

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

**INTEREM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD
ENDED MARCH 31, 2020**

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**INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020**

	Note	March 31, 2020 (Reviewed)	December 31, 2019 (Audited)
ASSETS			
current assets:			
Cash and bank balances	(1)	25,696,618	32,852,340
Accounts receivable	(2)	1,691,381	3,078,361
Inventory and spare parts		279,785	287,027
Prepayments and other debit balances	(3)	1,839,465	1,802,727
Total Current Assets		29,507,249	38,020,455
Non-Current Assets :			
Available-for-sale investments	(4)	28,631,925	36,409,529
Investment properties	(5)	83,657,307	84,684,543
Property and equipment	(6)	15,548,019	13,558,485
Right of use asset		8,012,379	8,219,282
Total Non-Current Assets		135,849,630	142,871,839
Total Assets		165,356,879	180,892,294
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		355,509	897,805
Borrowings		15,000,000	15,000,000
Advance rent received		1,113,491	2,789,655
Dividends payable		7,169,906	6,631,996
Accruals and other credit balances	(7)	257,470	1,691,235
Total Current Liabilities		23,896,376	27,010,691
Non -Current Liabilities:			
Employees' end of service benefits		1,028,183	973,933
Lease liabilities		9,402,717	9,286,928
Total Non-Current Liabilities		10,430,900	10,260,861
Total Liabilities		34,327,276	37,271,552
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		4,571,054	12,348,658
Retained earnings		22,994,817	27,808,352
Total shareholders' Equity		131,029,603	143,620,742
Total Liabilities and Shareholders' Equity		165,356,879	180,892,294

These interim Condensed Financial statements were approved on April 25, 2020 and signed by:


Ali Ishaq Hussein Al Ishaq
Managing Director


Ahmed Abdul Rahman Fakhroo
Chairman

INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31,2020

	Note	For The Three Months Period Ended March 31,	
		2020 (Reviewed) QR.	2019 (Reviewed) QR.
Operating income	(9)	1,266,331	1,476,390
Direct Cost	(10)	(1,743,639)	(1,973,656)
Gross Operating Profit		(477,308)	(497,266)
General & Administrative expenses	(11)	(1,351,255)	(1,002,111)
Depreciation of property, Equipment and investment properties		(1,199,974)	(1,091,690)
Dividends income		876,664	995,875
Rental income		4,079,905	4,111,620
Finance costs		(324,690)	(201,093)
Other income	(12)	70,821	826,149
Depreciation of right-of-use assets		(206,903)	--
Net profit for the period		1,467,260	3,141,394
Basic / diluted earnings per share	(13)	0.02	0.05

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31,2020

Note	For The Three Months Period Ended March 31,	
	2020 (Reviewed)	2019 (Reviewed)
	QR.	QR.
Net profit for the period	1,467,260	3,141,394
Other comprehensive income items		
Net changes in Fair value of Available for sale investments	(7,777,604)	(1,261,669)
Total comprehensive (loss) income for the period	(6,310,344)	1,879,725

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, 2020

	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, 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	--	--	--	--	3,131,394	--	3,131,394
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
Balance as at January 1, 2020 (Audited)	62,807,950	37,992,630	2,663,152	12,348,658	27,808,352	--	143,620,742
Net income for the period	--	--	--	--	1,467,260	--	1,467,260
Net movement in Fair value reserve	--	--	--	(7,777,604)	--	--	(7,777,604)
Dividends payable	--	--	--	--	(6,280,795)	--	(6,280,795)
Transfer to dividends payable	--	--	--	--	--	--	--
Balance as at March 31, 2020 (Reviewed)	62,807,950	37,992,630	2,663,152	4,571,054	22,994,817	--	131,029,603

INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

Note	For The Three Months Period Ended	
	March 31,	March 31,
	2020 (Reviewed) QR.	2019 (Reviewed) QR.
Cash Flows From Operating Activities		
Net Profit for the period	1,467,260	3,141,394
Adjustments for:		
Depreciation of property and equipment and investment properties	1,406,877	1,091,690
Employees' end of service benefits	54,250	34,319
Net cash flows from operating activities before changes in working capital	2,928,387	4,267,403
Accounts receivable	1,386,980	2,958,069
Inventory and spare parts	7,242	17,181
Prepayments and other debit balances	(36,738)	(1,219,933)
Accounts payable	(542,296)	2,529
Advance rent received	(1,676,164)	(1,615,725)
Accruals and other credit balances	(1,433,765)	(387,469)
	633,646	4,022,055
Employees' end of service benefits Paid	--	(828,823)
Sports & social support fund	159,742	
Net cash generated by operating activities	793,388	3,193,232
Cash Flows From Investing Activities		
Additions of property and equipments	(2,162,272)	(66,625)
Acquisition of available-for sale investments	---	---
Net Cash Used in Investing Activities	(2,162,272)	(66,625)
FINANCING ACTIVITIES		
Dividends paid	(5,786,838)	(1,182,755)
Net cash used in financing activities	(5,786,838)	(1,182,755)
Net increase in cash and cash equivalents	(7,155,722)	1,943,852
cash and cash equivalents - beginning of period	32,852,340	40,159,775
Cash and Cash equivalents -end of period	25,696,618	42,103,627

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

1. Cash and bank balances:

	March 31, 2020 (Reviewed)	December 31, 2019 (Audited)
	QR.	QR.
Cash on hand	6,807	6,540
Cash at banks – current accounts	25,545,342	32,701,331
Short term fixed deposits	144,469	144,469
	25,696,618	32,852,340

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

2. Accounts Receivable

	March 31, 2020 (Reviewed)	December 31, 2019 (Audited)
	QR.	QR.
Accounts receivable	947,763	2,069,452
Notes receivable	1,604,918	1,870,209
Provision for doubtful debts	(861,300)	(861,300)
	1,691,381	3,078,361

3. Prepayments and other debit Balances

	March 31, 2020 (Reviewed)	December 31, 2019 (Audited)
	QR.	QR.
Due From Staff	195,842	200,828
Letters of guarantee margin	823,880	830,874
Prepayment and other debit balances	819,743	771,025
	1,839,465	1,802,727

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

4. Available for Sale investments

	March 31, 2020 (Reviewed) QR.	December 31, 2019 (Audited) QR.
Fair value at the beginning of the Period/Year	36,409,529	33,993,839
Acquisition during the Period/Year	---	---
Disposals during the Period/Year	---	---
Net changes in Fair value	(7,777,604)	2,415,690
	28,631,925	36,409,529

5. Investment properties

	March 31, 2020 (Reviewed) QR.	December 31, 2019 (Audited) QR.
Net Book Value, beginning balance	84,684,543	88,102,622
Additions during the Period/Year	---	7,427
Depreciation Charge for the Period/Year	(1,027,236)	(3,425,507)
Net Book value, ending balance	83,657,307	84,684,543

6. Property and equipment

	March 31, 2020 (Reviewed) QR.	December 31, 2019 (Audited) QR.
Net Book Value, beginning balance	13,558,485	4,542,800
Additions during the year / Period	2,162,272	9,834,831
Depreciation Charge for the year / Period	(172,738)	(819,146)
Impairment During the year / Period	--	--
Net Book value, ending balance	4,374,519	13,558,485

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

7. ACCRUALS AND OTHER CREDIT BALANCES

	March 31, 2020 (Reviewed) QR.	December 31, 2019 (Audited) QR.
Accrued expenses	257,470	1,531,493
Provision for social contribution	---	159,742
	<u>257,470</u>	<u>1,691,235</u>

8. SHARE CAPITAL

	March 31, 2020 (Reviewed) QR.	December 31, 2019 (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, 2020 (Reviewed) QR.	March 31, 2019 (Reviewed) QR.
Movies income	1,123,950	1,358,935
Films rent income	75,172	80,000
Advertising income	---	---
Cafeterias income	67,209	37,455
	<u>1,266,331</u>	<u>1,476,390</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

10. Direct Costs

	For The Three Months Period Ended	
	March 31, 2020 (Reviewed) QR.	March 31, 2019 (Reviewed) QR.
Share of distributors and films expenses	604,147	751,545
Cinema expenses	1,139,492	1,222,111
	1,743,639	1,973,656

11. GENERAL AND ADMINISTRATIVE EXPENSES

	For The Three Months Period Ended	
	March 31, 2020 (Reviewed) QR.	March 31, 2019 (Reviewed) QR.
Salaries, wages and staff compensation	506,801	421,857
Telephone and fax	28,515	37,938
Maintenance	30,114	32,212
Professional and governmental fees	203,155	231,860
Board meeting allowance	153,000	153,000
Advertise expenses	4,000	---
Audit fees	27,500	---
End of service benefits	54,250	34,319
Board	154,476	---
Stationery	5,956	---
Miscellaneous	183,488	90,925
	1,351,255	1,002,111

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2020

12. OTHER INCOME

	For The Three Months Period Ended	
	March 31, 2020 (Reviewed) QR.	March 31, 2019 (Reviewed) QR.
Bank interest	8,403	10,457
Miscellaneous income	62,418	815,692
	70,821	826,149

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, 2020 (Reviewed) QR.	March 31, 2019 (Reviewed) QR.
Net profit for the period (QR.)	1,467,260	3,141,394
Weighted Average number of shares	62,807,950	62,807,950
Basic / diluted earnings per share (QR)	0.02	0.05