

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

**INTEREM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD
ENDED MARCH 31, 2019**


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INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	Note	March 31, 2019 (Reviewed)	December 31, 2018 (Audited)
ASSETS			
current assets:			
Cash and bank balances	(1)	42,103,627	40,159,775
Accounts receivable	(2)	1,341,483	4,299,552
Inventory and spare parts		273,403	290,584
Prepayments and other debit balances	(3)	3,112,210	1,892,277
Total Current Assets		46,830,723	46,642,188
Non-Current Assets :			
Available-for-sale investments	(4)	32,732,170	33,993,839
Investment properties	(5)	87,245,838	88,102,622
Property and equipment	(6)	4,374,519	4,542,800
Total Non-Current Assets		124,352,527	126,639,261
Total Assets		171,183,250	173,281,449
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		813,793	811,264
Borrowings		15,000,000	15,000,000
Advance rent received		1,113,491	2,729,216
Dividends payable		6,062,635	7,245,390
Accruals and other credit balances	(7)	634,873	1,022,342
Total Current Liabilities		23,624,792	26,808,212
Non -Current Liabilities:			
Employees' end of service benefits		1,282,408	2,076,912
Total Non-Current Liabilities		1,282,408	2,076,912
Total Liabilities		24,907,200	28,885,124
Shareholders' Equity:			
Share capital	(8)	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		8,671,299	9,932,968
Retained earnings		34,141,019	30,999,625
Total shareholders' Equity		146,276,050	144,396,325
Total Liabilities and Shareholders' Equity		171,183,250	173,281,449

These interim Condensed Financial statements were approved on April 23, 2019 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 31,2019

	Note	For The Three Months Period Ended March 31,	
		2019 (Reviewed) QR.	2018 (Reviewed) QR.
Operating income	(9)	1,476,390	1,306,951
Direct Cost	(10)	(1,973,656)	(1,810,642)
Gross Operating Profit		(497,266)	(503,691)
General & Administrative expenses	(11)	(1,002,111)	(934,503)
Depreciation of property, Equipment and investment properties		(1,091,690)	(1,097,058)
Dividends income		995,785	1,134,464
Rental income		4,111,620	4,256,316
Finance costs		(201,093)	(187,837)
Other income	(12)	826,149	50,969
Net profit for the period		3,141,394	2,718,660
Basic / diluted earnings per share	(13)	0.50	0.44

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31,2019

	Note	For The Three Months Period Ended March 31,	
		2019 (Reviewed) QR.	2018 (Reviewed) QR.
Net profit for the period		3,141,394	2,718,660
Other comprehensive income items			
Net changes in Fair value of Available for sale investments		(1,261,669)	62,891
Total comprehensive (loss) income for the period		1,879,725	2,781,551

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, 2019

	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, 2018 (Audited)	62,807,950	37,992,630	2,663,152	10,770,183	11,910,058	6,280,795	132,424,768
Net income for the period	--	--	--	--	2,718,660	--	2,718,660
Net movement in Fair value reserve	--	--	--	62,891	--	--	62,891
Dividends payable	--	--	--	--	--	--	--
Transfer to dividends payable	--	--	--	--	--	--	--
Balance as at March 31, 2018 (Reviewed)	62,807,950	37,992,630	2,663,152	10,833,074	14,628,718	6,280,795	135,206,319
Balance as at January 1, 2019 (Audited)	62,807,950	37,992,630	2,663,152	9,932,968	30,999,625	--	144,396,325
Net income for the period	--	--	--	--	3,141,394	--	3,141,394
Net movement in Fair value reserve	--	--	--	(1,261,669)	--	--	(1,261,669)
Dividends payable	--	--	--	--	--	--	--
Transfer to dividends payable	--	--	--	--	--	--	--
Balance as at March 31, 2019 (Reviewed)	62,807,950	37,992,630	2,663,152	8,671,299	34,141,019	--	146,276,050

INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019

Note	For The Three Months Period Ended	
	March 31, 2019 (Reviewed) QR.	March 31, 2018 (Reviewed) QR.
Cash Flows From Operating Activities		
Net Profit for the period	3,141,394	2,718,660
Adjustments for:		
Depreciation of property and equipment and investment properties	1,091,690	1,097,058
Finance costs paid	201,093	187,837
Employees' end of service benefits	34,319	30,202
Net cash flows from operating activities before changes in working capital	4,468,496	4,033,757
Accounts receivable	2,958,069	2,025,154
Inventory and spare parts	17,181	(63,674)
Prepayments and other debit balances	(1,219,933)	(229,085)
Accounts payable	2,529	(444,721)
Dividends payable	---	---
Advance rent received	(1,615,725)	(1,692,347)
Accruals and other credit balances	(387,469)	(687,698)
	4,223,148	2,941,386
Employees' end of service benefits Paid	(828,823)	(6,090)
Net cash generated by operating activities	3,394,325	2,935,296
Cash Flows From Investing Activities		
Additions of property and equipments	(66,625)	(434,502)
Acquisition of available-for sale investments	---	---
Net Cash Used in Investing Activities	(66,625)	(434,502)
FINANCING ACTIVITIES		
Finance costs paid	(201,093)	(187,837)
Dividends paid	(1,182,755)	(2,347)
Net cash used in financing activities	(1,383,848)	(190,184)
Net increase in cash and cash equivalents	1,943,852	2,310,610
cash and cash equivalents - beginning of period	40,159,775	26,879,707
Cash and Cash equivalents -end of period	42,103,627	29,190,317

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019

1. Cash and bank balances:

	March 31, 2019 (Reviewed)	December 31, 2018 (Audited)
	QR.	QR.
Cash on hand	14,130	7,806
Cash at banks - current accounts	41,945,195	39,974,411
Short term fixed deposits	144,302	177,558
	<u>42,103,627</u>	<u>40,159,775</u>

Term and call deposits earn annual profit rate 0.75 with original maturity of 90 days.

2. Accounts Receivable

	March 31, 2019 (Reviewed)	December 31, 2018 (Audited)
	QR.	QR.
Accounts receivable	(630,129)	3,437,808
Notes receivable	2,832,912	1,723,044
Provision for doubtful debts	(861,300)	(861,300)
	<u>1,341,483</u>	<u>4,299,552</u>

3. Prepayments and other debit Balances

	March 31, 2019 (Reviewed)	December 31, 2018 (Audited)
	QR.	QR.
Due From Staff	327,225	324,505
Letters of guarantee margin	1,117,423	447,800
Prepayment and other debit balances	1,667,562	1,119,972
	<u>3,112,210</u>	<u>1,892,277</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019

4. Available for Sale investments

	March 31, 2019 (Reviewed) QR.	December 31, 2018 (Audited) QR.
Fair value at the beginning of the Period/Year	33,993,839	34,027,485
Acquisition during the Period/Year	---	---
Disposals during the Period/Year	---	(10,041,854)
Net changes in Fair value	(1,261,669)	10,008,208
	<u>32,732,170</u>	<u>33,993,839</u>

5. Investment properties

	March 31, 2019 (Reviewed) QR.	December 31, 2018 (Audited) QR.
Net Book Value, beginning balance	88,102,622	91,525,045
Additions during the Period/Year	---	1,750
Depreciation Charge for the Period/Year	(856,784)	(3,424,173)
Net Book value, ending balance	<u>87,245,838</u>	<u>88,102,622</u>

6. Property and equipment

	March 31, 2019 (Reviewed) QR.	December 31, 2018 (Audited) QR.
Net Book Value, beginning balance	4,542,800	4,574,018
Additions during the year / Period	66,625	887,379
Depreciation Charge for the year / Period	(234,906)	(918,597)
Impairment During the year / Period	--	--
Net Book value, ending balance	<u>4,374,519</u>	<u>4,542,800</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019

7. ACCRUALS AND OTHER CREDIT BALANCES

	March 31, 2019 (Reviewed) QR.	December 31, 2018 (Audited) QR.
Accrued expenses	423,485	1,022,342
Provision for social contribution	211,388	---
	<u>634,873</u>	<u>1,022,342</u>

8. SHARE CAPITAL

	March 31, 2019 (Reviewed) QR.	December 31, 2018 (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, 2019 (Reviewed) QR.	March 31, 2018 (Reviewed) QR.
Movies income	1,358,935	1,173,895
Films rent income	80,000	83,200
Advertising income	---	---
Cafeterias income	37,455	49,856
	<u>1,476,390</u>	<u>1,306,951</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019

10. Direct Costs

	For The Three Months Period Ended	
	March 31, 2019 (Reviewed)	March 31, 2018 (Reviewed)
	QR.	QR.
Share of distributors and films expenses	751,545	657,216
Cinema expenses	1,222,111	1,153,426
	1,973,656	1,810,642

11. GENERAL AND ADMINISTRATIVE EXPENSES

	For The Three Months Period Ended	
	March 31, 2019 (Reviewed)	March 31, 2018 (Reviewed)
	QR.	QR.
Salaries, wages and staff compensation	421,857	477,166
Telephone and fax	37,938	11,883
Maintenance	32,212	22,620
Professional and governmental fees	231,860	113,245
Board meeting allowance	153,000	153,000
Advertise expenses	---	2,145
Travel expenses	---	21,115
End of service benefits	34,319	30,202
Miscellaneous	90,925	103,127
	1,002,111	934,503

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019

12. OTHER INCOME

	For The Three Months Period Ended	
	March 31, 2019 (Reviewed) QR.	March 31, 2018 (Reviewed) QR.
Bank interest	10,457	199
Miscellaneous income	815,692	50,770
	<u>826,149</u>	<u>50,969</u>

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, 2019 (Reviewed) QR.	March 31, 2018 (Reviewed) QR.
Net profit for the period (QR.)	<u>3,141,394</u>	<u>2,718,660</u>
Weighted Average number of shares	<u>6,280,795</u>	<u>6,280,795</u>
Basic / diluted earnings per share (QR)	<u>0.50</u>	<u>0.44</u>