

شركة قطر للسينما وتوزيع الأفلام (ش.م.ق.)
QATAR CINEMA & FILM DISTRIBUTION CO. S.A.Q.



**QATAR CINEMA AND FILM
DISTRIBUTION COMPANY – Q.S.C
DOHA – QATAR**

**INTEREM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD
ENDED MARCH 31, 2017**

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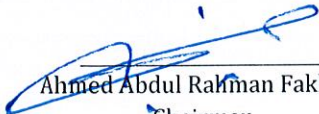
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INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2017

	Note	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
ASSETS			
current assets:			
Cash and bank balances	(1)	21,721,151	25,610,903
Accounts receivable	(2)	2,196,667	2,707,013
Inventory and spare parts		187,877	187,877
Prepayments and other debit balances	(3)	2,662,362	906,564
Total Current Assets		26,768,057	29,412,357
Non-Current Assets :			
Available-for-sale investments	(4)	37,986,283	39,250,796
Investment properties	(5)	89,656,564	90,141,744
Property and equipment	(6)	5,635,587	5,643,507
Total Non-Current Assets		133,278,434	135,036,047
Total Assets		160,046,491	164,448,404
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		775,345	806,444
Borrowings		15,000,000	15,000,000
Advance rent received		2,095,803	2,371,836
Dividends payable		8,134,858	6,998,380
Accruals and other credit balances	(7)	656,792	1,168,807
Total Current Liabilities		26,662,798	26,345,467
Non -Current Liabilities:			
Employees' end of service benefits		2,323,979	2,300,380
Total Non-Current Liabilities		2,323,979	2,300,380
Total Liabilities		28,986,777	28,645,847
Shareholders' Equity:			
Share capital		62,807,950	62,807,950
Legal reserve		37,992,630	37,992,630
General reserve		2,663,152	2,663,152
Fair value reserve		14,073,505	15,487,882
Retained earnings		13,522,477	10,570,148
Proposed dividend		--	6,280,795
Total shareholders' Equity		131,059,714	135,802,557
Total Liabilities and Shareholders' Equity		160,046,491	164,448,404

These interim Condensed Financial statements were approved on April 24, 2017 and signed by:


Abdul Rahman Najdi
General Manager


Ahmed Abdul Rahman Fakhroo
Chairman

INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Note	For The Three Months Period Ended March 31,	
		2017 (Reviewed) QR.	2016 (Reviewed) QR.
Operating income	(9)	2,284,440	3,077,638
Direct Cost	(10)	(2,573,234)	(3,057,151)
Gross Operating Profit		(288,794)	20,487
General & Administrative expenses	(11)	(868,547)	(1,089,731)
Depreciation of property, Equipment and investment properties		(913,792)	(1,148,748)
Dividends income		684,406	1,212,354
Rental income		4,297,409	4,375,756
Other income	(12)	41,647	48,561
Net profit for the period		2,952,329	3,418,679
Basic / diluted earnings per share	(13)	0.47	0.54

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	For The Three Months Period Ended March 31,	
	2017 (Reviewed) QR.	2016 (Reviewed) QR.
Net profit for the period	2,952,329	3,418,679
Other comprehensive income items		
Net changes in Fair value of Available for sale investments	(1,414,377)	(2,036,428)
Total comprehensive (loss) income for the period	1,537,952	1,382,251

QATAR CINEMA AND FILM DISTRIBUTION COMPANY (Q.S.C.)
DOHA - QATAR

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Share Capital QR.	Legal Reserve QR.	General Reserve QR.	Fair Value Reserve QR.	Retained Earnings QR.	Proposed Dividends QR.	Total QR.
Balance as at January 1, 2016 (Audited)	62,807,950	37,992,630	2,663,152	10,713,275	12,660,672	9,421,193	136,258,872
Net income for the period	--	--	--	--	3,418,679	--	3,418,679
Net movement in Fair value reserve	--	--	--	(2,036,428)	--	--	(2,036,428)
Dividends payable	--	--	--	--	(7,551,318)	(7,551,318)	(7,551,318)
Transfer to dividends payable	--	--	--	--	(1,869,875)	(1,869,875)	(1,869,875)
Balance as at March 31, 2016 (Reviewed)	62,807,950	37,992,630	2,663,152	8,676,847	16,079,351	--	128,219,930
Balance as at January 1, 2017 (Audited)	62,807,950	37,992,630	2,663,152	15,487,882	10,570,148	6,280,795	135,802,557
Net income for the period	--	--	--	--	2,952,329	--	2,952,329
Net movement in Fair value reserve	--	--	--	(1,414,377)	--	--	(1,414,377)
Dividends payable	--	--	--	--	--	(5,099,680)	(5,099,680)
Transfer to dividends payable	--	--	--	--	--	(1,181,115)	(1,181,115)
Balance as at March 31, 2017 (Reviewed)	62,807,950	37,992,630	2,663,152	14,073,505	13,522,477	--	131,059,714

INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

Note	For The Three Months Period Ended	
	March 31,	March 31,
	2017 (Reviewed) QR.	2016 (Reviewed) QR.
Cash Flows From Operating Activities		
Net Profit for the period	2,952,329	3,418,679
Adjustments for:		
Depreciation of property and equipment and investment properties	913,792	1,148,748
Finance costs paid	189,700	---
Employees' end of service benefits	40,361	37,912
Net cash flows from operating activities before changes in working capital	4,096,182	4,605,339
Accounts receivable	510,347	416,726
Inventory and spare parts	---	9,280
Prepayments and other debit balances	(1,755,798)	(94,782)
Accounts payable	(31,099)	(259,901)
Dividends payable	---	(7,602,406)
Advance rent received	(276,033)	(1,444,805)
Accruals and other credit balances	(512,015)	(2,095,715)
	2,031,584	(6,466,264)
Employees' end of service benefits Paid	(16,762)	---
Net cash generated by operating activities	2,014,822	(6,466,264)
Cash Flows From Investing Activities		
Additions of property and equipments	(420,693)	(183,248)
Acquisition of available-for sale investments	(149,864)	---
Net Cash Used in Investing Activities	(570,557)	(183,248)
FINANCING ACTIVITIES		
Finance costs paid	(189,700)	---
Dividends paid	(5,144,317)	---
Net cash used in financing activities	(5,334,017)	---
Net increase in cash and cash equivalents	(3,889,752)	(6,649,512)
cash and cash equivalents - beginning of period	25,610,903	24,881,085
Cash and Cash equivalents -end of period	21,721,151	18,231,573

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

1. Cash and bank balances:

	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Cash on hand	101,020	30,906
Cash at banks – current accounts	21,541,171	25,441,656
Term Deposits	23,935	23,843
Call Deposits	55,025	114,498
	21,721,151	25,610,903

Term and call deposits earn an average annual profit rate of 0.25% to 0.75 (2015: 0.25% to 0.75) with original maturity of 90 days.

2. Accounts Receivable

	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Accounts receivable	1,121,402	1,111,180
Notes receivable	1,936,565	2,457,133
Provision for doubtful debts	(861,300)	(861,300)
	2,196,667	2,707,013

3. Prepayments and other debit Balances

	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Due From Staff	312,430	338,130
Letters of guarantee margin	548,324	548,324
Prepayment and other debit balances	1,801,608	20,110
	2,662,362	906,564

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

4. Available for Sale investments

	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Fair value at the beginning of the Period/Year	39,250,796	38,800,470
Acquisition during the Period/Year	374,722	188,400
Disposals during the Period/Year	---	---
Net changes in Fair value	(1,639,235)	261,926
	<u>37,986,283</u>	<u>39,250,796</u>

5. Investment properties

	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Net Book Value, beginning balance	90,141,744	93,663,909
Additions during the Period/Year	124,272	---
Depreciation Charge for the Period/Year	(609,452)	(3,522,165)
Net Book value, ending balance	<u>89,656,564</u>	<u>90,141,744</u>

6. Property and equipment

	March 31, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Net Book Value, beginning balance	5,643,507	5,353,411
Additions during the year / Period	296,420	1,246,042
Depreciation Charge for the year / Period	(304,340)	(955,946)
Impairment During the year / Period	--	---
Net Book value, ending balance	<u>5,635,587</u>	<u>5,643,507</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

7. ACCRUALS AND OTHER CREDIT BALANCES

	March 31, 2016 (Reviewed) QR.	December 31, 2015 (Audited) QR.
Accrued expenses	656,792	1,061,364
Provision for social contribution	---	107,443
	<u>656,792</u>	<u>1,168,807</u>

8. SHARE CAPITAL

	March 31, 2017 (Reviewed) QR.	December 31, 2016 (Audited) QR.
Capital - authorized, issued and fully paid: 6,280,795 shares par value QR. 10 per share	<u>62,807,950</u>	<u>62,807,950</u>

9. OPERATING INCOME

	For The Three Months Period Ended	
	March 31, 2017 (Reviewed) QR.	March 31, 2016 (Reviewed) QR.
Movies income	2,089,645	2,799,185
Films rent income	83,200	128,000
Advertising income	---	---
Cafeterias income	111,595	150,453
	<u>2,284,440</u>	<u>3,077,638</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

10. Direct Costs

	For The Three Months Period Ended	
	March 31, 2017 (Reviewed) QR.	March 31, 2016 (Reviewed) QR.
Share of distributors and films expenses	1,264,964	1,616,849
Cinema expenses	1,308,270	1,440,302
	<u>2,573,234</u>	<u>3,057,151</u>

11. GENERAL AND ADMINISTRATIVE EXPENSES

	For The Three Months Period Ended	
	March 31, 2017 (Reviewed) QR.	March 31, 2016 (Reviewed) QR.
Salaries, wages and staff compensation	514,459	501,679
Telephone and fax	9,067	14,672
Maintenance	21,471	17,024
Professional and governmental fees	68,593	56,530
Board meeting allowance	159,000	190,000
Travel expenses	17,375	14,950
End of service benefits	40,361	43,255
Miscellaneous	38,221	251,621
	<u>868,547</u>	<u>1,089,731</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

12. OTHER INCOME

	For The Three Months Period Ended	
	March 31, 2017 (Reviewed) QR.	March 31, 2016 (Reviewed) QR.
Bank interest	250	201
Miscellaneous income	41,397	48,360
	41,647	48,561

13. EARNING PER SHARE

Earning per share is calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares outstanding during the year.

	For The Three Months Period Ended	
	March 31, 2017 (Reviewed) QR.	March 31, 2016 (Reviewed) QR.
Net profit for the period (QR.)	2,952,329	3,418,679
Weighted Average number of shares	6,280,795	6,280,795
Basic / diluted earnings per share (QR)	0.47	0.54