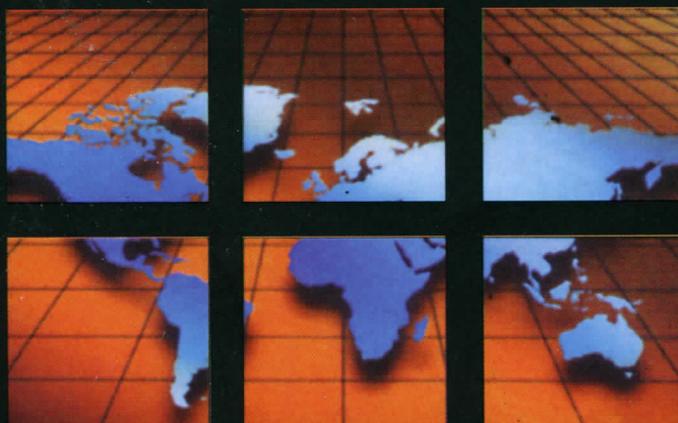


**QATAR CINEMA AND FILM
DISTRIBUTION COMPANY – Q.S.C.
DOHA – QATAR**

**BRIEF SUMMARY OF
TRIM CONDENSED FINANCIAL STATEMENTS
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE MONTHS PERIOD
ENDED MARCH 31, 2015**



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

**INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE MONTHS PERIOD
ENDED MARCH 31, 2015**

Table of Contents

Independent Auditor's Review Report	--
	<u>Page</u>
Interim Condensed Statement of Financial Position	1
Interim Condensed Statement of Profit or Loss and Other Comprehensive Income Items	2
Interim Condensed Statement of Changes in Equity	3
Interim Condensed Statement of Cash Flows	4
Notes to the Interim Condensed Financial Statements	6-10

INDEPENDENT AUDITORS' REVIEW REPORT

**TO THE BOARD OF DIRECTORS
QATAR CINEMA AND FILM DISTRIBUTION COMPANY - Q.S.C
DOHA – STATE OF QATAR**

Introduction

We have reviewed the accompanying interim condensed statement of financial position of **QATAR CINEMA AND FILM DISTRIBUTION COMPANY - Q.S.C** (the "**Company**"), Doha – state of Qatar as of March 31, 2015 and the related interim condensed statement of profit or loss and other comprehensive income, changes in equity and cash flows for the three month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with "IAS 34 – Interim Financial Reporting". Our responsibility is to express a conclusion on these Interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements No. 2410, "Review of interim financial information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with International Accounting Standard – 34, "Interim Financial Reporting".

Other matter

The financial statements of the Company for the year ended December 31, 2014 were audited by other auditors whose reports dated February 2, 2015, expressed an unqualified opinion on those statements.



**Hikmat Mukhaimer, FCCA (UK)
(Licence No. 297)**

**Doha – State of Qatar
April 25, 2015**

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

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

	Note	March 31, 2015 (Reviewed) QR.	December 31, 2014 (Audited) QR.
ASSETS			
current assets:			
Cash and bank balances	4	26,129,134	23,168,818
Accounts receivable	5	3,605,038	1,965,374
Inventory and spare parts		141,001	141,001
Prepayments and other debit balances	6	1,838,094	1,292,204
Total Current Assets		31,713,267	26,567,397
Non-Current Assets :			
Available-for-sale investments	7	43,286,377	48,216,121
Investment properties	8	96,297,594	97,259,775
Property and equipment	9	5,903,314	6,033,039
Total Non-Current Assets		145,487,285	151,508,935
Total Assets		177,200,552	178,076,332
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		2,618,979	1,037,121
Borrowings		20,000,000	20,000,000
Advance rent received		1,113,491	1,129,119
Dividends payable		6,985,966	7,024,406
Accruals and other credit balances		1,260,019	3,021,724
Total Current Liabilities		31,978,455	32,212,370
Non –Current Liabilities:			
Employees' end of service benefits		2,050,999	2,046,316
Total Non-Current Liabilities		2,050,999	2,046,316
Total Liabilities		34,029,454	34,258,686
Shareholders' Equity:			
Share capital		57,098,140	57,098,140
Legal reserve		37,992,630	37,992,630
General reserve		2,663,152	2,663,152
Fair value reserve		21,608,127	26,537,871
Retained earnings		12,389,421	8,106,225
Proposed dividend		11,419,628	11,419,628
Total shareholders' Equity		143,171,098	143,817,646
Total Liabilities and Shareholders' Equity		177,200,552	178,076,332

These interim Condensed Financial statements were approved on behalf of the Board of directors on April 25, 2015 by:


Ahmad Nasser Obaidan
Chairman


Ali Ishak Hussein Al Ishak
Managing Director

The accompanying notes form an integral part of these Condensed financial statements.

QATAR CINEMA AND FILM DISTRIBUTION COMPANY (Q.S.C.)
DOHA – QATAR
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTH PERIOD ENDED MARCH 31,2015

	<u>Note</u>	For the Three month period	
		Ended	
		March 31,	
		2015	2014
		(Reviewed)	(Unaudited)
		QR.	QR.
Operating income		3,268,083	3,077,100
Direct Cost		<u>(3,142,146)</u>	<u>(3,238,841)</u>
Gross Operating profit (Loss)		125,937	(161,741)
General & Administrative expenses		(1,037,694)	(1,281,395)
Depreciation of property, Equipment and investment properties		(1,245,000)	(1,200,000)
Dividends income		2,175,170	2,512,218
Rental income		4,157,572	4,132,988
Other income		107,211	211,470
Net profit for the period		<u>4,283,196</u>	<u>4,213,540</u>
Basic / diluted earnings per share		<u>0.75</u>	<u>0.73</u>

The accompanying notes form an integral part of these Condensed financial statements

QATAR CINEMA AND FILM DISTRIBUTION COMPANY (Q.S.C.)
DOHA – QATAR
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31,2015

	<u>Note</u>	For the Three month period	
		Ended	
		March 31,	
		<u>2015</u>	<u>2014</u>
		(Reviewed)	(Unaudited)
		QR.	QR.
Net profit for the period		4,283,196	4,213,540
Other comprehensive income			
Net Movement in Fair value of available for sale investments		(4,929,744)	4,533,224
Total comprehensive (loss) income for the period		<u>(646,548)</u>	<u>8,746,764</u>

The accompanying notes form an integral part of these financial statements.

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015

	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, 2014	57,098,140	37,992,630	2,663,152	26,026,102	7,501,445	11,419,628	142,701,097
Net income for the period	--	--	--	--	4,213,540	--	4,213,540
Net movement in Fair value reserve	--	--	--	4,533,224	--	--	4,533,224
Dividends paid	--	--	--	--	--	(11,419,628)	(11,419,628)
Net movement in Retained earnings	--	--	--	--	286,220	--	286,220
Balance as at March 31, 2014 (Unaudited)	<u>57,098,140</u>	<u>37,992,630</u>	<u>2,663,152</u>	<u>30,559,326</u>	<u>12,001,205</u>	<u>--</u>	<u>140,314,453</u>
Balance as at January 1, 2015	57,098,140	37,992,630	2,663,152	26,537,871	8,106,225	11,419,628	143,817,646
Net income for the period	--	--	--	--	4,283,196	--	4,283,196
Net movement in Fair value reserve	--	--	--	(4,929,744)	--	--	(4,929,744)
Balance as at march 31,2015 (Reviewed)	<u>57,098,140</u>	<u>37,992,630</u>	<u>2,663,152</u>	<u>21,608,127</u>	<u>12,389,421</u>	<u>11,419,628</u>	<u>143,171,098</u>

The accompanying notes form an integral part of these financial statements.

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

**INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015**

	<u>Note</u>	For the Three month period ended March 31,	
		2015	2014
		(Reviewed) QR.	(Unaudited) QR.
<u>Cash Flows From Operating Activities</u>			
Net Profit for the year		4,283,196	4,213,540
Adjustments for:			
Depreciation of property, equipment and investment property		1,245,000	1,200,000
Employees' end of service benefits		4,683	(45,711)
Net cash from operating activities before changes in working capital		5,532,879	5,367,829
Accounts receivable		(1,639,664)	344,543
Inventory and spare parts		--	(78,848)
Prepayments and other debit balances		(545,890)	(1,140,111)
Accounts payable		1,581,858	(354,450)
Accruals and other credit balances		(1,761,706)	(1,938,688)
Advance rent received		(15,627)	--
Dividends payables		(38,440)	11,377,907
Net Cash generated From Operating Activities		3,113,410	13,578,182
<u>Cash Flows From Investing Activities</u>			
Additions of property and equipments		(153,094)	--
Net Cash Used Operating Activities		(153,094)	--
<u>Cash Flows From Financing Activities</u>			
Dividend paid		--	(11,419,628)
Movement in Retained earnings		--	286,220
Net Cash used in Financing Activities		--	(11,133,408)
Net increase in cash and cash equivalents		2,960,316	2,444,774
Cash and cash equivalents - beginning of period	4	23,168,818	15,771,307
Cash and Cash equivalents –end of period	4	26,129,134	18,216,081

The accompanying notes form an integral part of these financial statements.

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015**

1. Status and Activities

Qatar Cinema and Film Distribution Company Q.S.C., (the “Company”), is a public shareholding company incorporated in the State of Qatar in 1970 under commercial registration number 30.

The Company is engaged in the business of importing and distributing cinema movies, sale and rent of movies recorded on CD’s ,manage cinemas and theaters,. Also the Company produces and distributes various commercial advertisements and invests in quoted shares and real estate.

2. Basis of preparation

These interim condensed financial statements for the three months ended 31 march 2015 have been prepared in accordance with IAS 34 “Interim Financial Reporting” under the historical cost convention except for available for sale investments, which are measured at fair value. The interim condensed financial statements are prepared in Qatar Riyals, which is the Company’s presentational and functional currency.

These interim condensed financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements as at 31 December 2014. In addition, results for the three month period ended 31 march 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2015.

3. New Standards and Interpretations

3.1 New standards and amendments to the standards.

The Following amendments to standards have been applied by the company in preparation of these interim condensed financial statements. The amendments to the below standards did not have any material impact to the company, but they may result in additional disclosures at year end:

Amendments to Standards

Defined benefit plans : employee contributions (Amendment to IAS 19)
Annual improvements 2010-2012 cycle
Annual improvements 2011-2013 cycle

The adoption of the above did not result in any changes to previously reported net profit or equity of the company.

3-2 Standards Issued but not yet Effective

IFRS 9 – Financial Instruments (Effective 1 January 2018)
IFRS 14 – Regulatory Deferral Accounts (Effective 1 January 2016)
IFRS 15 – Revenue from Contracts with Customers (Effective 1 January 2017)
Amendments to IFRS 11 Joint Agreements: According for Acquisition of Interest (Effective 1 January 2016)
Amendments to IAS 16 and IAS 28: Clarification of Acceptable Methods of Depreciation and Amortization (Effective 1 January 2016)
Amendments to IAS 27: Equity Method in Separate Financial Statements (Effective 1 January 2016)

The management anticipates that the adaption of these new standards and interpretation in future periods will have no material financial impact on the financial statements of the company in the period of initial application, other than certain presentation and disclosure changes

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015**

4. Cash and bank balances:

	March 31, 2015 (Reviewed)	December 31, 2014 (Audited)
	QR.	QR.
Cash in hand	72,486	65,259
Cash at banks – current accounts	25,918,125	22,965,081
Cash and cash equivalents	25,990,611	23,030,340
Term and call deposits	138,523	138,478
Cash and bank balances	<u>26,129,134</u>	<u>23,168,818</u>

Term and call deposits earn an average annual profit rate of 0.25% to 0.75 (2014: 0.25% to 0.75) with original maturity of 90 days.

5. Accounts Receivable

	March 31, 2015 (Reviewed)	December 31, 2014 (Audited)
	QR.	QR.
Accounts receivable	4,702,338	3,062,674
Provision for doubtful debts	(1,097,300)	(1,097,300)
	<u>3,605,038</u>	<u>1,965,374</u>

6. Prepayments and other debit Balances

	March 31, 2015 (Reviewed)	December 31, 2014 (Audited)
	QR.	QR.
Due From Staff	318,745	313,645
Deposits and letters of guarantee margin	686,644	686,144
Prepayment and other debit balances	832,705	292,415
	<u>1,838,094</u>	<u>1,292,204</u>

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015**

7. Available for Sale investments

	March 31, 2015 (Reviewed)	December 31, 2014 (Audited)
	QR.	QR.
Fair value at the beginning of the year	48,216,121	48,834,752
Acquisition during the year	--	--
Disposals during the year	--	(1,130,400)
Net Movement in Fair value	(4,929,744)	511,769
	43,286,377	48,216,121

8. Investment properties

	March 31, 2015 (Reviewed)	December 31, 2014 (Audited)
	QR.	QR.
Net Book Value, beginning balance	97,259,775	100,857,691
Depreciation Charge for the period	(962,181)	(3,597,916)
Net Book value, ending balance	96,297,594	97,259,775

Based on Management's opinion the fair value of investments properties as of March 31, 2015 exceeds the carrying amount.

Included in investment properties is a property with total cost amount of QR 97,495,867 which has been pledged as security collateral against bank facilities.

9. Property and equipment

	March 31, 2015 (Reviewed)	December 31, 2014 (Audited)
	QR.	QR.
Net Book Value, beginning balance	6,033,039	7,612,651
Additions during the year / Period	153,094	34,449
Depreciation Charge for the year / Period	(282,819)	(1,366,098)
Impairment During the year / Period	--	(247,963)
Net Book value, ending balance	5,903,314	6,033,039

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2015**

10. Earnings per share	For the Three Month period Ended	
	March 31, 2015 (Reviewed)	March 31, 2014 (Unaudited)
	QR.	QR.
Net profit for the period	4,283,196	4,213,540
Weighted Average number of shares	5,709,814	5,709,814
Basic / diluted earnings per share (QR)	0.75	0.73

12. Compensation of Key Management personnel	For the Three Month period Ended	
	March 31, 2015 (Reviewed)	March 31, 2014 (Unaudited)
	QR.	QR.
Short term benefits	138,000	186,000