

INVESTOR INFORMATION GUIDE 2021

Presentation Of The Financial Statements
For The Period From 1 January 2021 To 31/March/2021



QATAR CINEMA AND FILM DISTRIBUTION CO.

The company owns a distinguished real estate portfolio, which is a group of properties fully leased to Qatar Airways, in addition to other properties that are also fully leased.

The company owns a securities portfolio on the Qatar Stock Exchange market, which is a diversified and liquid able portfolio, and makes the company have the financial ability to seize quick opportunities in case it needs any investment liquidity.

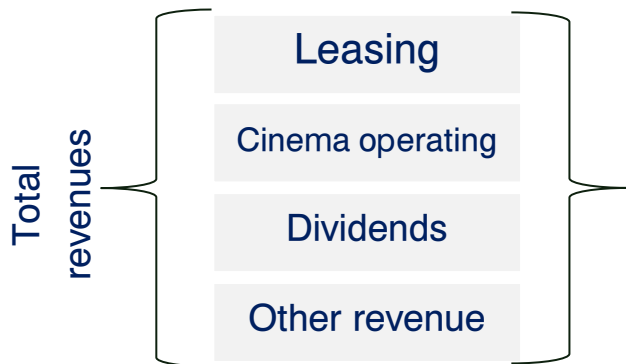
The main activity of the company is the operation and management of cinemas, and the company has a distinguished number of Cinemas in lively and crowded commercial complexes, in addition to a new cinema theater that will be in the cultural district of Katara

- The company relies on the revenue generation process on several sources in order to ensure continuity and sustainability in its operations, and as a result of the spread of the covid-19 pandemic crisis, the strategy followed by the company has proven its great success in facing the changes that may suddenly occur in the world.
- The company relies on 4 sources to generate revenues:
 - ✓ The main activity specialized in operating and managing cinemas.
 - ✓ The real estate activity, the company own a combination of distinguishing real estate assets which fully leased for credible companies and institutions.
 - ✓ The stock portfolio in the stock market, which is capable of immediate liquidation.
 - ✓ Other revenues resulting from the other profit distribution.

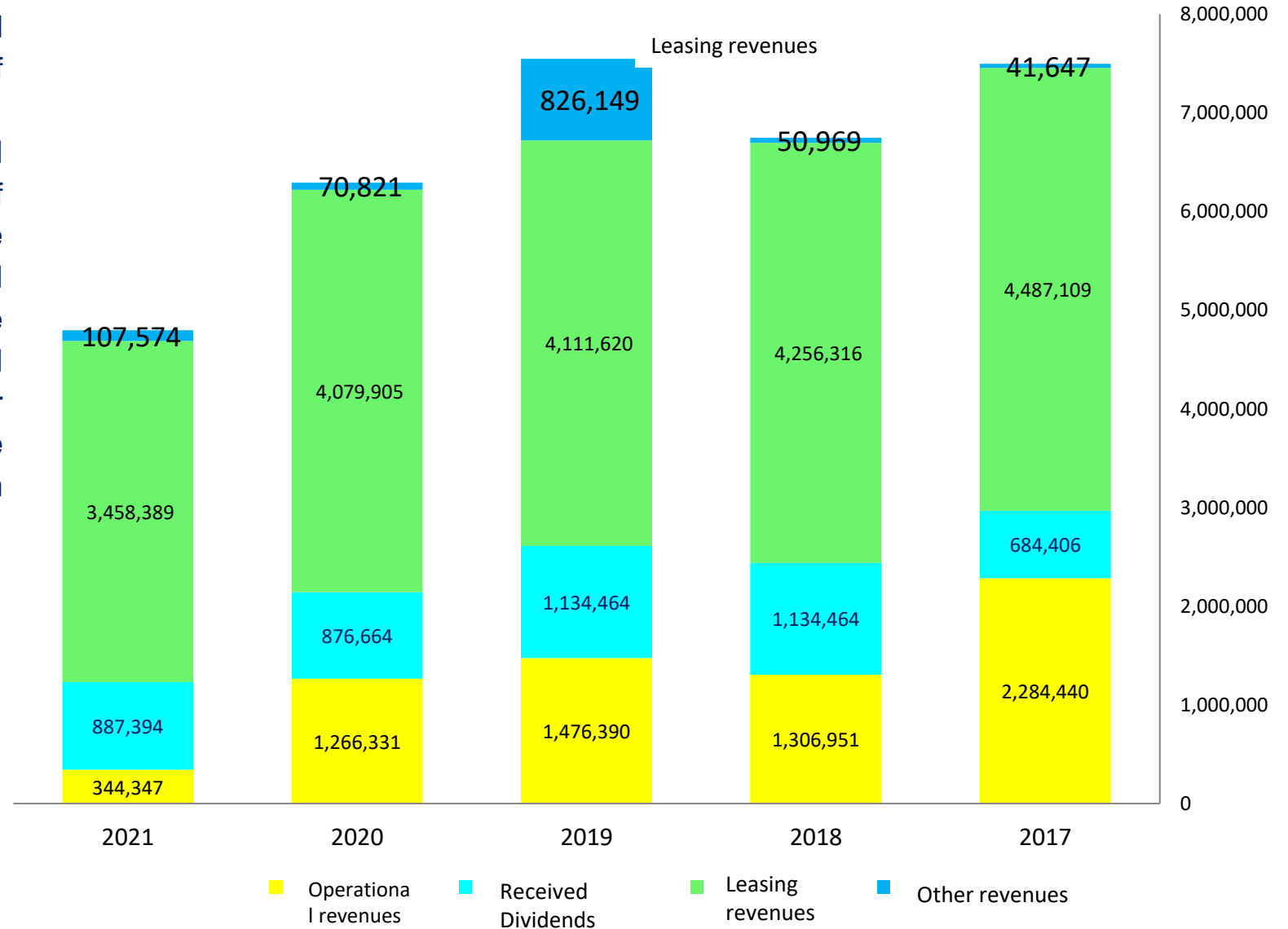
REVENUES AND PROFITABILITY

The company's total reached 4.79 million QR by the end of Q1 2021, Revenues generated from various sources to avoid the risks of relying on a single income source.

Leasing revenue represents 72% of the total revenues, which represents the largest share of the company income. Then Dividend's revenue came in the second place with 19% from total revenues then Cinema operating revenue came in third place with only 7% of the total revenues. And in the last place came the other income with only 2% approximately. The periodic revenues decreased 24% in comparison with Q1 2020.

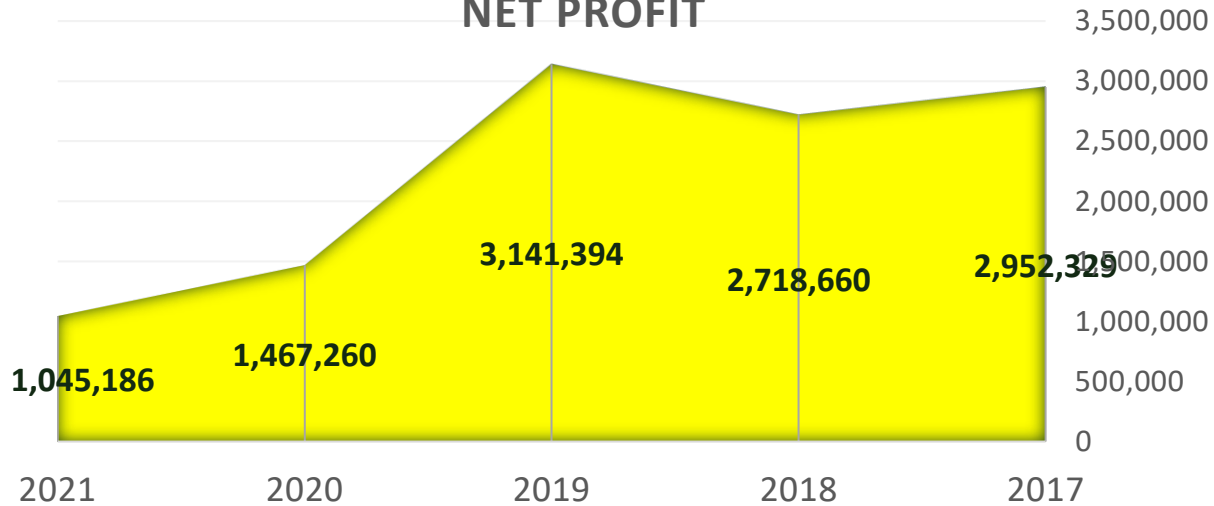


Revenues came from various sources to avoid the risks of relying on a single source income



REVENUES AND PROFITABILITY

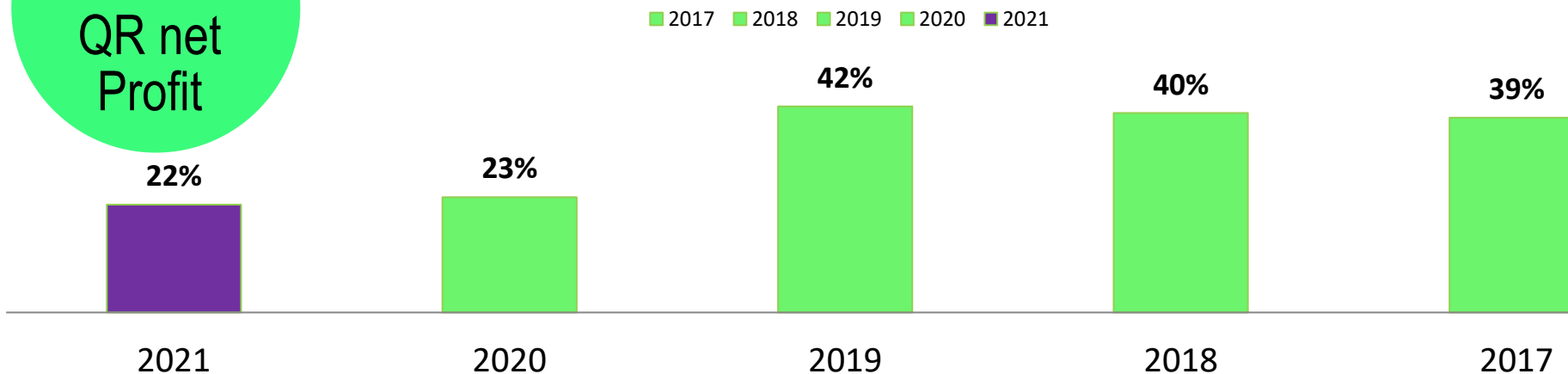
NET PROFIT



22%
Achieved
Net profit
margin in
Q1 2021

1.045
Million
QR net
Profit

NET PROFIT(%)



Net profit decreased in Q1 2021 by 29% approximately compared to Q1 2020, and the company achieved approximately 1.05 million QR net profit with * approximately profit margin rate 22%, the Net Profit decrease is due to the decision of the Supreme Committee for Crisis Management which decided to open cinemas and theaters with a capacity of only 20% from September 1, 2020, with the implementation of the precautionary measures.

REVENUE DIVERSIFICATION SUPPORTS SUSTAINABLE GROWTH

%22
Achieved
Net profit
margin in
2020

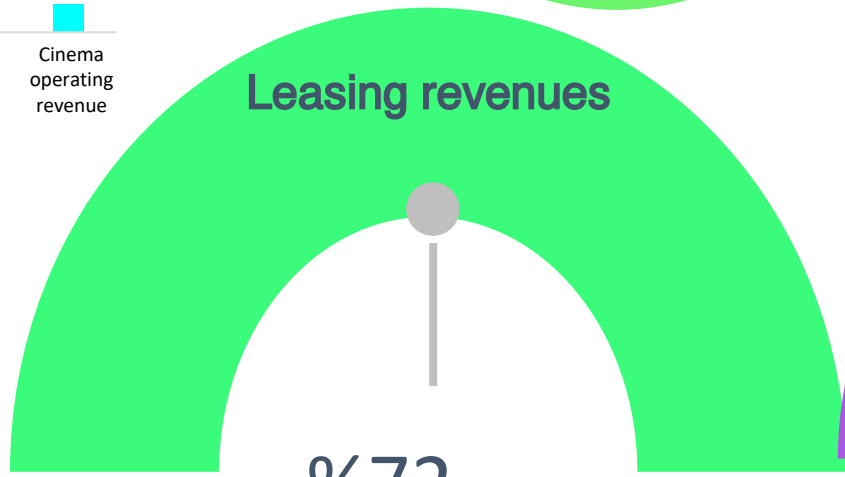
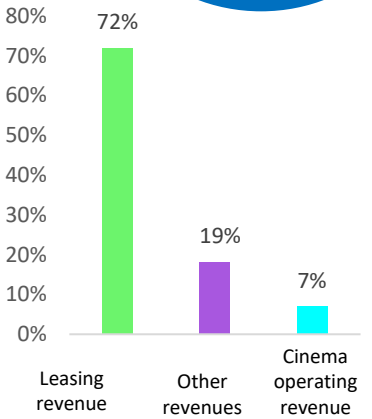
1.05
Million net
profit

4.8
Million
Revenues during
Q1 2021

%24-

Decrease in the total
revenues during Q1
2021 in comparison
with Q1 2020

- Leasing revenue reached 72% from total revenues
- Cinematic operation revenues amounted to 7% and Dividend's revenue represented 19%
- and the remaining for other Kind revenues 2%.



Leasing revenues

Dividend's revenue

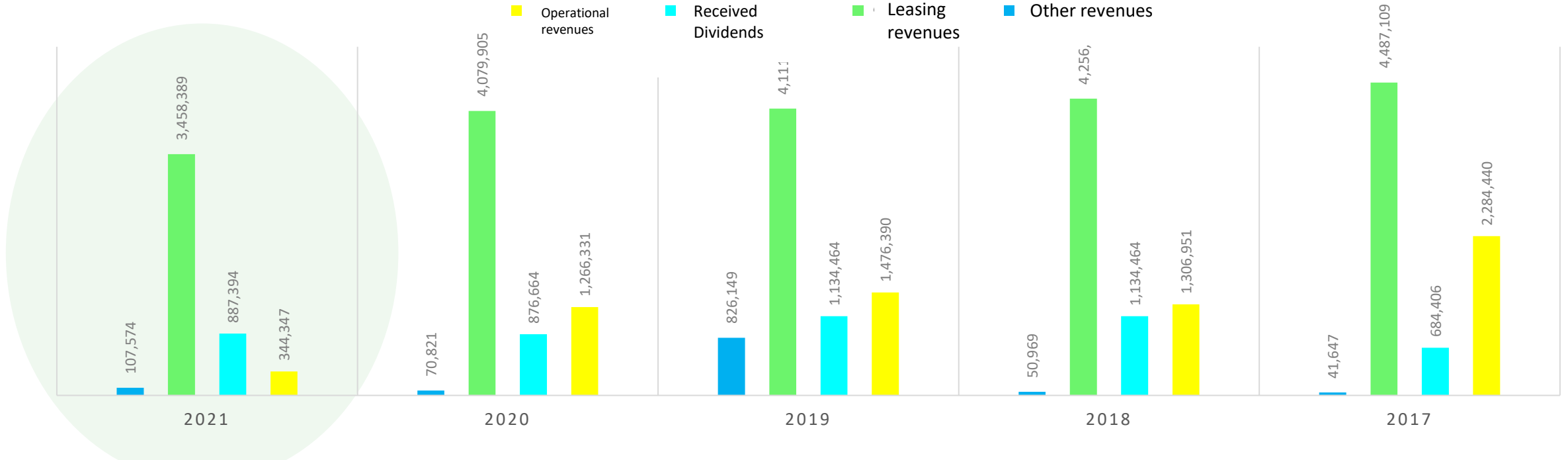
Cinematic operation revenues

Value by Million QR
Source: financial statements report in March 2021

REVENUES "LEASING REVENUES SUSTAINABILITY"

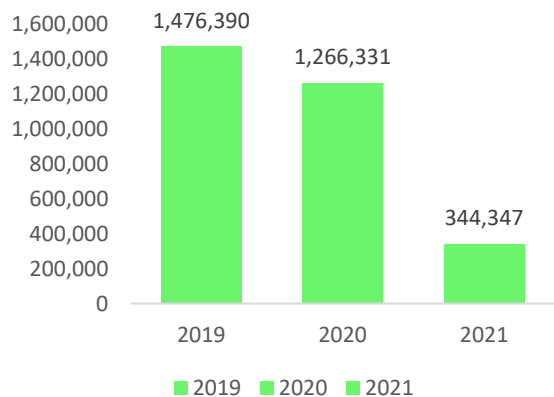
-24%

Decrease in the total revenues during Q1 2021 in comparison with Q1 2020

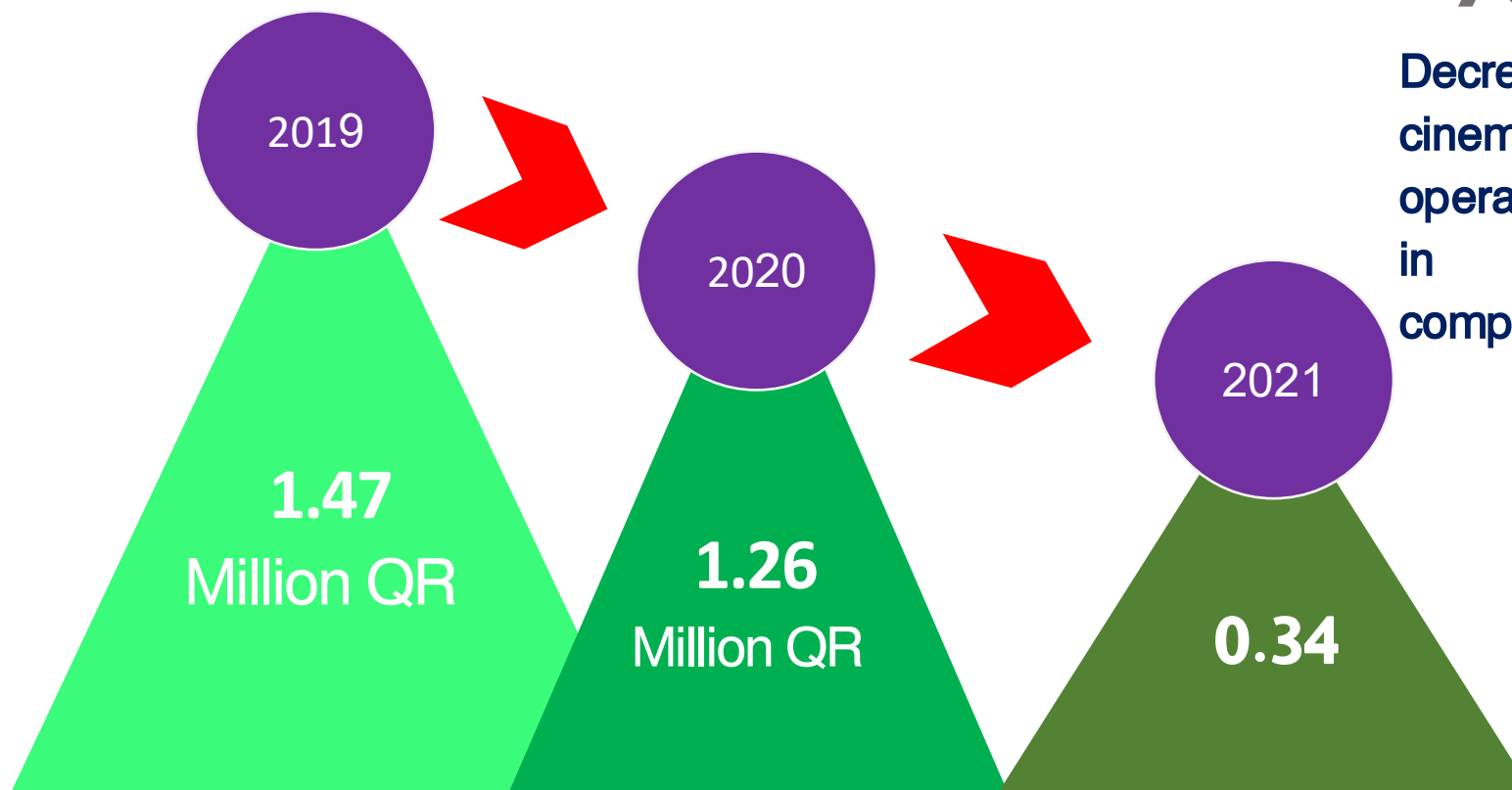


Despite the challenges faced by the real estate sector, The company still able to achieve revenues from real estate leasing activity which supported the financial performance during Q1 2021. The real estate leasing revenue decreased by 15% during Q1 2021 compared to Q1 2020. On the other side, the cinema operating revenue decreased by 73% in Q1 2021 in comparison with the same period in 2020. and the real estate leasing revenue represents the biggest part of the income, which paid in advance which helping the company to be in a good financial position.

CINEMA OPERATING REVENUE



The company suffered from a decrease in the cinematic operating revenue by 73% in Q1 2021 compared to Q1 2020 due to the closing of cinemas as a result of the spread of the Corona epidemic .



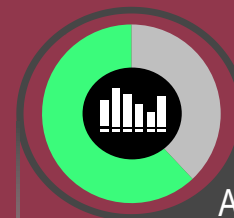
%73-

Decrease in cinematic operating revenues in Q1 2021 compared to 2020.

Comparing Q1 2021 total revenues by same period in the last two years.

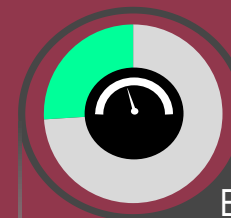
%24

Decrease in the total revenues in Q1 2021 compared to Q1 2020.



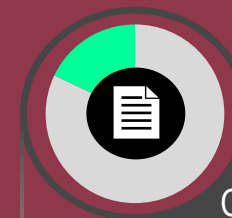
%72

Real estate leasing revenue



%19

Dividend's revenue



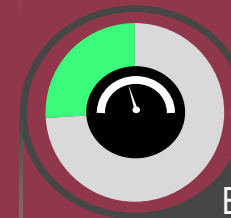
%9

Cinematic Operational revenue & other revenue



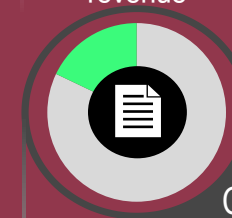
%65

Real estate leasing revenue



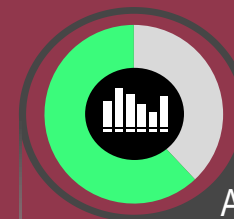
%20

Cinematic Operational revenue



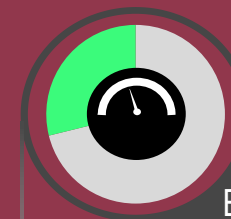
%15

Investment revenue and other revenue



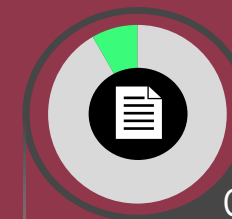
%54

Real estate leasing revenue



%20

Cinematic Operational revenue

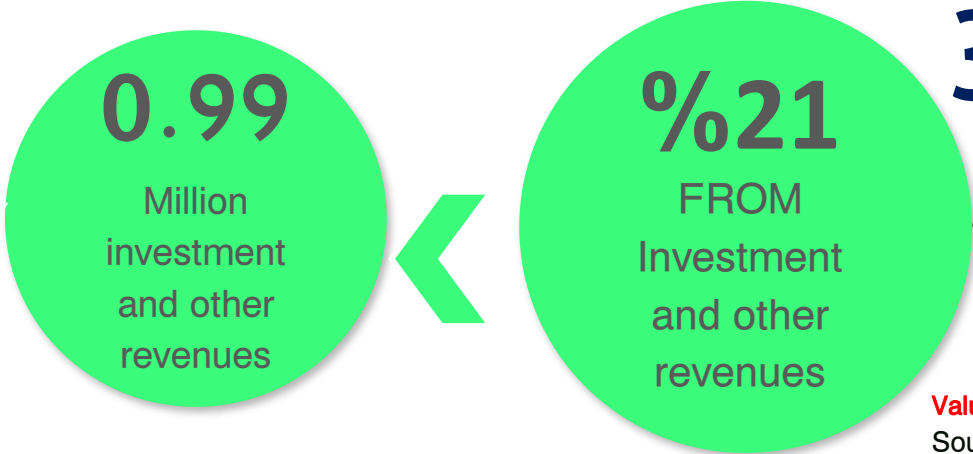
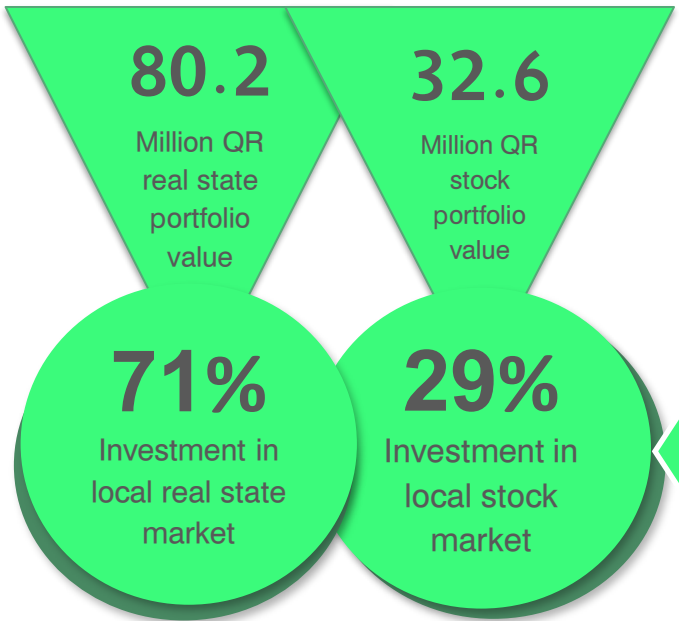
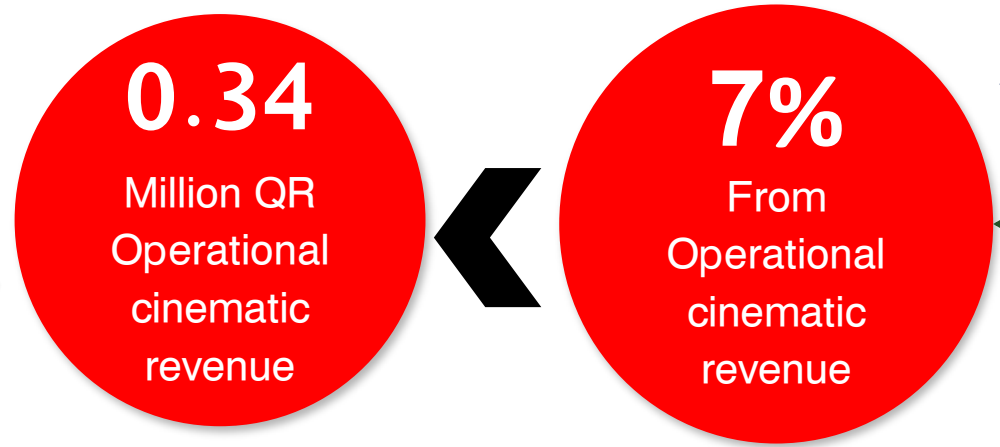


%26

Investment revenue and other

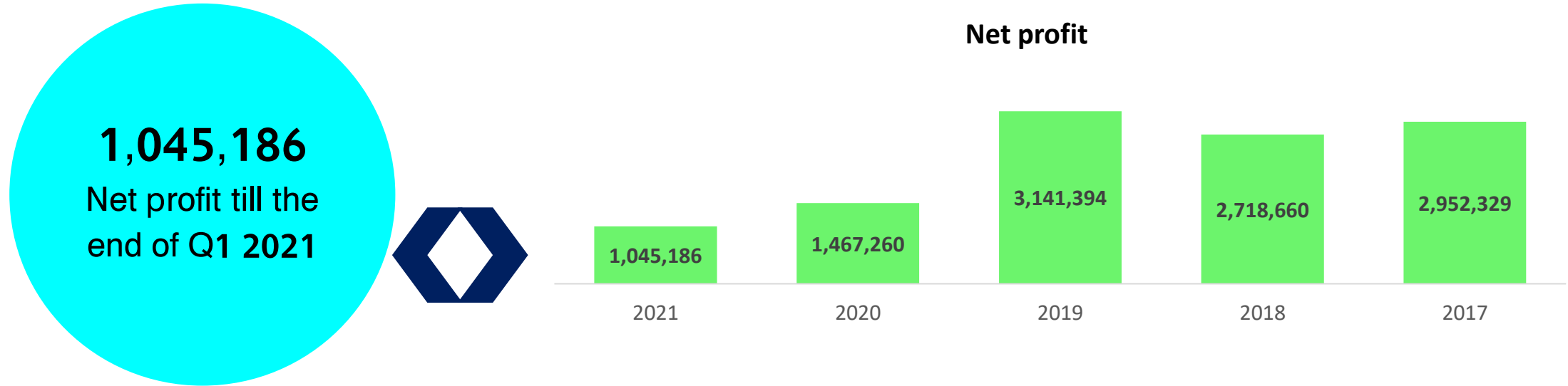
REVENUES ANALYSIS

Total Revenues during Q1 2021 in million QR.



1,045,186 Net profit till March 2021.

NET PROFIT



Net profit decreased in Q1 2021 by almost -29% compared to the same period in Q1 2020, achieved approximately 1.04 million QR net profit with a 22% profit margin.



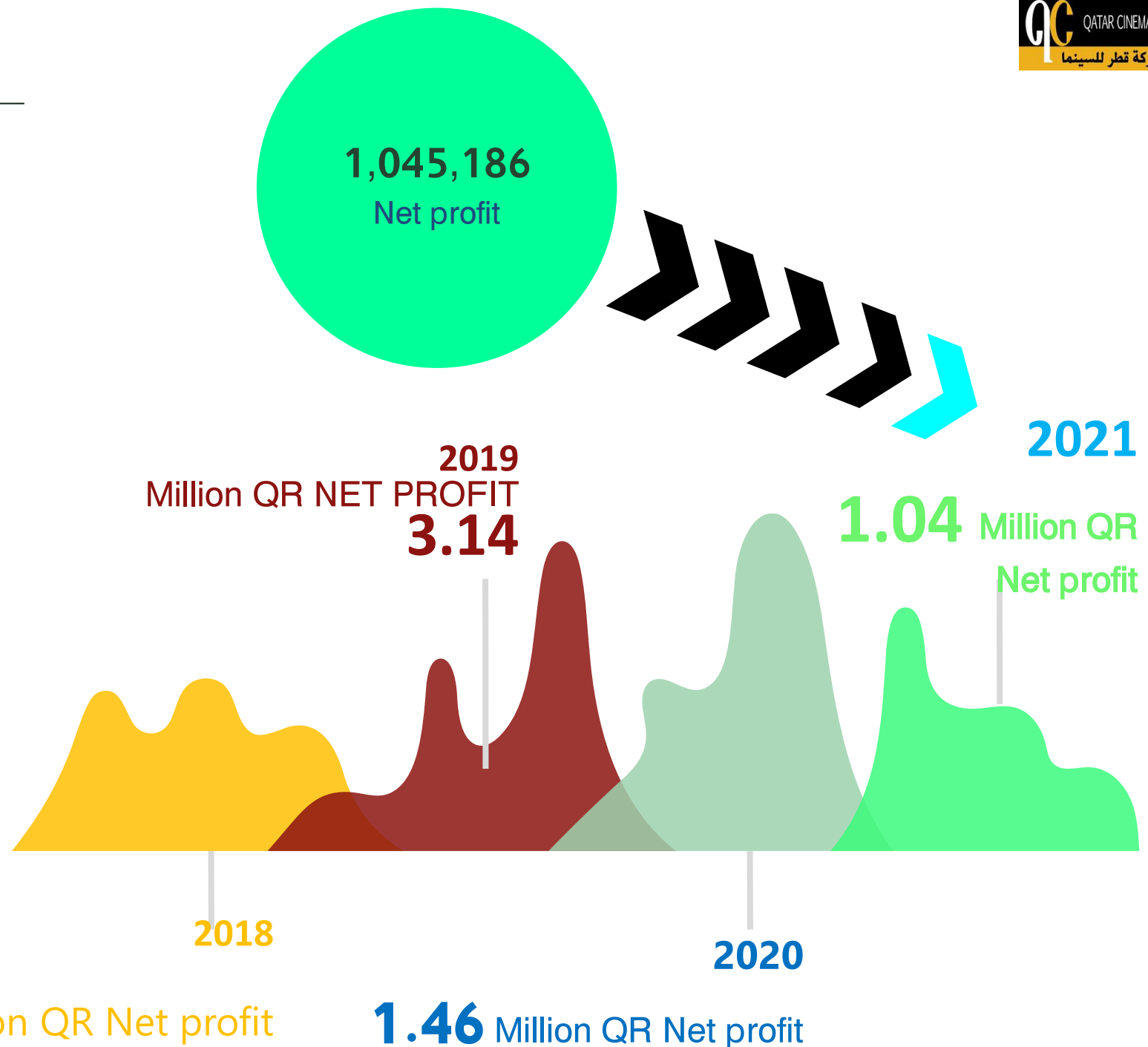
The net profit decrease is due in main to the following:

the decision of the Supreme Committee for Crisis Management which decided to open cinemas and theaters with a capacity of only 20% from September 1, 2020, with the implementation of the precautionary measures which impact negatively on Company's operation revenue.

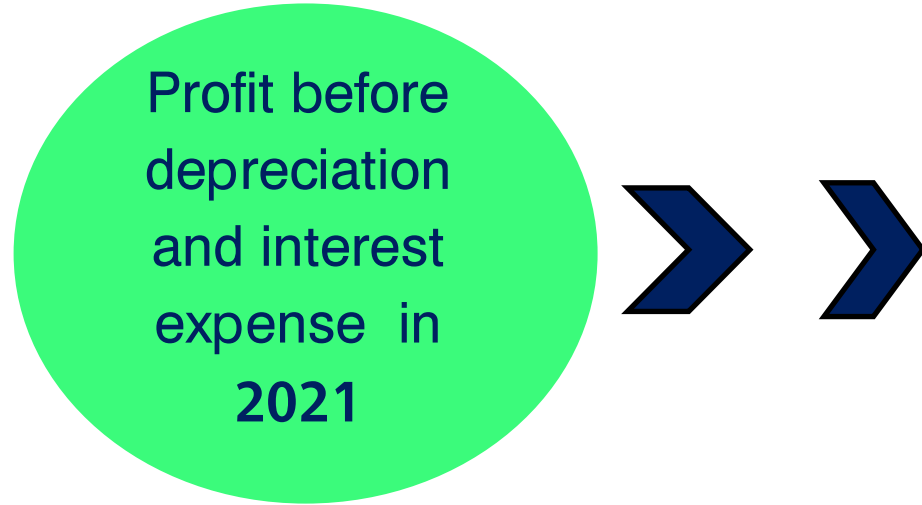
NET PROFIT

Net profit decreased in 2021 by almost -29% compared to the same period in 2020, achieved approximately 1.04 million QR net profit with a 22% profit margin. The net profit decrease is due to the following:

- Decreased Leasing revenues as a result of reducing leasing contracts.
- Cinema's ticket revenues have decreased due to the opening of cinemas and theaters with a capacity of with only 20% maximum capacity from first of September 2020 beside implementing of the other precautionary measures.
- Expenses increase due to adding a new expense, such as the rent of the Katara's Cinema.



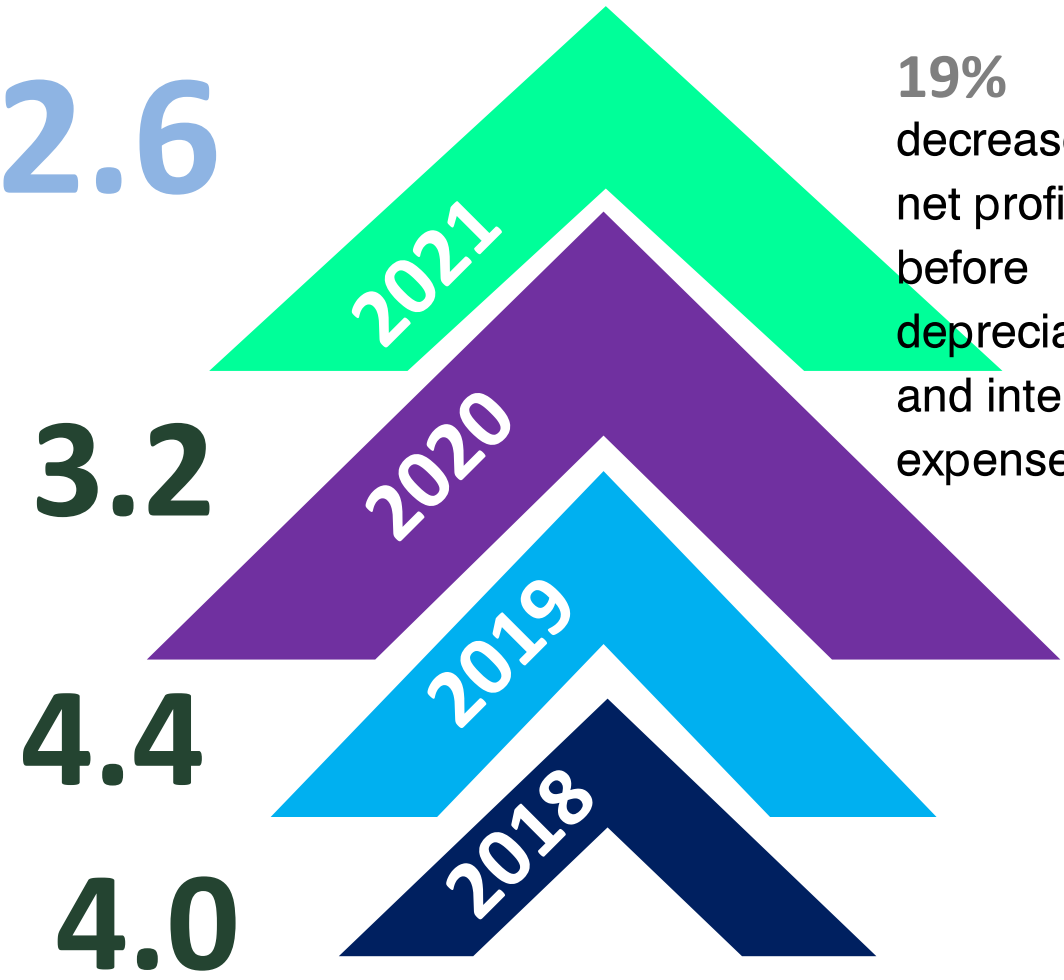
PROFITABILITY BEFORE DEPRECIATION AND INTEREST EXPENSE



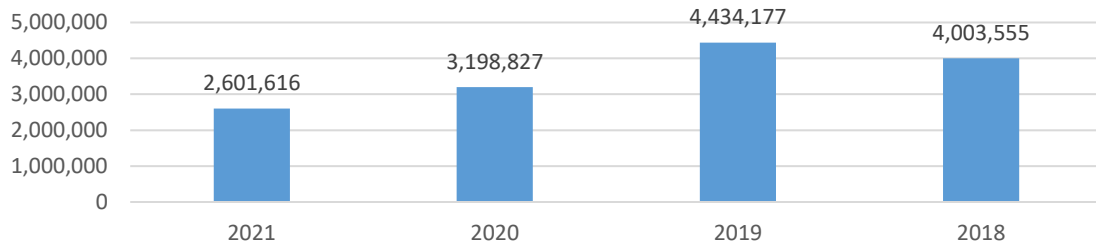
2.6

19% decrease in net profit before depreciation and interest expense

Net profit decreased before depreciation and interest deduction during 2021 by -19% approximately compared to 2020 achieving Net profit before depreciation and interest deduction valued by 2.6 million QR with a 50% profit margin. the net profit reduction comes as a result of the decrease in leasing and dividend's revenues



Net profit Before Depreciation and Interest expense



PROFITABILITY BEFORE DEPRECIATION AND INTEREST

Profit before depreciation and interest expense in 2021

2.6



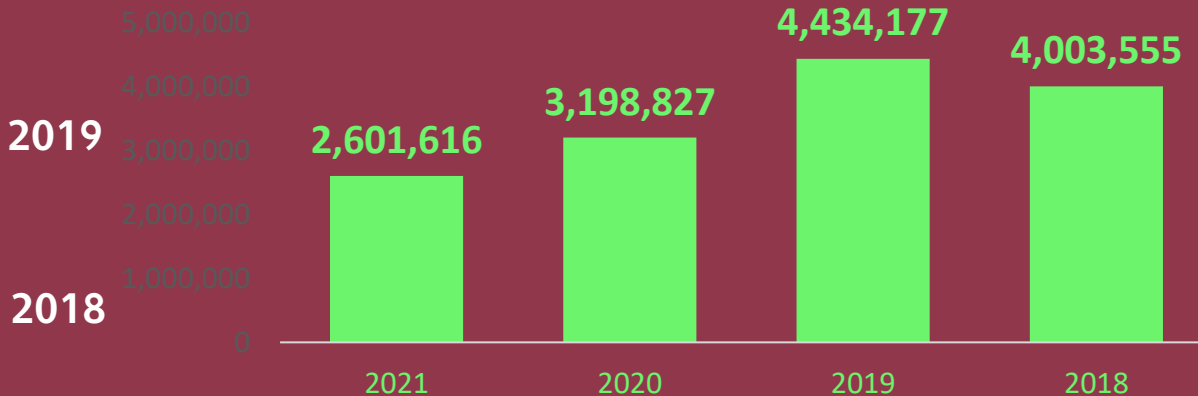
Net profit decreased before depreciation and interest deduction during 2021 by -19% approximately compared to 2020 achieving Net profit before depreciation and interest deduction valued by 2.6 million QR with a 50% profit margin. the net profit reduction comes as a result of the decrease in leasing and dividends revenues.

2.6 2021

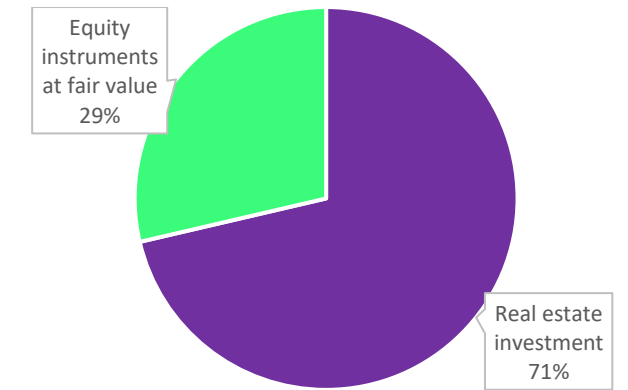
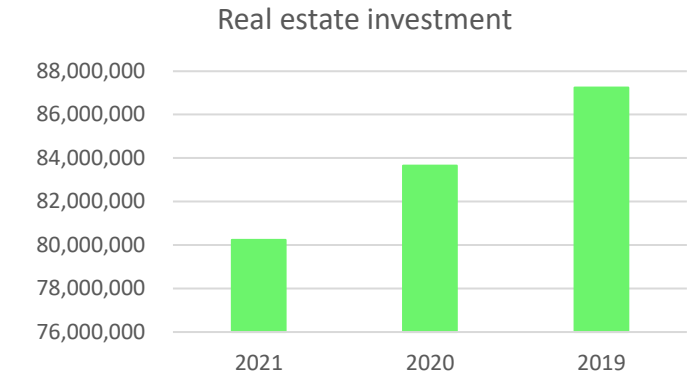
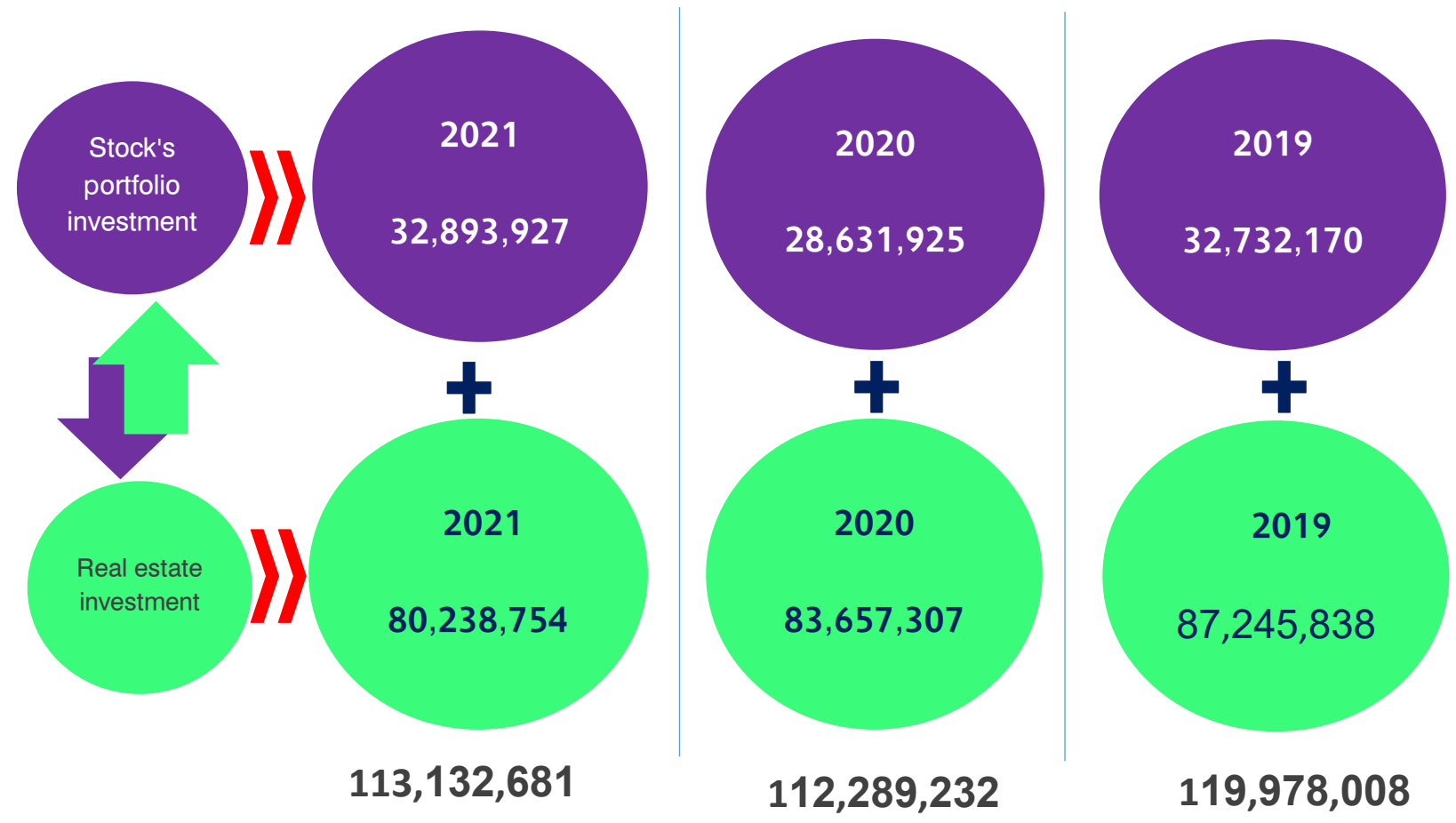
3.2 2020

4.4 2019

4.0 2018



INVESTMENTS AND INCOME DIVERSIFICATION

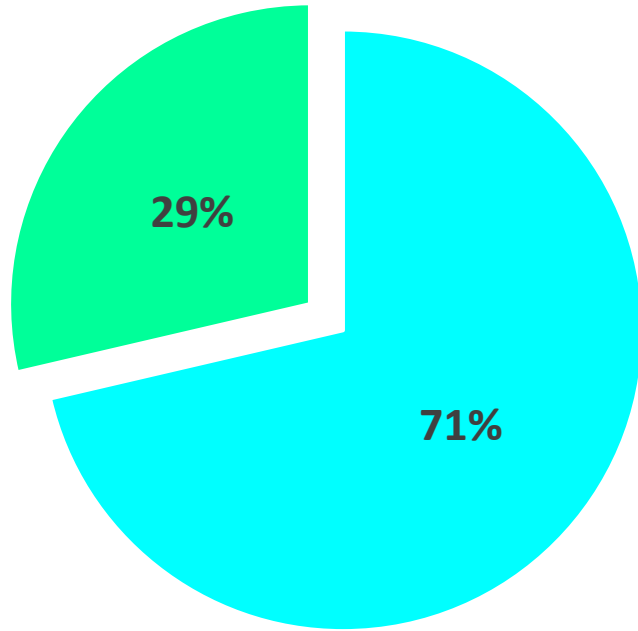


The total Investments amount to approximately 113.1 million QR, distributed between 29% for available for sale equity investments and 71% for real estate investments.

Value by Million QR

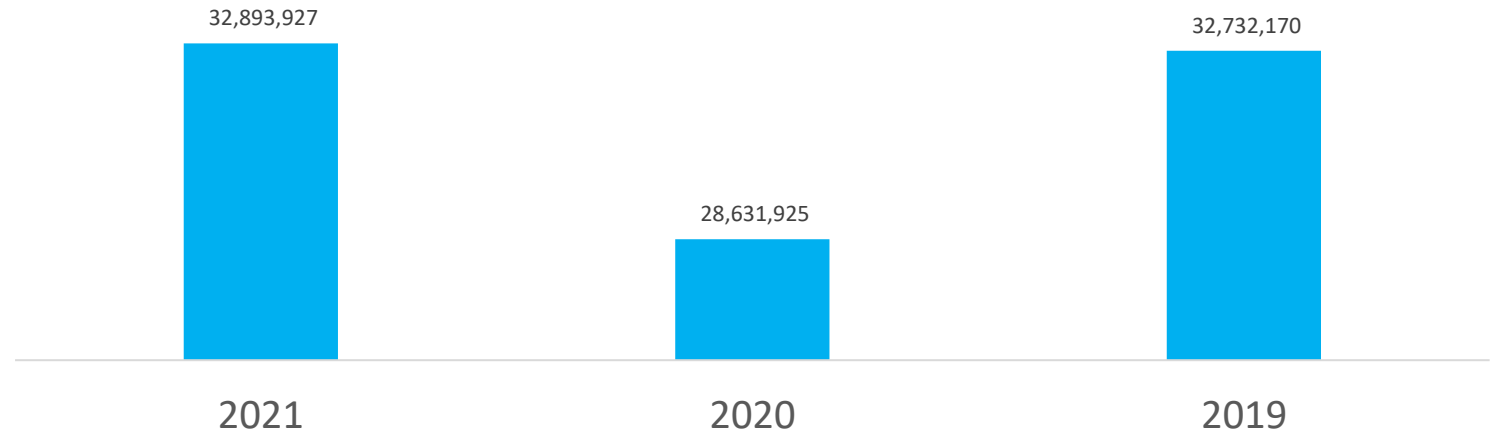
Source: financial statements report in March 2021

INVESTMENTS DIVERSIFICATION



- Investment activities and other revenues contributed by 93% of the total revenues.
- The company’s stock market investments constitute 29% of the total investments valued by 32.89 million QR.
- The net value of the company's investments in the real estate sector constituted the largest share from its investments, which represents 71% of the total investments. The company's real estate investments worth 80.23million QR.

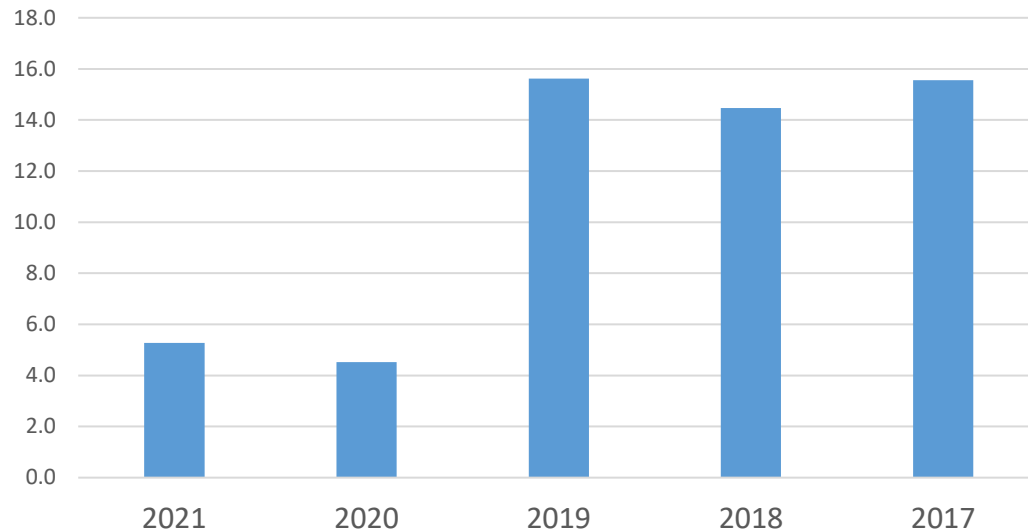
Equity available for sale with fare value



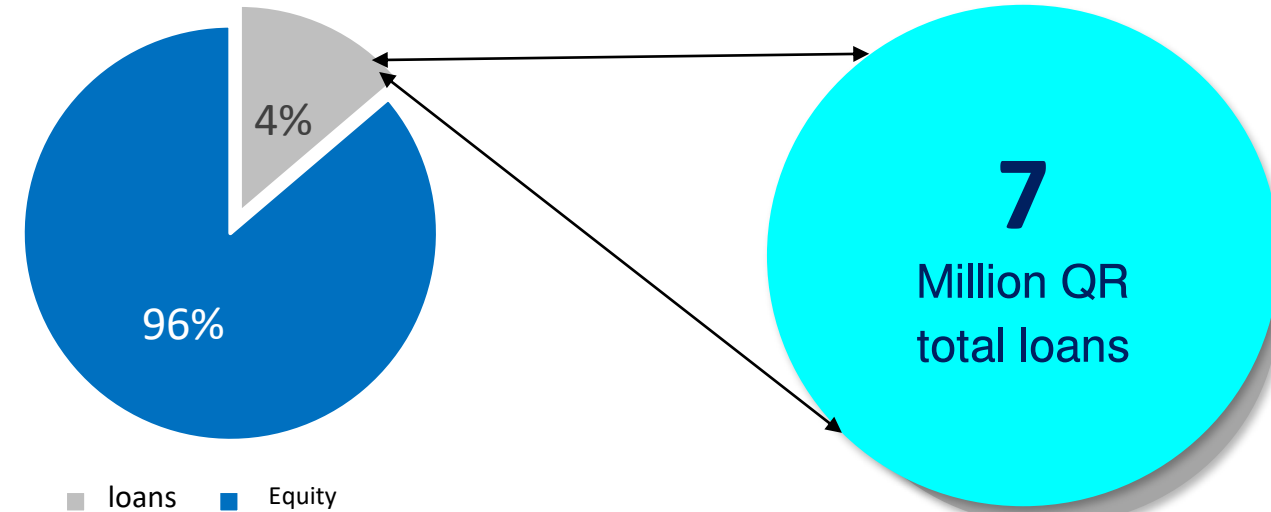
Value by Million QR

Source: financial statements report in March 2021

Interest coverage from profits ratio



FUNDING STRUCTURE

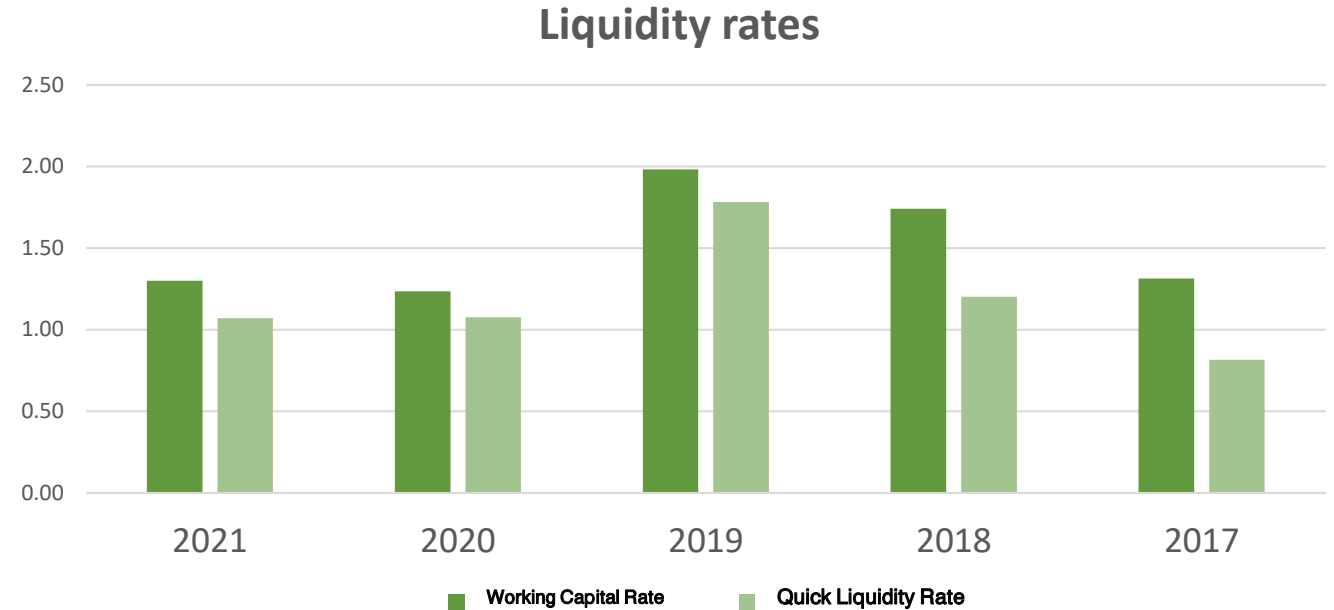


- The Company has limited reliance on loans to finance its assets.
- The company finances only 4.4% of its assets through loans and 95.6% through equity and other liabilities.
- The loan value in March 2020 amounted to 7 million QR.

LIQUIDITY AND CASH

The Working Capital Rate **1.30**

The Quick Liquidity Rate **1.07**



The Working Capital rate (Current Assets/Current Liabilities) stood at 1.3 in March 2021, which means that the Company can pay its short-term liability 1.3 times through its current assets. The quick liquidity Rate (cash/current liabilities) stood at 1.07 times for the same period, which means that the Company can repay its short-term liabilities 1.24 through cash.

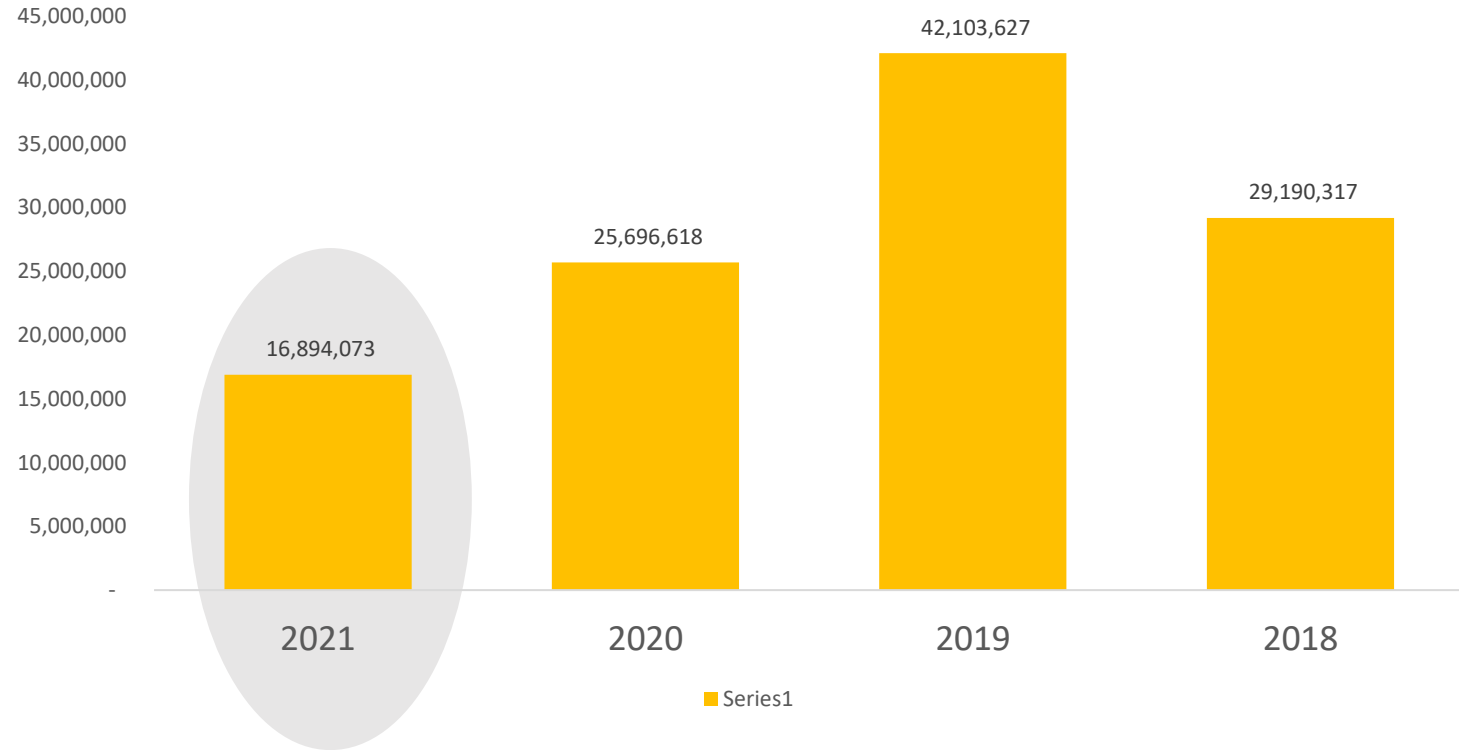
Clarification :

The Working Capital rate :Company ability to pay its short-term liability through its current assets.

The quick liquidity Rate :Company ability to pay its short-term liability through its cash.

CASH AND BANK ACCOUNTS

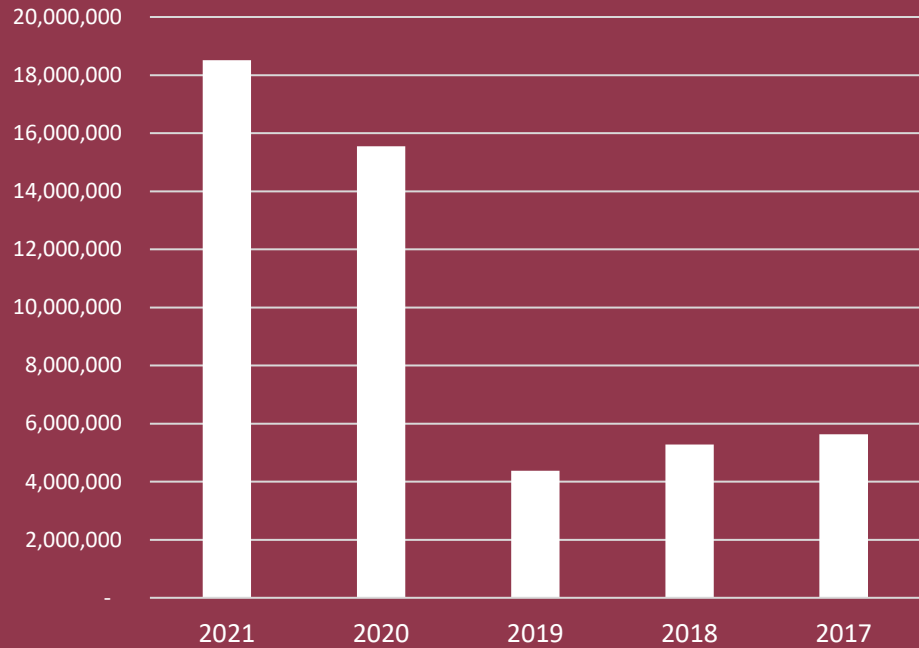
%34-
Decreasing in liquidity
by the end of March
2021



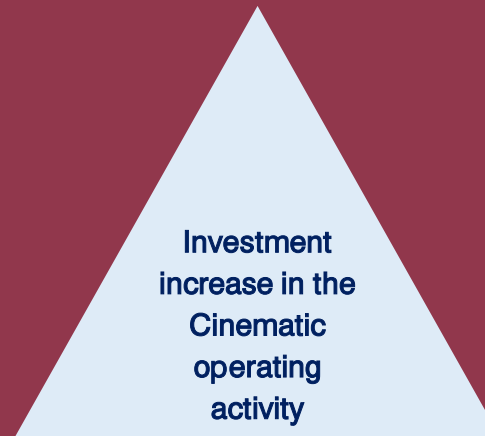
The company's liquidity decreased by 34% (8,802,545) and valued by 16,894,073 QR at the end of March 2021. The liquid cash decreased due to revenues decrease as a result of the corona pandemic and expansion of properties.

GROWTH IN PROPERTIES AND WORK IN PROGRESS (CINEMAS)

Assets and properties



%19



18.5

15.5

4.3

5.2

March 2021



March 2020



March 2019



March 2018

The company aims to expand its cinematic operating activity by developing its cinemas on international standards. In addition to obtaining the returns which come from the right to operate and use a new cinema building with a value of 9,049,168 QR, which raises the value of its tangible assets and may generate additional revenue in the future.

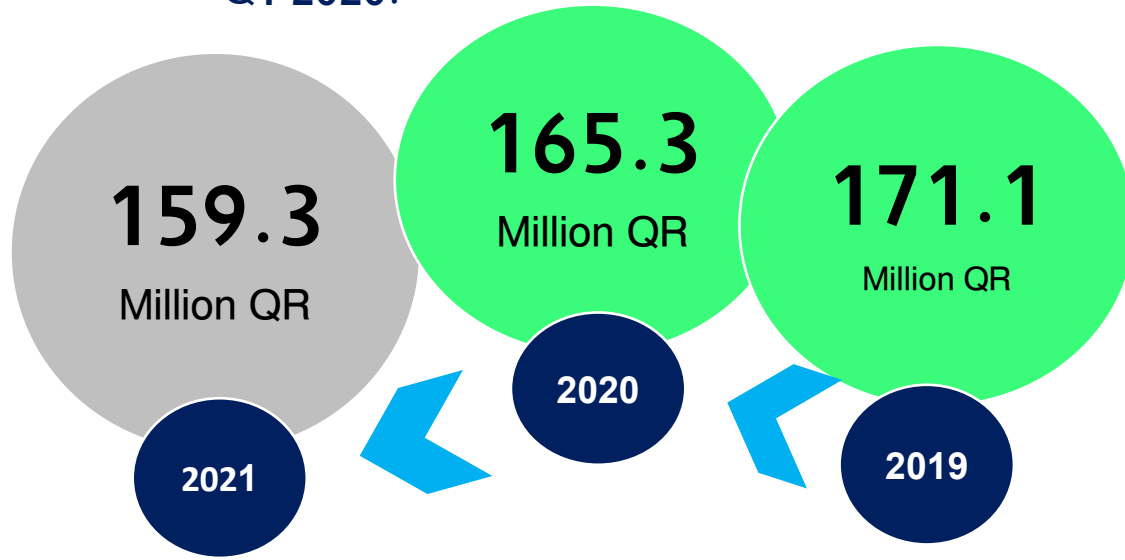
Value by Million QR

Source: financial statements report in March 2021

ASSETS IN MARCH 2021

Decrease in assets in comparison with Q1 2020.

-3.6%

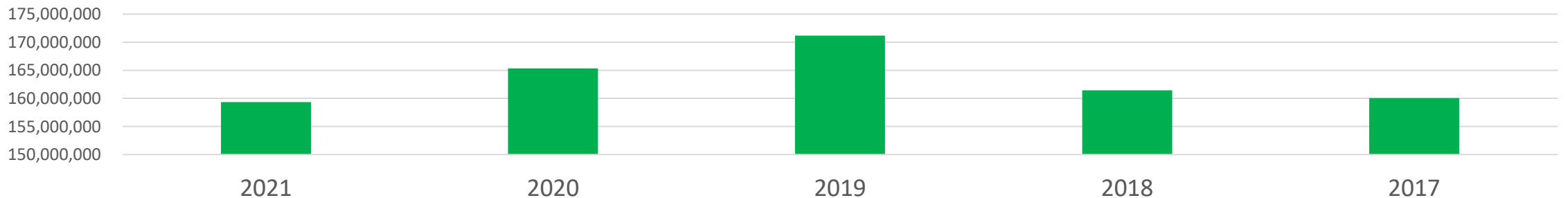


Million QR is approximately the value of **159.3** the company's assets in March 2021, which means a -3.6% decrease in assets value in comparison with the same period in Q1 2020 as a result of the value decrease of fixed assets by 8.97 million QR.

Million QR assets value decreased by the end of March 2021 compared to the same period in 2020 by a -3.6% decrease.

5.99

Total Assets



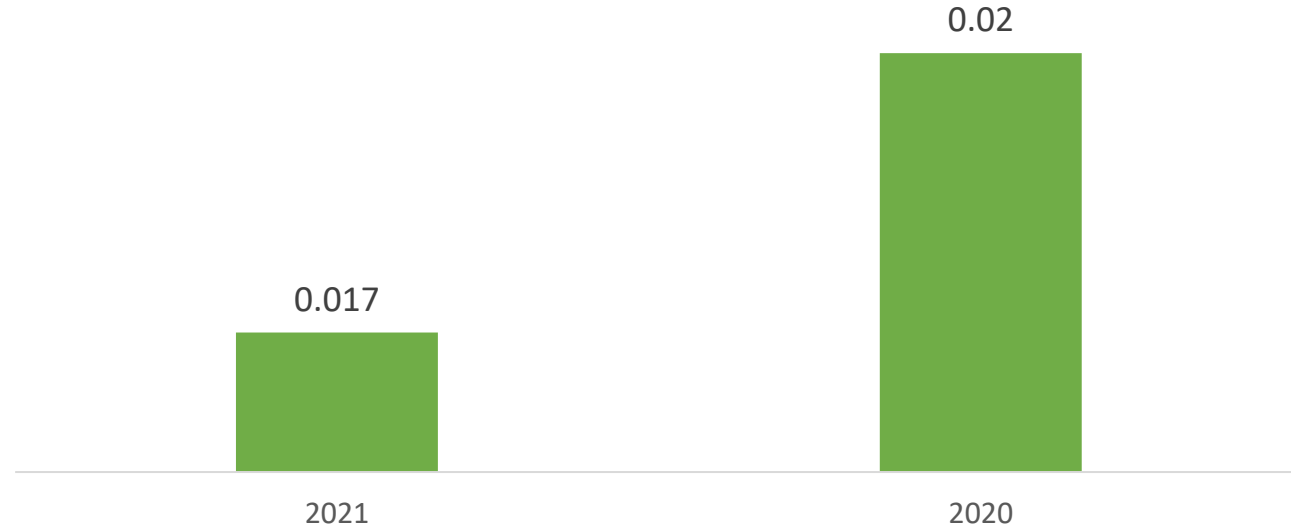
Value by Million QR

Source: financial statements report in March 2021

EARNING PER SHARE

Capital
Million QR 62,807,950

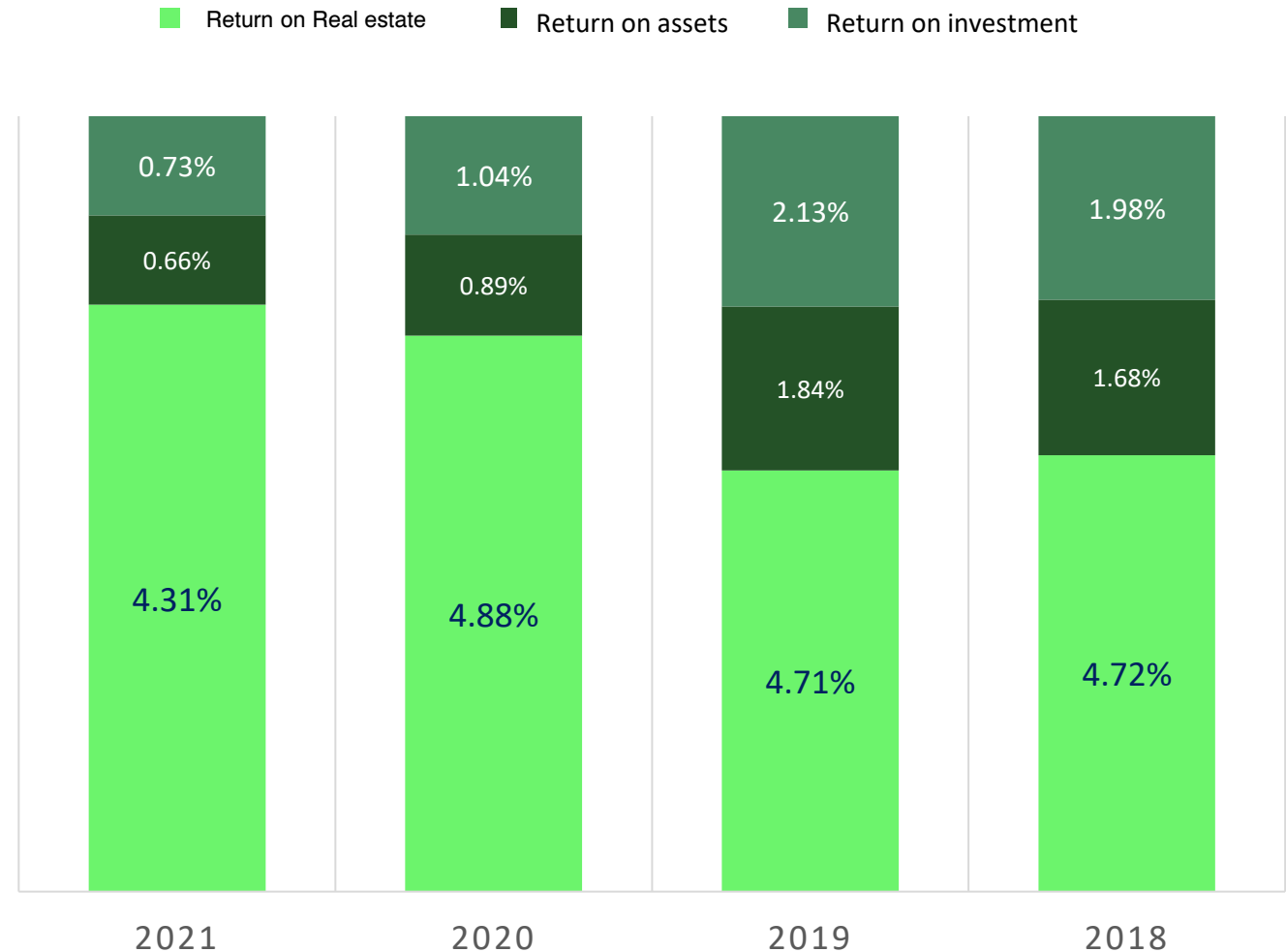
Earning per share for Q1 2021



Till the end of March 2021, Earning per share reached 0.017 QR while earning per share reached 0.02 QR for the same period in 2020, recorded a -15% approximately decrease.

RETURN ON INVESTMENT

- Return on Real estate investment represented almost 4.31% during Q1 2021. Real estate investment considered as the most income-generating activity in the company.
- In total, The return on the assets rate represents 0.66% of the total invested amount of money in Q1 2021.
- The total return on the total Investment rate is 0.73 % of the total assets in 2021.
- The return on investment and return on assets rates decreased in the Q1 2021 as a result of the increase in the amounts invested in business under progress for the development of cinemas that have not been completed and therefore have not returned their revenue yet, in addition to lower profits achieved as a result of corona pandemic.



QATAR CINEMA AND FILM DISTRIBUTION



Value by Million QR

Source: financial statements report in March 2021

1  **21st January 2021: Qatar Cinema & Film Distribution Co. disclosed its Annual financial results on 08/02/2021.**

2  **31st January 2021: Qatar Cinema & Film Distribution Co. holds its investors relation conference call on 11/02/2021 to discuss the financial results.**


3  **8th February : Qatar Cinema & Film Distribution Co. : Disclosed the Annual financial statement of 2020 The financial statements revealed a Net Profit of QR 4,952,159. The Earnings per share (EPS) amounted to QR 0.079 as of 31st December**

4  **14th February 2021 : Qatar Cinema & Film Distribution Co.: Hold it's AGM and EGM on 31/03/2021 for 2020.**

5  **1st March 2021 : Qatar Cinema & Film Distribution Co.: The AGM and EGM Endorsed items on its agenda**

6  **11st April 2021 : Qatar Cinema & Film Distribution Co.: disclosed its first Quarter financial results on 28/04/2021**

7  **17th April 2021 : Qatar Cinema & Film Distribution Co. hold its investors relation conference call on 03/05/2021 to discuss the financial results**

8  **28th April 2021 : Qatar Cinema & Film Distribution Co.: Disclosed the financial statements for first Quarter of 2021.
The financial statements revealed a Net Profit of QR 1,045,186 net profit The Earnings per Share(EPS) amounted to QR 0.017 as of 31st March**

Doha- Qatar

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