Brian Jahra

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3 MONTHS ENDED DEC. 31, 2025	3 MONTHS ENDED DEC. 31, 2024 RESTATED	12 MONTHS ENDED SEP. 30, 2025
	UNAUDITED	UNAUDITED	AUDITED
Gross Revenue	4,349,325	5,097,485	20,584,540
Discounts	(313,568)	(438,515)	(1,754,059)
Net Revenue	**4,035,757**	**4,658,970**	**18,830,481**
Cost of Sales	(1,242,632)	(1,532,100)	(6,061,161)
Gross Profit	**2,793,126**	**3,126,870**	**12,769,320**
Operating expenses	(3,083,284)	(3,477,648)	(14,323,899)
Operating Profit / (Loss)	**(290,159)**	**(350,777)**	**(1,554,579)**
Net Finance cost	(1,703,955)	(1,710,551)	(6,719,957)
Profit/(Loss) before Tax	**(1,994,114)**	**(2,061,328)**	**(8,274,536)**
Tax	(213,241)	(239,768)	(959,070)
Profit/(Loss) after Tax	**(2,207,355)**	**(2,301,096)**	**(9,233,606)**
EBITDA	**1,525,712**	**1,381,102**	**5,665,951**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3 MONTHS ENDED DEC. 31, 2025	3 MONTHS ENDED DEC. 31, 2024 RESTATED	12 MONTHS ENDED SEP. 30, 2025
	UNAUDITED	UNAUDITED	AUDITED
Shareholders Equity	8,356,187	17,589,793	17,589,793
Total Comprehensive Income/(lo	(2,207,355)	(2,301,096)	(9,233,606)
Balance as at End of Period	**6,148,832**	**15,288,697**	**8,356,187**

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CONSOLIDATED STATEMENT OF CASH FLOWS	3 MONTHS ENDED DEC. 31, 2025	3 MONTHS ENDED DEC. 31, 2024 RESTATED	12 MONTHS ENDED SEP. 30, 2025
	UNAUDITED	UNAUDITED	AUDITED
Profit/(loss) before taxation	**(1,994,114)**	**(2,061,328)**	**(8,274,536)**
Adjustments for:			
Depreciation	1,815,871	1,731,879	7,220,530
Interest expense	1,703,955	1,165,023	6,771,340
Other changes in working	(868,587)	1,421,711	5,718,428
Cash generated from operatio	**657,125**	**2,257,285**	**11,435,761**
Taxation recoverable			-
Taxation paid	(8,319)	(10,802)	(43,209)
Net cash generated from operations	**648,806**	**2,246,482**	**11,392,552**
Net cash used in investing acti	**(41,197)**	**(543,545)**	**(2,215,051)**
Proceeds from loans	-	300,000	991,007
Repayment of loans and borrow	(192,831)	(448,143)	(3,774,271)
Interest paid	(111,504)	(631,510)	(2,048,011)
Leases	(191,552)	(686,378)	(4,367,693)
Net cash used in financing activities	**(495,886)**	**(1,466,031)**	**(9,198,968)**
Net (decrease) / increase in cash	**111,723**	**236,907**	**(21,467)**
Cash and cash equivalents at the beginning of the period	**389,331**	**410,798**	**410,798**
Cash and cash equivalents at the end of the period	**501,054**	**647,705**	**389,331**

NOTES TO THE SUMMARY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED DEC 31, 2025

NOTES:

1) Basis of Accounting: These condensed financial statements have been prepared by Management in accordance with International Financial Reporting Standards (IFRS).

2) Significant Accounting Policies: The principle accounting polices adopted in the preparation of these financial statements are consistent with those used in the audited financial statements as at September 30, 2025.

3) Sated Currency: Trinidad and Tobago Dollars.

4) Restatement of Prior Year Dec 2024: In accordance with consistency principles with Audit Year 2025, Pirior Year adjustments associated with the applicaion of IFRS-16, IFRS 23 and IAS-12 were made to Lease Expenses, Interest Expenses and Impairment of Taxes recoverable.