

شركة قطر للسينما و توزيع 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, 2018**

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INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018

	Note	September 30, 2018 (Reviewed)	December 31, 2017 (Audited)
ASSETS			
current assets:			
Cash and bank balances	(1)	27,436,847	26,879,707
Accounts receivable	(2)	1,792,986	3,269,213
Inventory and spare parts		330,680	139,964
Prepayments and other debit balances	(3)	1,155,031	1,039,908
Total Current Assets		30,715,544	31,328,792
Non-Current Assets :			
Available-for-sale investments	(4)	41,011,731	34,027,485
Investment properties	(5)	88,447,637	91,015,62 ⁹
Property and equipment	(6)	5,234,220	5,083,434
Total Non-Current Assets		134,693,588	130,126,548
Total Assets		165,409,132	161,455,340
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		397,926	975,074
Borrowings		15,000,000	15,000,000
Advance rent received		1,113,491	2,805,838
Dividends payable		7,348,770	7,051,476
Accruals and other credit balances	(7)	223,477	1,293,078
Total Current Liabilities		24,083,664	27,125,466
Non -Current Liabilities:			
Employees' end of service benefits		2,076,116	1,905,106
Total Non-Current Liabilities		2,076,116	1,905,106
Total Liabilities		26,159,780	29,030,572
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		17,754,429	10,770,183
Retained earnings		18,031,191	11,910,058
Proposed dividend		--	6,280,795
Total shareholders' Equity		139,249,352	132,424,768
Total Liabilities and Shareholders' Equity		165,409,132	161,455,340

These interim Condensed Financial statements were approved on October 21, 2018 and signed by:


Abdul Rahman Najdi
General Manager


Ali Ishaq Hussein Al Ishaq
Managing Director

INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NNIE MONTHS PERIOD ENDED SEPTEMBER 30,2018

	Note	For The Nine Months Period Ended September 30,	
		2018 (Reviewed) QR.	2017 (Reviewed) QR.
Operating income	(9)	4,702,450	6,420,860
Direct Cost	(10)	(6,211,530)	(7,412,364)
Gross Operating Profit		(1,509,080)	(991,504)
General & Administrative expenses	(11)	(2,894,174)	(2,818,030)
Depreciation of property, Equipment and investment properties		(3,273,132)	(2,743,417)
Dividends income		2,031,593	1,414,733
Rental income		12,591,457	13,252,827
Finance costs		(763,375)	(756,246)
Other income	(12)	161,859	140,628
Net profit for the period		6,345,148	7,498,991
Basic / diluted earnings per share	(13)	1.01	1.20

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30,2018

	Note	For The Nine Mmonths Period Ended September 30,	
		2018 (Reviewed) QR.	2017 (Reviewed) QR.
Net profit for the period		6,345,148	7,498,991
Other comprehensive income items			
Net changes in Fair value of Available for sale investments		6,984,246	(7,261,290)
Total comprehensive (loss) income for the period		13,329,394	237,701

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, 2018

	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, 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
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	--	--	--	--	6,345,148	--	6,345,148
Net movement in Fair value reserve	--	--	--	6,984,246	--	--	6,984,246
Directors' remuneration - Year 2017	--	--	--	--	(224,015)	--	(224,015)
Transfer to dividends payable		--	--	--	--	(6,280,795)	(6,280,795)
Balance as at September 30, 2018 (Reviewed)	62,807,950	37,992,630	2,663,152	17,754,429	18,031,191	--	139,249,352

INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	For The Nine Months Period Ended	
	September 30, 2018 (Reviewed) QR.	September 30, 2017 (Reviewed) QR.
Cash Flows From Operating Activities		
Net Profit for the period	6,345,148	7,498,991
Adjustments for:		
Depreciation of property and equipment and investment properties	3,273,132	2,743,417
Finance costs paid	763,375	756,246
Employees' end of service benefits	177,100	106,972
Net cash flows from operating activities before changes in working capital	10,558,755	11,105,626
Accounts receivable	1,476,227	537,342
Inventory and spare parts	(190,716)	(15,259)
Prepayments and other debit balances	(115,123)	(3,067,622)
Accounts payable	(577,148)	(49,745)
Advance rent received	(1,692,347)	(1,258,345)
Accruals and other credit balances	(1,069,601)	526,281
	8,390,047	7,778,278
Employees' end of service benefits Paid	(6,090)	(508,258)
Net cash generated by operating activities	8,383,957	7,270,020
Cash Flows From Investing Activities		
Additions of property and equipments	(855,926)	(848,841)
Acquisition of available-for sale investments	---	(1,190,489)
Net Cash Used in Investing Activities	(855,926)	(2,039,330)
FINANCING ACTIVITIES		
Finance costs paid	(763,375)	(756,246)
Dividends paid	(6,207,516)	(5,309,941)
Net cash used in financing activities	(6,970,891)	(6,066,187)
Net increase in cash and cash equivalents	557,140	(835,497)
cash and cash equivalents - beginning of period	26,879,707	25,610,903
Cash and Cash equivalents -end of period	27,436,847	24,775,406

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

1. Cash and bank balances:

	September 30, 2018 (Reviewed)	December 31, 2017 (Audited)
	QR.	QR.
Cash on hand	7,077	24,154
Cash at banks – current accounts	27,372,372	26,798,246
Short term fixed deposits	57,398	57,307
	27,436,847	26,879,707

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, 2018 (Reviewed)	December 31, 2017 (Audited)
	QR.	QR.
Accounts receivable	361,234	2,278,891
Notes receivable	2,293,052	1,851,622
Provision for doubtful debts	(861,300)	(861,300)
	1,792,986	3,269,213

3. Prepayments and other debit Balances

	September 30, 2018 (Reviewed)	December 31, 2017 (Audited)
	QR.	QR.
Due From Staff	321,291	300,162
Letters of guarantee margin	832,874	548,323
Prepayment and other debit balances	866	191,423
	1,155,031	1,039,908

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

4. Available for Sale investments

	September 30, 2018 (Reviewed)	December 31, 2017 (Audited)
	QR.	QR.
Fair value at the beginning of the Period/Year	34,027,485	39,250,796
Acquisition during the Period/Year	9,434,249	1,190,489
Disposals during the Period/Year	(2,450,003)	(1,696,101)
Net changes in Fair value	6,984,246	(4,717,699)
	41,011,731	34,027,485

5. Investment properties

	September 30, 2018 (Reviewed)	December 31, 2017 (Audited)
	QR.	QR.
Net Book Value, beginning balance	91,015,629	90,141,744
Additions during the Period/Year	--	3,698,245
Depreciation Charge for the Period/Year	(2,567,992)	(2,824,360)
Net Book value, ending balance	88,447,637	91,015,629

6. Property and equipment

	September 30, 2018 (Reviewed)	December 31, 2017 (Audited)
	QR.	QR.
Net Book Value, beginning balance	5,083,434	5,643,507
Additions during the year / Period	855,926	398,244
Depreciation Charge for the year / Period	(705,140)	(958,317)
Impairment During the year / Period	--	--
Net Book value, ending balance	5,234,220	5,083,434

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

7. ACCRUALS AND OTHER CREDIT BALANCES

	September 30, 2018 (Reviewed) QR.	December 31, 2017 (Audited) QR.
Accrued expenses	223,477	1,097,675
Provision for social contribution	---	195,403
	<u>223,477</u>	<u>1,293,078</u>

8. SHARE CAPITAL

	September 30, 2018 (Reviewed) QR.	December 31, 2017 (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, 2018 (Reviewed) QR.	September 30, 2017 (Reviewed) QR.
Movies income	4,320,835	5,891,760
Films rent income	236,800	243,200
Advertising income	---	---
Cafeterias income	144,815	285,900
	<u>4,702,450</u>	<u>6,420,860</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

10. Direct Costs

	For The Nine Months Period Ended	
	September 30, 2018 (Reviewed) QR.	September 30, 2017 (Reviewed) QR.
Share of distributors and films expenses	2,420,550	3,482,045
Cinema expenses	3,790,980	3,930,319
	6,211,530	7,412,364

11. GENERAL AND ADMINISTRATIVE EXPENSES

	For The Nine Months Period Ended	
	September 30, 2018 (Reviewed) QR.	September 30, 2017 (Reviewed) QR.
Salaries, wages and staff compensation	1,629,914	1,674,051
Telephone and fax	108,368	99,186
Maintenance	63,621	65,550
Professional and governmental fees	165,914	230,782
Board meeting allowance	459,000	459,000
Advertising and publishing	60,677	70,950
Audit fees	47,500	52,267
End of service benefits	177,100	106,972
Stationery	13,170	13,100
Miscellaneous	168,910	46,172
	2,894,174	2,818,030

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

12. OTHER INCOME

	For The Nine Months Period Ended	
	September 30, 2018 (Reviewed) QR.	September 30, 2017 (Reviewed) QR.
Bank interest	673	656
Miscellaneous income	161,186	139,972
	161,859	140,628

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, 2018 (Reviewed) QR.	September 30, 2017 (Reviewed) QR.
Net profit for the period (QR.)	6,345,148	7,498,991
Weighted Average number of shares	6,280,795	6,280,795
Basic / diluted earnings per share (QR)	1.01	1.20