

شركة قطر للسينما ونوزيع 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 NINE MONTHS PERIOD
ENDED SEPTEMBER 30, 2017**

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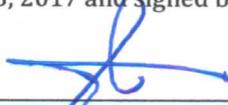
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INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2017

	Note	September 30, 2017 (Reviewed)	December 31, 2016 (Audited)
ASSETS			
current assets:			
Cash and bank balances	(1)	24,775,406	25,610,903
Accounts receivable	(2)	2,169,671	2,707,013
Inventory and spare parts		203,136	187,877
Prepayments and other debit balances	(3)	3,974,186	906,564
Total Current Assets		31,122,399	29,412,357
Non-Current Assets :			
Available-for-sale investments	(4)	33,179,995	39,250,796
Investment properties	(5)	88,240,333	90,141,744
Property and equipment	(6)	5,650,341	5,643,507
Total Non-Current Assets		127,070,669	135,036,047
Total Assets		158,193,068	164,448,404
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		756,699	806,444
Borrowings		15,000,000	15,000,000
Advance rent received		1,113,491	2,371,836
Dividends payable		7,969,234	6,998,380
Accruals and other credit balances	(7)	1,695,088	1,168,807
Total Current Liabilities		26,534,512	26,345,467
Non -Current Liabilities:			
Employees' end of service benefits		1,899,093	2,300,380
Total Non-Current Liabilities		1,899,093	2,300,380
Total Liabilities		28,433,605	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		8,226,592	15,487,882
Retained earnings		18,069,139	10,570,148
Proposed dividend		--	6,280,795
Total shareholders' Equity		129,759,463	135,802,557
Total Liabilities and Shareholders' Equity		158,193,068	164,448,404

These interim Condensed Financial statements were approved on October 23, 2017 and signed by:


Abdul Rahman Najdi
General Manager


Mohamed Ali J. F. Al-Sulaiti
Vice Chairman

INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

	Note	For The Nine Months Period Ended September 30,	
		2017 (Reviewed) QR.	2016 (Reviewed) QR.
Operating income	(9)	6,420,860	7,831,404
Direct Cost	(10)	(7,412,364)	(8,240,294)
Gross Operating Profit		(991,504)	(408,890)
General & Administrative expenses	(11)	(2,818,030)	(2,791,211)
Depreciation of property, Equipment and investment properties		(2,743,417)	(3,374,375)
Finance costs		(756,246)	(566,543)
Dividends income		1,414,733	1,502,877
Rental income		13,252,827	13,097,581
Other income	(12)	140,628	148,596
Net profit for the period		7,498,991	7,608,035
Basic / diluted earnings per share	(13)	1.20	1.21

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30,2017

	For The Nine Months Period Ended September 30,	
	2017	2016
	(Reviewed) QR.	(Reviewed) QR.
Net profit for the period	7,498,991	7,608,035
Other comprehensive income items		
Net changes in Fair value of Available for sale investments	(7,261,290)	(140,438)
Total comprehensive (loss) income for the period	237,701	7,467,597

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

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 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	--	--	--	--	7,608,035	--	7,608,035
Net movement in Fair value reserve	--	--	--	(140,438)	--	--	(140,438)
Dividends payable						--	--
Transfer to dividends payable						(9,421,193)	(9,421,193)
Balance as at September 30, 2016 (Reviewed)	62,807,950	37,992,630	2,663,152	10,572,837	20,268,707	--	134,305,276
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	--	--	--	--	7,498,991	--	7,498,991
Net movement in Fair value reserve	--	--	--	(7,261,290)	--	--	(7,261,290)
Dividends payable	--	--	--	--	--	(5,219,755)	(5,219,755)
Transfer to dividends payable						(1,061,040)	(1,061,040)
Balance as at September 30, 2017 (Reviewed)	62,807,950	37,992,630	2,663,152	8,226,592	18,069,139	--	129,759,463

INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

Note	For The Nine Months Period Ended September 30,	
	2017 (Reviewed) QR.	2016 (Reviewed) QR.
Cash Flows From Operating Activities		
Net Profit for the period	7,498,991	7,608,035
Adjustments for:		
Depreciation of property and equipment and investment properties	2,743,417	3,374,375
Finance costs paid	756,246	566,543
Employees' end of service benefits	106,972	107,163
Net cash flows from operating activities before changes in working capital	11,105,626	11,656,116
Accounts receivable	537,342	(57,466)
Inventory and spare parts	(15,259)	155,118
Prepayments and other debit balances	(3,067,622)	19,864
Accounts payable	(49,745)	(196,151)
Advance rent received	(1,258,345)	(488,611)
Accruals and other credit balances	526,281	(2,122,090)
	7,778,278	(8,966,780)
Employees' end of service benefits Paid	(508,258)	---
Net cash generated by operating activities	7,270,020	(8,966,780)
Cash Flows From Investing Activities		
Additions of property and equipments	(848,841)	(1,111,392)
Acquisition of available-for sale investments	(1,190,489)	(188,402)
Net Cash Used in Investing Activities	(2,039,330)	(1,299,794)
FINANCING ACTIVITIES		
Finance costs paid	(756,246)	(566,543)
Dividends paid	(5,309,941)	(9,639,981)
Net cash used in financing activities	(6,066,187)	(10,206,524)
Net increase in cash and cash equivalents	(835,497)	(2,539,538)
cash and cash equivalents - beginning of period	25,610,903	24,881,085
Cash and Cash equivalents -end of period	24,775,406	22,341,547

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

1. Cash and bank balances:

	September 30, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Cash on hand	13,110	30,906
Cash at banks – current accounts	24,693,466	25,441,656
Term Deposits	24,026	23,843
Call Deposits	44,804	114,498
	24,775,406	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

	September 30, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Accounts receivable	801,043	1,111,180
Notes receivable & Advance rent received	2,482,697	2,457,133
Provision for doubtful debts	(1,114,069)	(861,300)
	2,169,671	2,707,013

3. Prepayments and other debit Balances

	September 30, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Due From Staff	243,897	338,130
Letters of guarantee margin	548,324	548,324
Prepayment and other debit balances	3,181,965	20,110
	3,974,186	906,564

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

4. Available for Sale investments

	September 30, 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	1,190,489	188,400
Disposals during the Period/Year	---	---
Net changes in Fair value	(7,261,290)	261,926
	33,179,995	39,250,796

5. Investment properties

	September 30, 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	(2,025,683)	(3,522,165)
Net Book value, ending balance	88,240,333	90,141,744

6. Property and equipment

	September 30, 2017 (Reviewed)	December 31, 2016 (Audited)
	QR.	QR.
Net Book Value, beginning balance	5,643,507	5,353,411
Additions during the year / Period	724,568	1,246,042
Depreciation Charge for the year / Period	(717,734)	(955,946)
Impairment During the year / Period	--	---
Net Book value, ending balance	5,650,341	5,643,507

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

7. ACCRUALS AND OTHER CREDIT BALANCES

	September 30, 2016 (Reviewed) QR.	December 31, 2015 (Audited) QR.
Accrued expenses	581,597	1,061,364
Advance rent received	1,113,491	107,443
	<u>1,695,088</u>	<u>1,168,807</u>

8. SHARE CAPITAL

	September 30, 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 Nine Months Period Ended	
	September 30, 2017 (Reviewed) QR.	September 30, 2016 (Reviewed) QR.
Movies income	5,891,760	7,225,025
Films rent income	243,200	294,400
Advertising income	---	35,000
Cafeterias income	285,900	276,979
	<u>6,420,860</u>	<u>7,831,404</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

10. Direct Costs

	For The Nine Months Period Ended	
	September 30, 2017 (Reviewed) QR.	September 30, 2016 (Reviewed) QR.
Share of distributors and films expenses	3,482,045	4,173,763
Cinema expenses	3,930,319	4,066,531
	7,412,364	8,240,294

11. GENERAL AND ADMINISTRATIVE EXPENSES

	For The Nine Months Period Ended	
	September 30, 2017 (Reviewed) QR.	September 30, 2016 (Reviewed) QR.
Salaries, wages and staff compensation	1,674,051	1,609,040
Telephone and fax	99,186	84,891
Maintenance	65,550	55,750
Professional and governmental fees	230,782	201,752
Board meeting allowance	459,000	487,000
Advertise	70,950	64,124
Audit	52,267	24,000
End of service benefits	106,972	191,536
Stationery & prints	13,100	11,848
Miscellaneous	46,172	61,270
	2,818,030	2,791,211

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

12. OTHER INCOME

	For The Nine Months Period Ended	
	September 30, 2017 (Reviewed) QR.	September 30, 2016 (Reviewed) QR.
Bank interest	656	606
Miscellaneous income	139,972	147,990
	140,628	148,596

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 Nine Months Period Ended	
	September 30, 2017 (Reviewed) QR.	September 30, 2016 (Reviewed) QR.
Net profit for the period (QR.)	7,498,991	7,608,035
Weighted Average number of shares	6,280,795	6,280,795
Basic / diluted earnings per share (QR)	1.20	1.21