

Investor Information Guide September 2019

Presentation Of The Financial Statements
For The Period From 1 January 2019 To 30 September 2019



QATAR CINEMA CO.

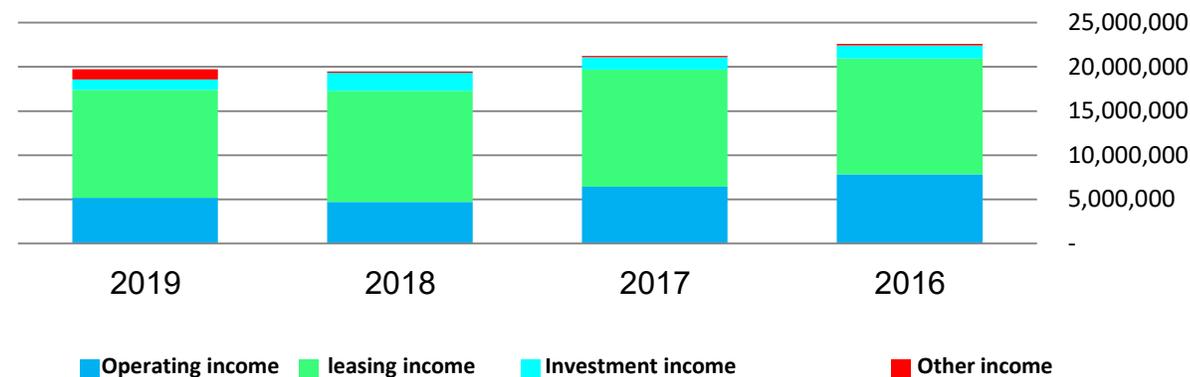
شركة قطر للسينما

September 2019

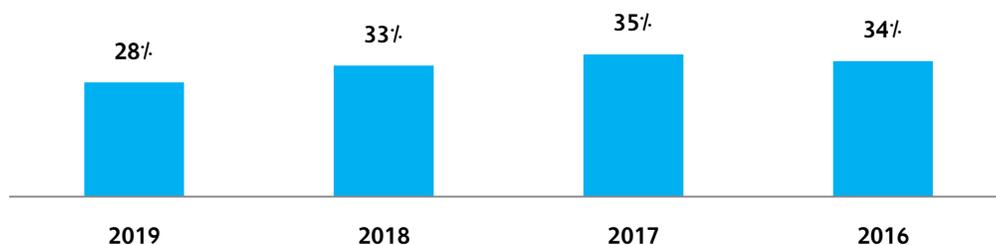
REVENUES AND PROFITABILITY

Total revenues reached 19.74 million Qatari riyals by the end of September 2019. The revenues consist of different resources of income which help to avoid the risk of depending on single income resource. Real estate leasing revenue represents 62% of the company total revenue which is the main income resource. Operational revenue came in second place by 26% and finally, investment revenue and other revenues by only 12% equally. Total revenues recorded an increase of 1.28% during the first three quarters of 2019 (till September 2019) compared with the same period from 2018.

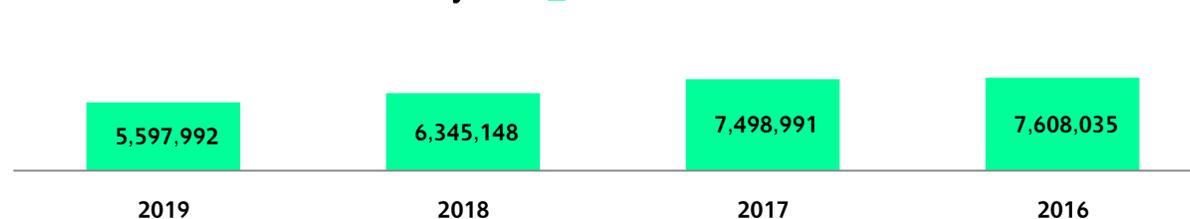
Revenues by QR



Net profit rate



Net Profit By QR



During the first three-quarters of 2019, net profit decreased by almost 12% compared to the same period of 2018, achieving a 5.5 million riyals with a profit margin of 28%, the profit decrease for the following reasons:

- Deduct in advance amount 1,015,434 QR for the rental value of Katara cinema project this amount has been deducted under * the new Accounting Standard No”16”.
- A decrease in the distribution of dividends received from other companies by 819,800 QR.

Value in million QR

Source: Financial Report September 2019

*IFRS 16

REVENUE DIVERSIFICATION ENHANCE THE SUSTAINABLE GROWTH

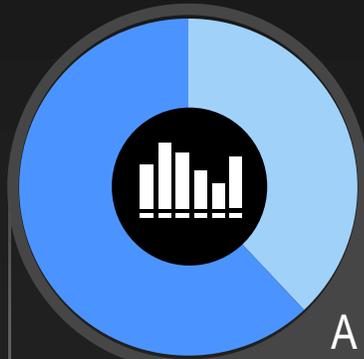
1.28%

Increase in total revenues up to the end of September 2019 compared to the same period last year.

Revenues till
September
2019
QR million

19.74

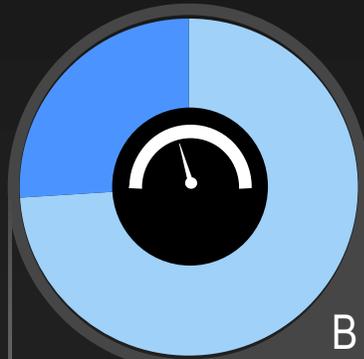
Revenues divided into **62% from** real estate leasing and **26%** from operating revenue and **12%** from investment other revenues divided equally on investment revenue and other income.



A

62%

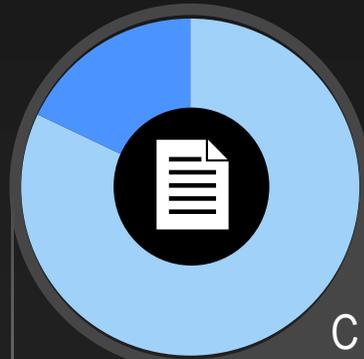
Real-estate
leasing revenue



B

26%

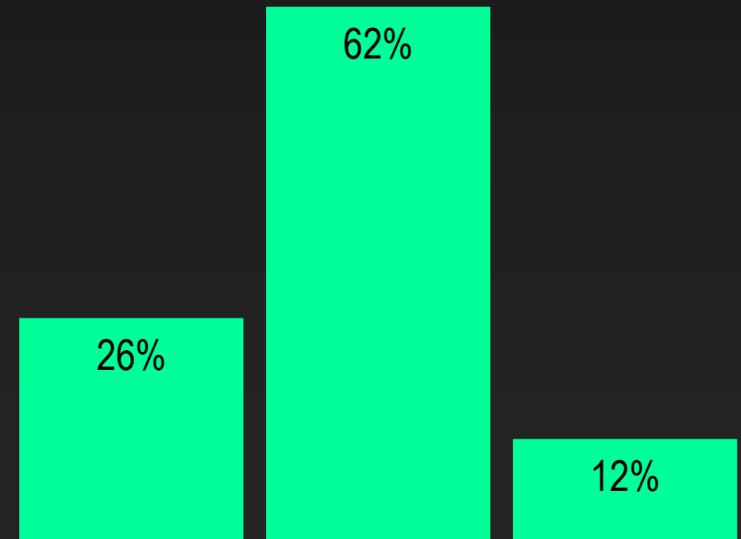
Cinema operating
revenue



C

12%

Investment and
other revenues



REVENUES

Sustainability in rental income

Despite the challenges that are facing the real estate sector now, the company was able to generate distinctive revenues from its leased properties and sustainably enhance the financial performance of the company in 2019. However, Rental income decreased slightly by 3% by the end of September 2019 compared to the same period in 2018.

The revenue from operation increased by 10% at the end of September 2019 compared to the same period in 2018, and rental income represents the largest share paid in advance and giving the company a good financial and monetary position.

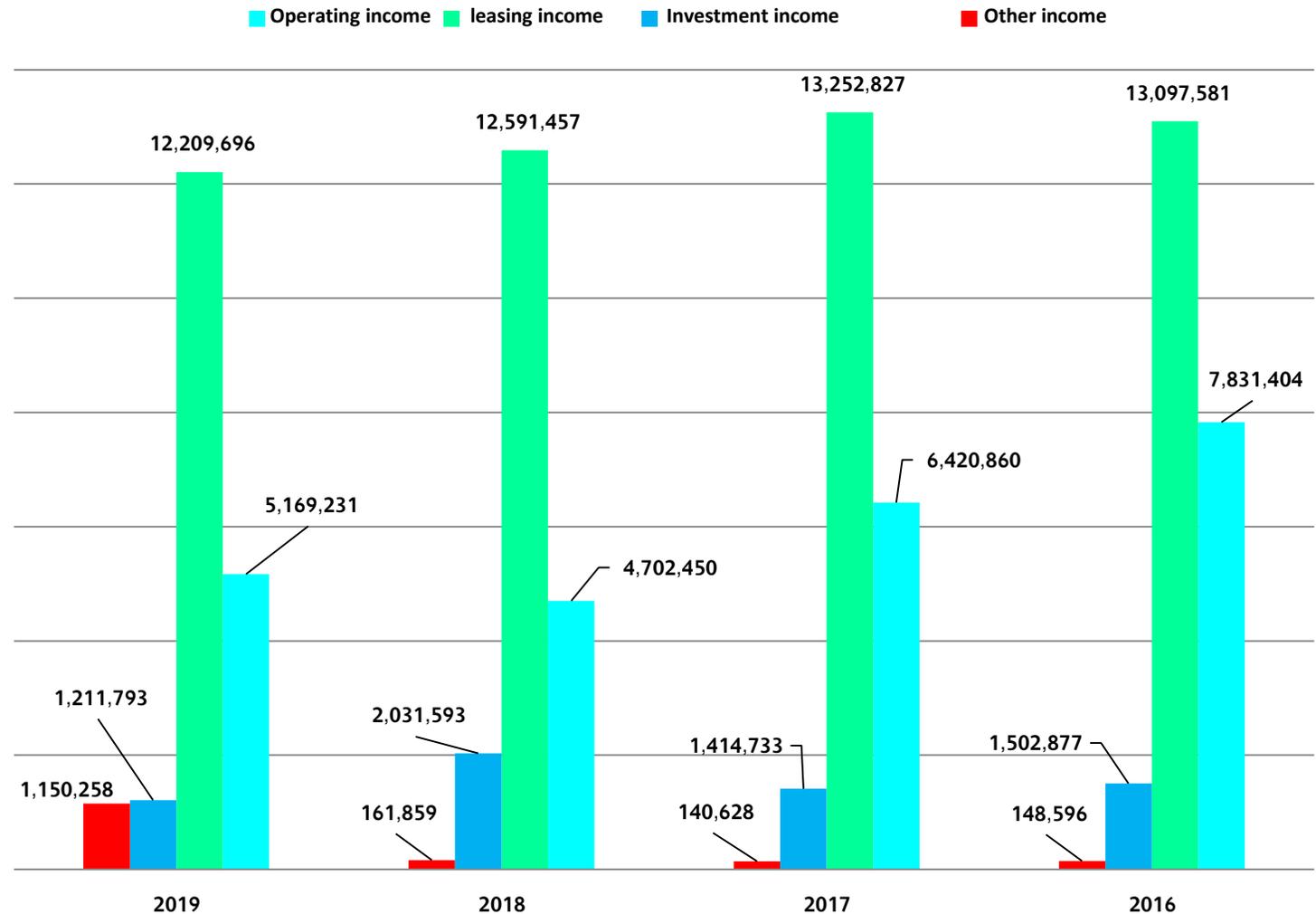
Value in million QR

Source: Financial Report September 2019

1.28%

Increase in total revenues up to the end of September 2019 compared to the same period last year

Revenues

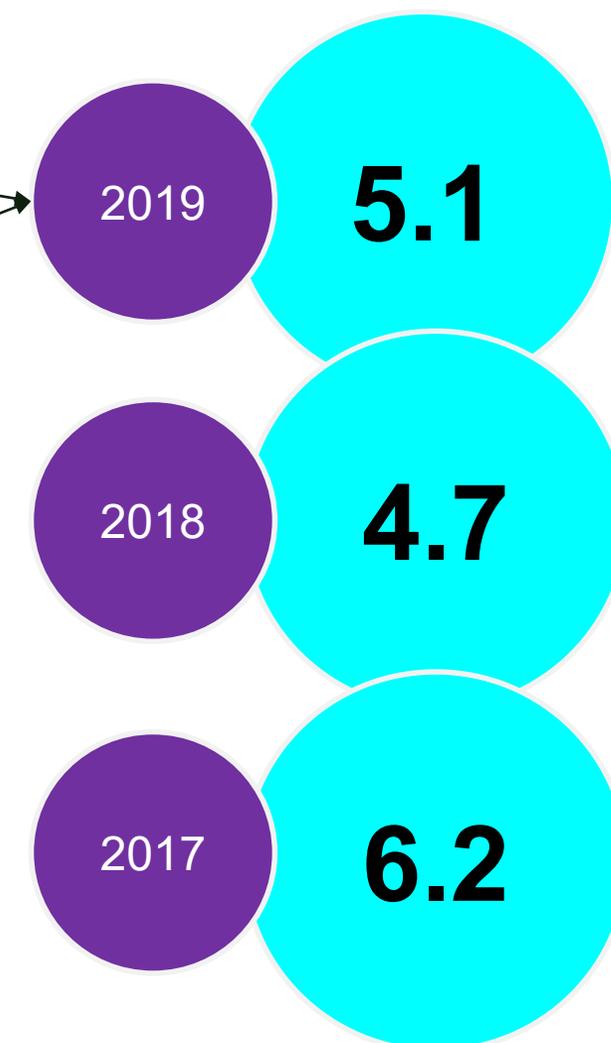
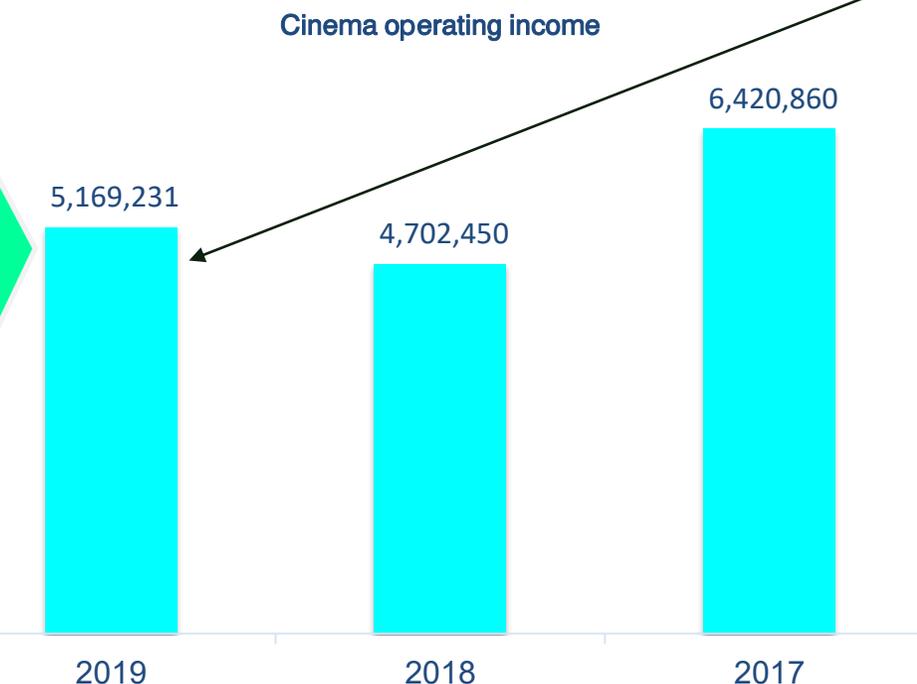


“CINEMA” OPERATING INCOME

10%

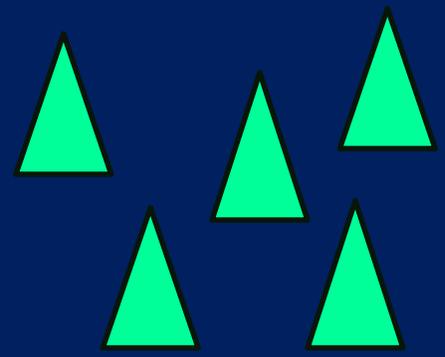
Approximately improvement in cinema operating revenues in September 2019 compared to the same period in 2018

The company was able to achieve good growth in operating performance by 10% till the end of September 2019 compared to the same period of 2018 despite the challenges in the entertainment market and the strong competition

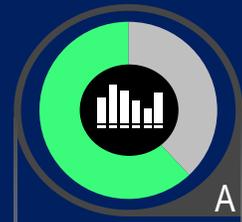


Value in million QR

Source: Financial Report September 2019



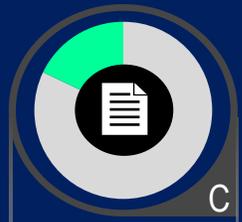
Revenues comparison in September for 3 years



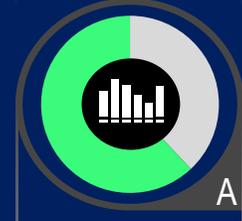
62%
Real estate leasing revenue



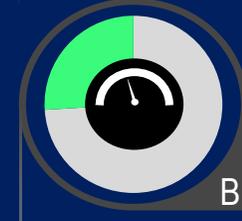
26%
Operational revenue



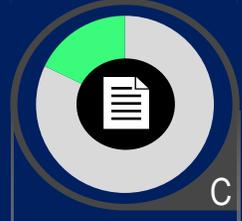
12%
Investment and other revenues



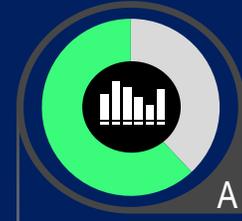
65%
Real estate leasing revenue



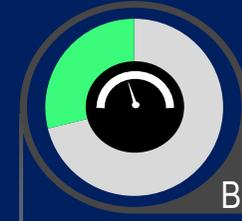
24%
Operational revenue



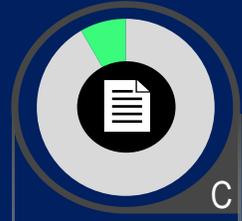
11%
Investment and other revenues



62%
Real estate leasing revenue



30%
Operational revenue

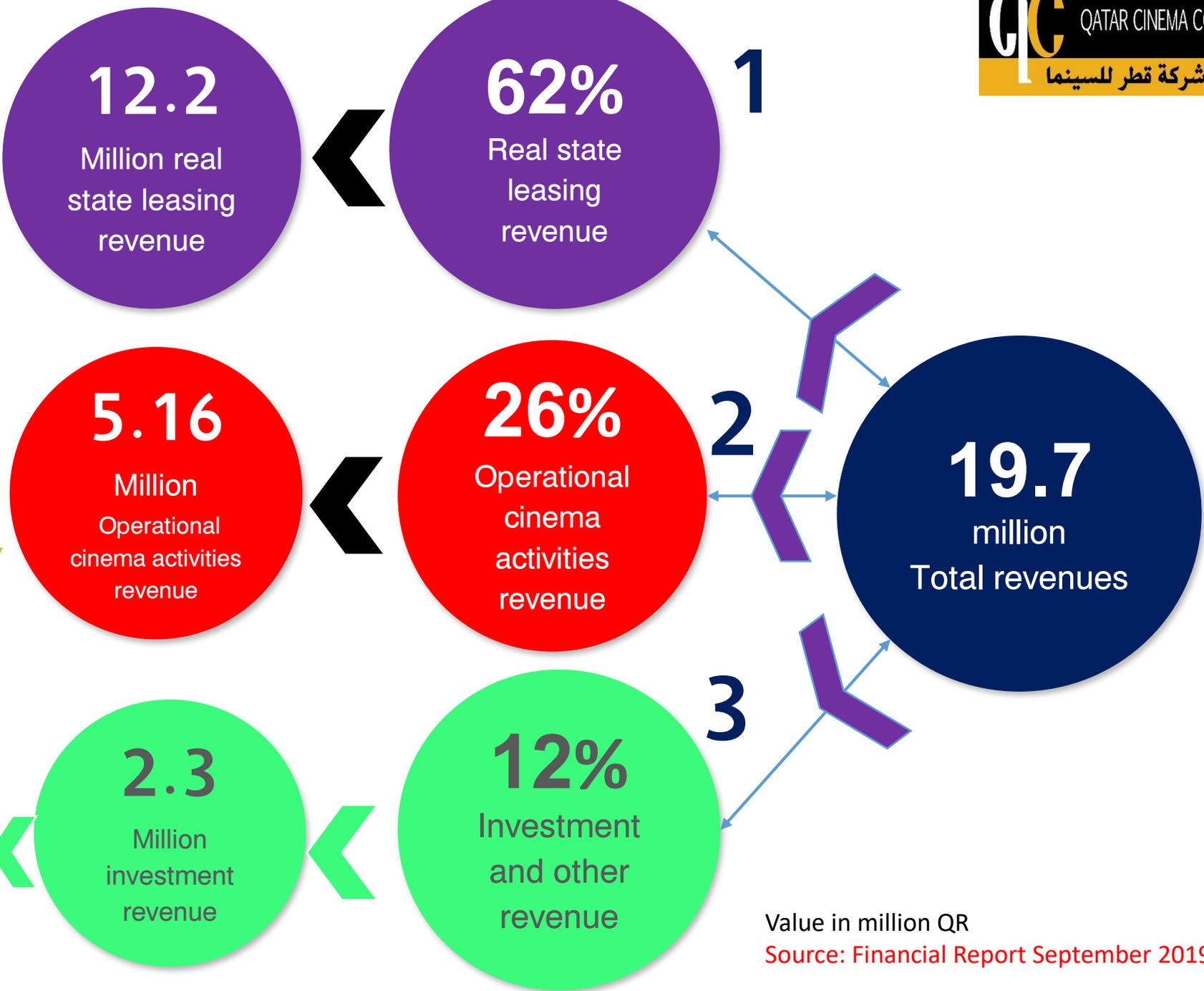
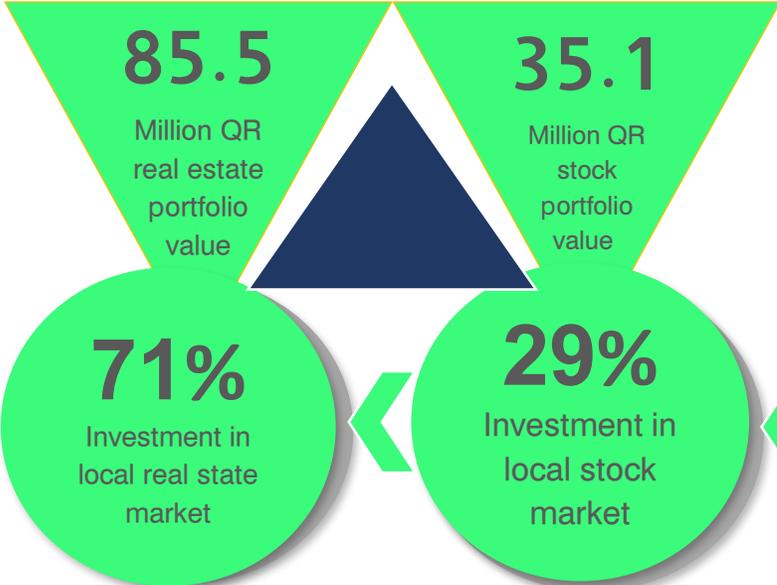


8%
Investment and other revenues

Value in million QR
Source: Financial Report September 2019

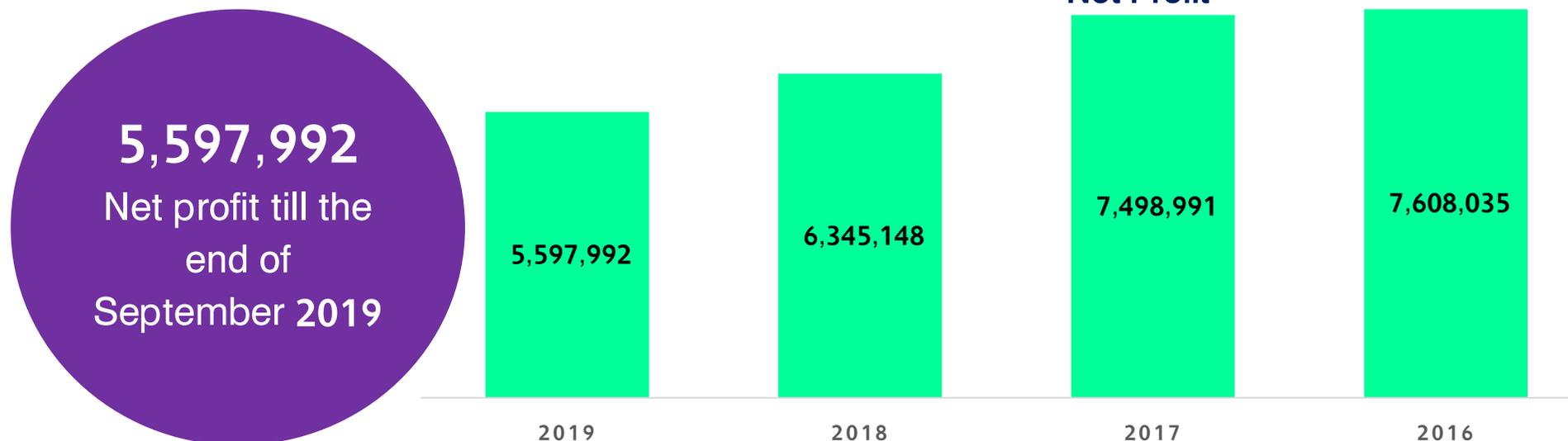
REVENUES till the end of September 2019 by QR

5,597,992
Net profit till September 2019



Value in million QR
Source: Financial Report September 2019

NET PROFIT



Net profit at the end of September 2019, decreased by almost 12% compared to the same period of 2018. The net profit reached 5.5 million QR with a profit margin of 28% and the profit decrease for the following reasons:

- Applying the new International Accounting Standard for Financial Reporting *(IFRS 16), the standard defines IFRS “16” introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments the company has applied the standard from 1 January 2019. According to the new standard, an amount of QR (1.015,434) has been put under this standard and included in the interim in profit and loss statement. This amount of money is the value of the Katara lease as well as the interest of the National Bank loan for the Musheireb project.
- A decrease in the distribution of dividends received from other companies by QR 819,800 as a result of a slight increase in administrative expenses.

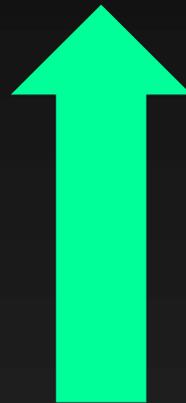
Value in million QR

Source: Financial Report September 2019

*IFRS 16 <https://www.ifrs.org/issued-standards/list-of-standards/ifrs-16-leases/>

Profit till
September
2019

5.59



PROFITABILITY

Net profit for the period ended September 2019 decreased by almost 12% compared to the same period of 2018, achieving a net profit of about 5.5 QR million with a margin of 28% due to the expansion in the new cinema location at katara And deduction of the rent in advance. In addition to the decrease in the value of profits received.

5.5 September 2019
6.3 September 2018
7.4 September 2017
7.6 September 2016

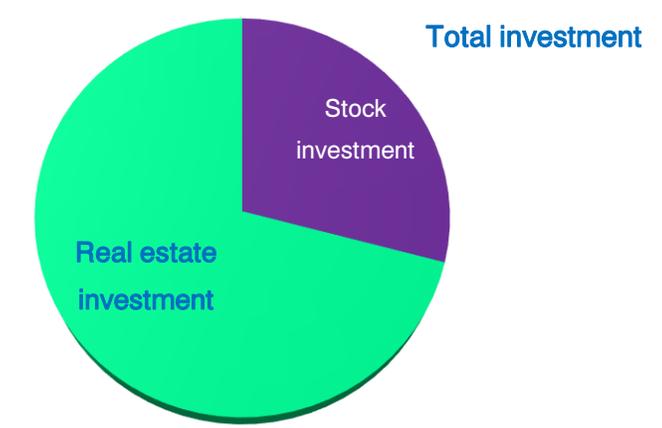
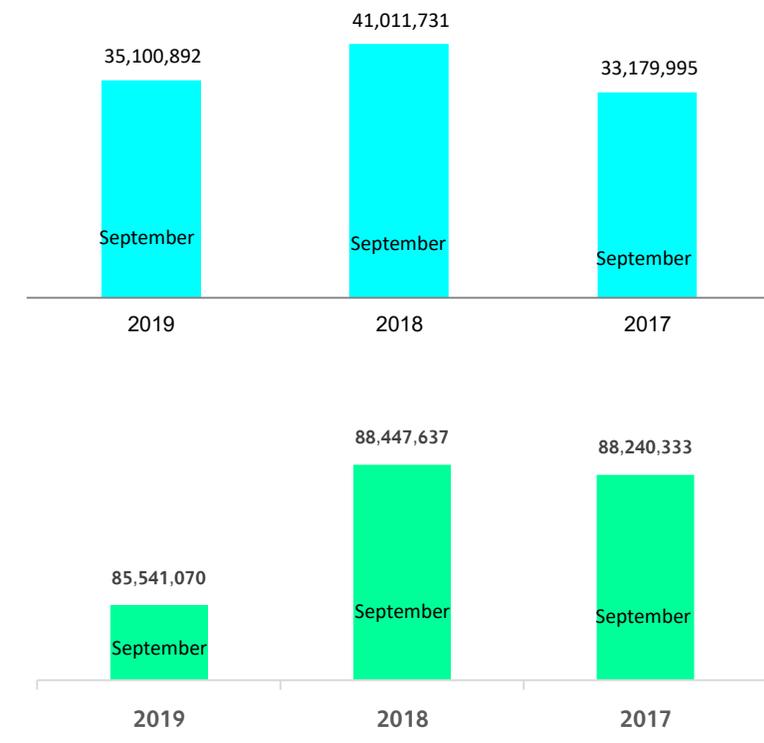
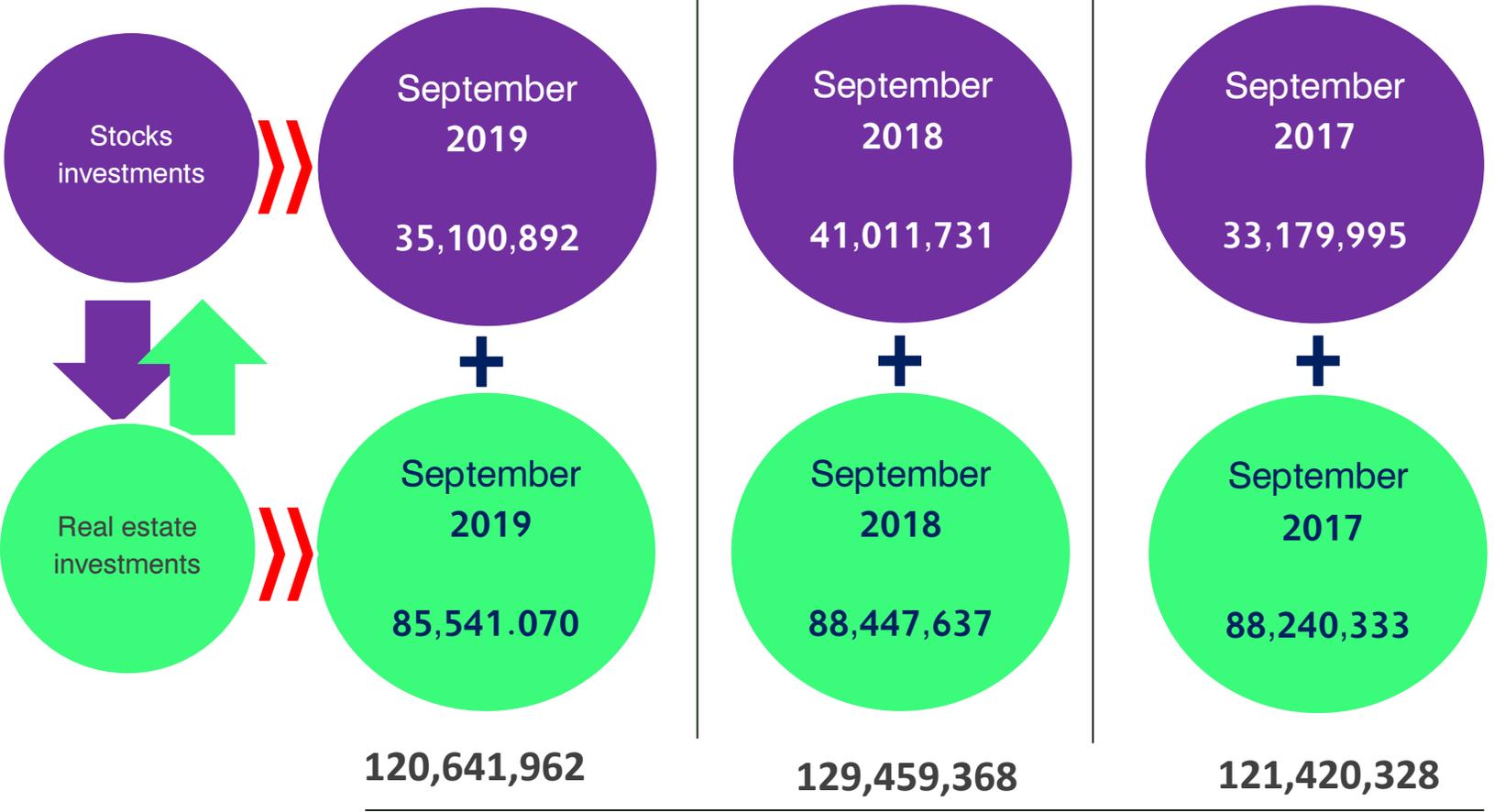
NET PROFIT



Value in million QR

Source: Financial Report September 2019

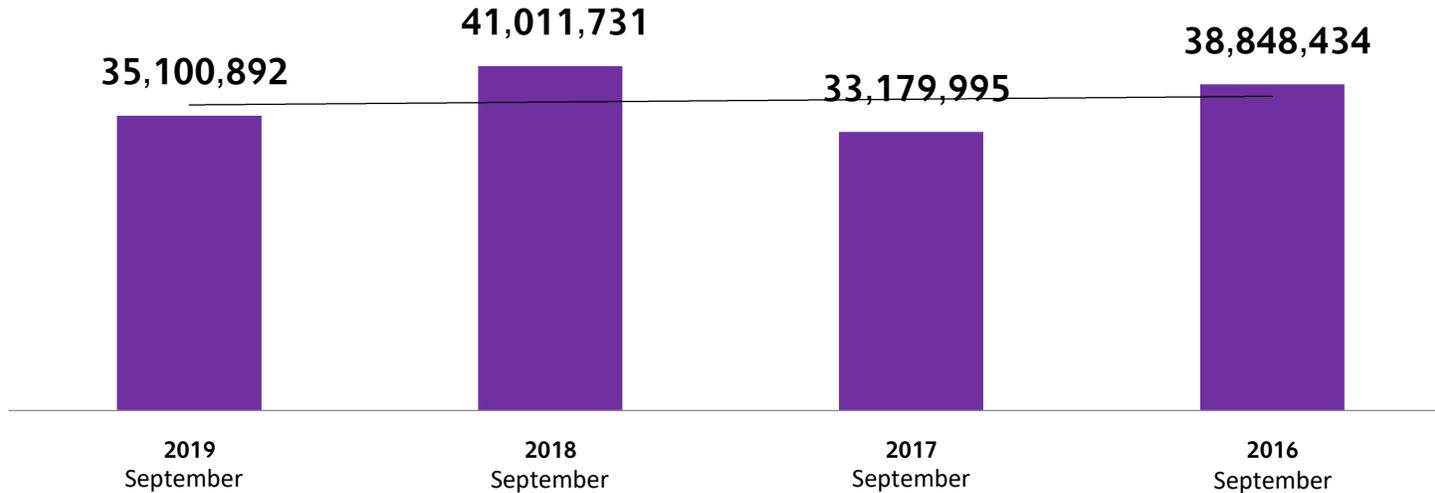
INVESTMENTS



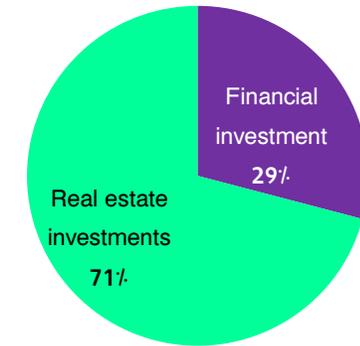
Source: Financial Report September 2019

INVESTMENTS AND INCOME DIVERSITY

Investment available for sale



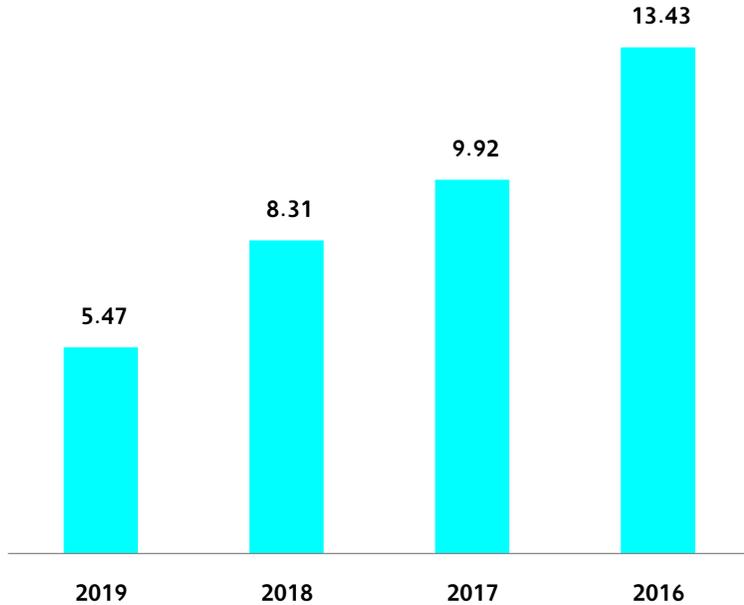
Distribution of investments



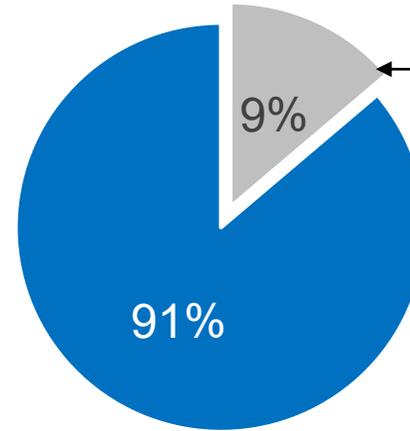
- Investment activities and other revenues represented 12% of the total revenues.
- The stock market investments represented 29% of the total investments. The company's stock market investment was about 35.1 million QR in September 2019.
- The net value of the real estate market investments has the largest part which represents 71% of the total investments. the company's real estate investments was 85.54 million QR.

FUNDING STRUCTURE AND INTEREST EXPENSES

■ Debt interest rate coverage



Funding structure

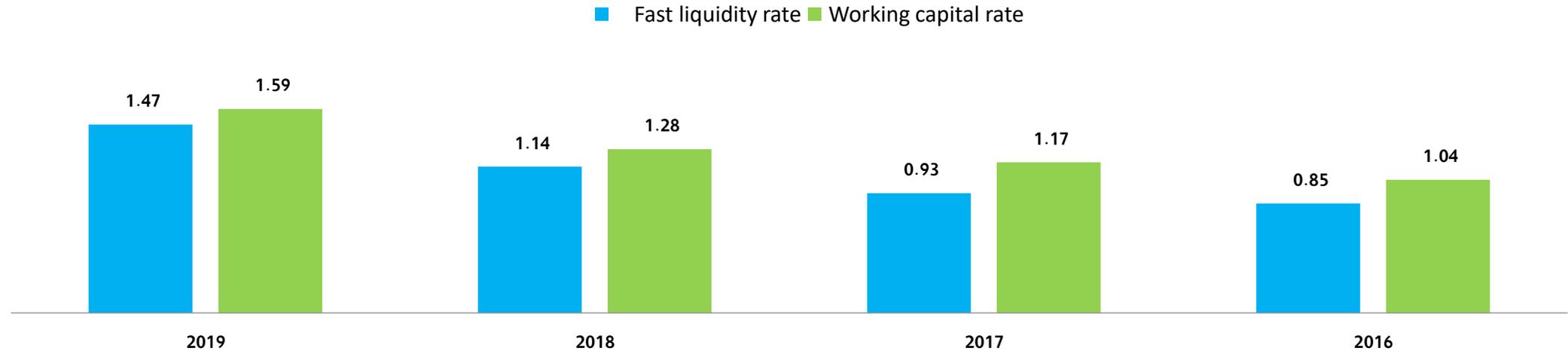


■ Loans ■ Equity and other liabilities

15
Million
QR total
loans

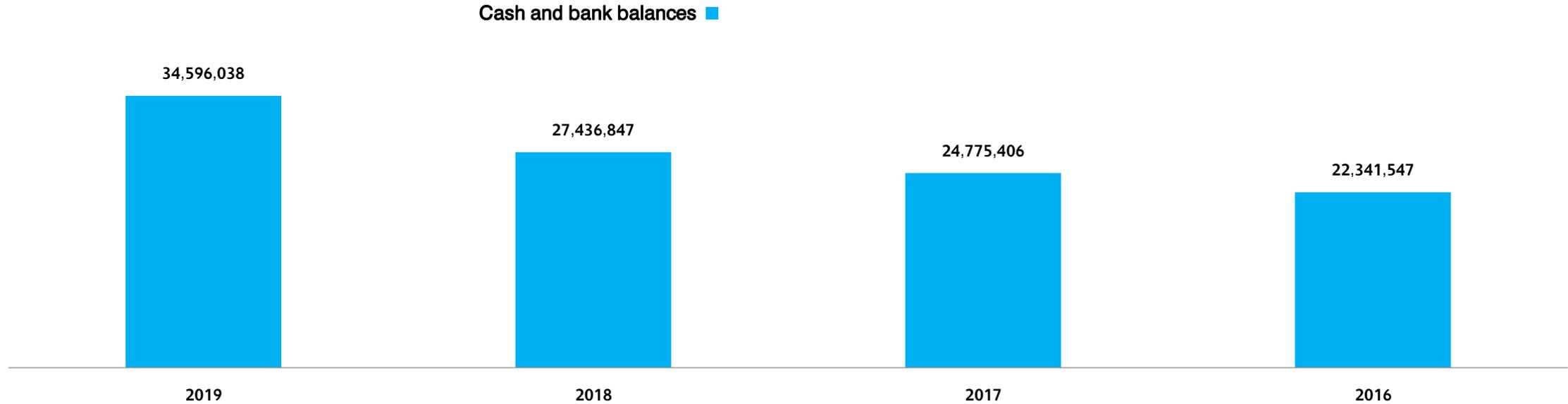
- The Company has limited reliance on loans to finance its assets.
- The company finances 9% of its assets through loans and 91% through equity and other liabilities.
- The value of loans in September 2019 amounted to QR 15 million.

Liquidity rates



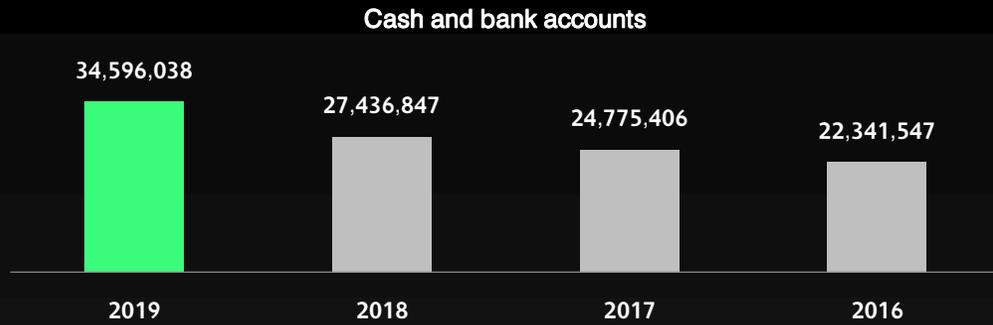
The Working Capital rate (Current Assets/Current Liabilities) stood at 1.59 in September 2019, which means that the Company can pay its short-term liability 1.5 times through its current assets. The quick liquidity Rate (cash/current liabilities) stood at 1.47 times for the same period, which means that the company can repay its short-term liabilities through cash 1.5 times approximately in September 2019.

LIQUIDITY AND CASH



At the end of September 2019, the Company's liquidity increased by 26% to reach 7,159,191 compared to the same period in 2018. The cash balance at the end of September 2019 amounted to 34,596,038 million QR.

LIQUIDITY AND CASH



34.5 September 2019

27.4 September 2018

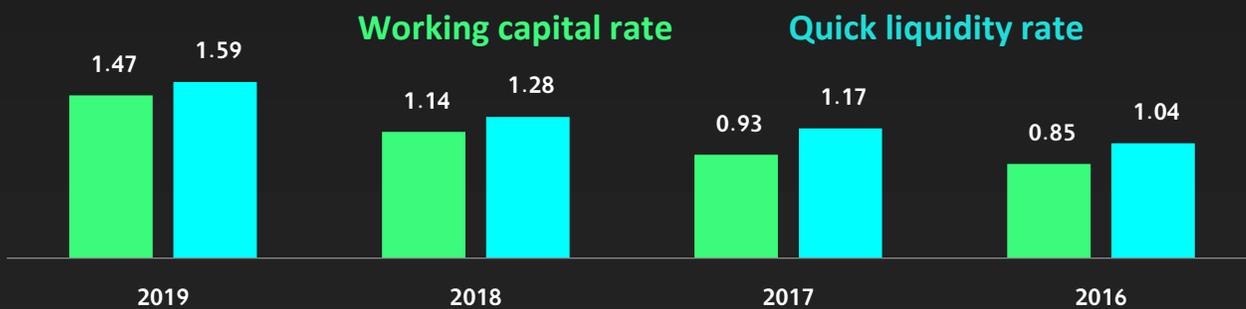
24.7 September 2017

22.3 September 2016

1.59 Working capital rate

1.47 Quick liquidity rate

Liquidity indexes

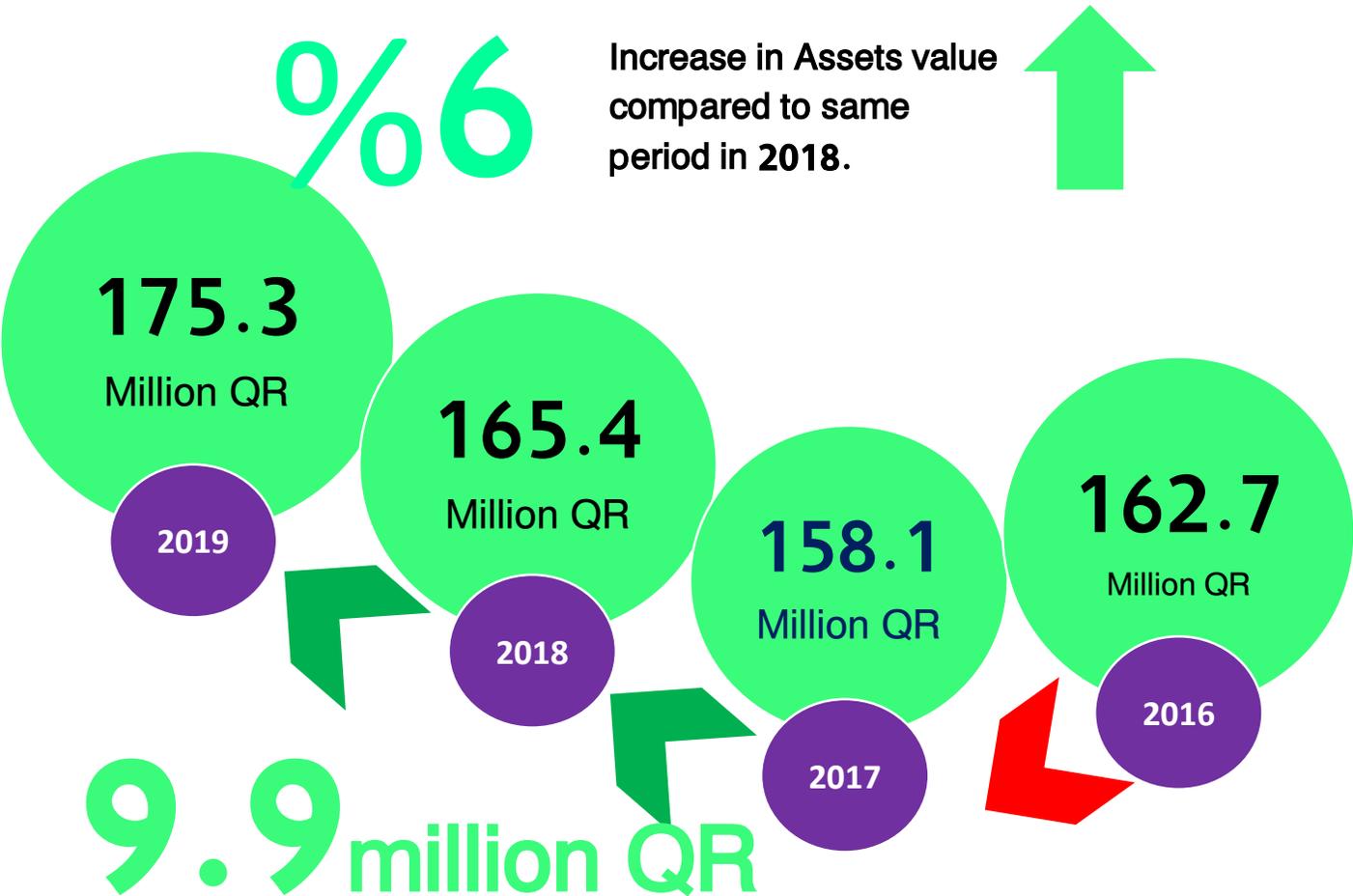


Clarification

Working capital rate means: The Company's ability to meet its short-term liabilities through current assets.

Quick liquidity rate means: the company's ability to pay its short-term liabilities through cash.

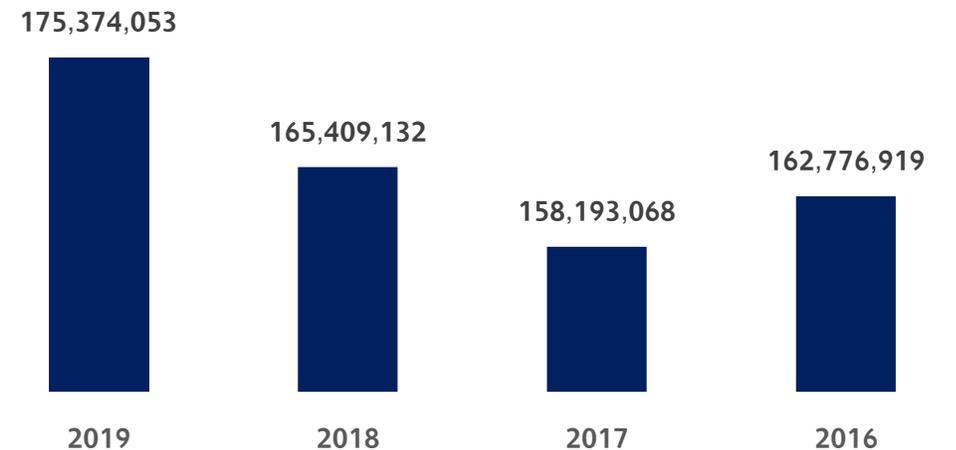
ASSETS VALUE IN SEPTEMBER 2019



175 million QR is the value of the company's assets by the end of September 2019 .

Assets increased by 6% as a result of an increase in fixed assets by **9.96** million QR approximately.

ASSETS VALUE BY THE END OF SEPTEMBER 2019



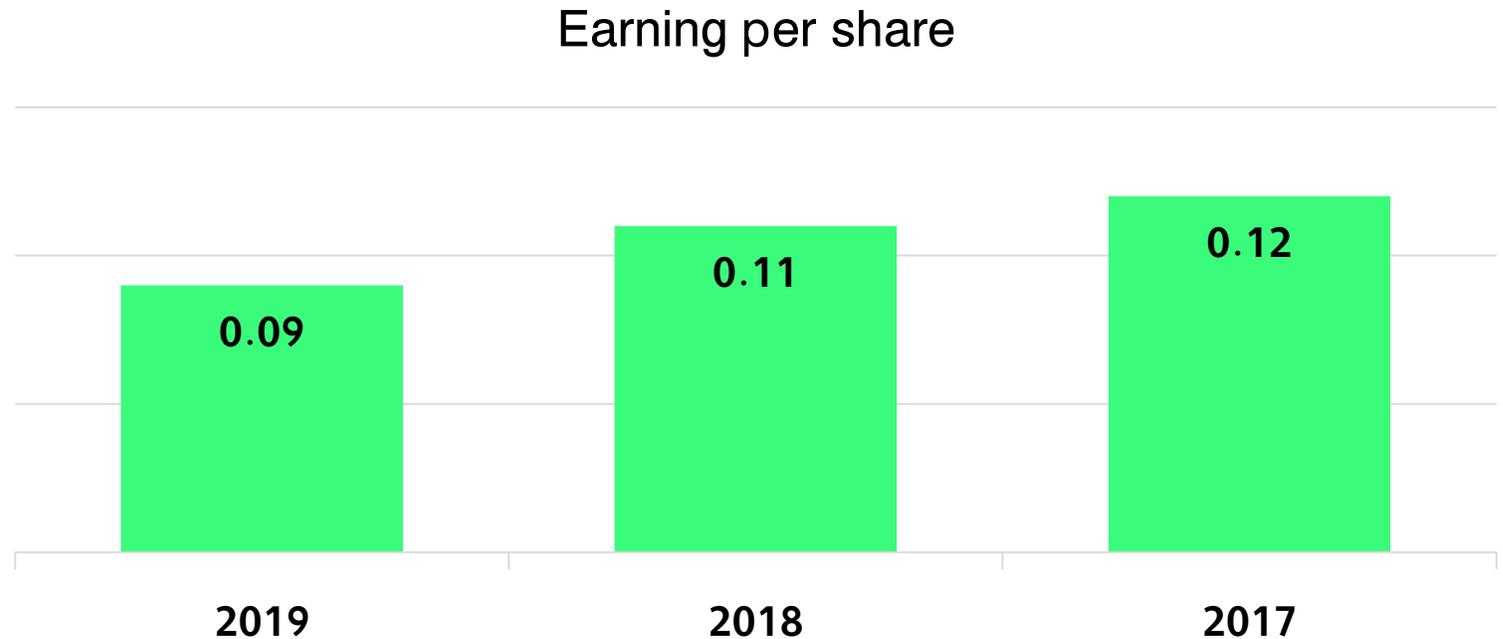
Increase in assets value by the end of September 2019 in comparison with the same period of 2018.

Value in million QR

Source: Financial Report September 2019

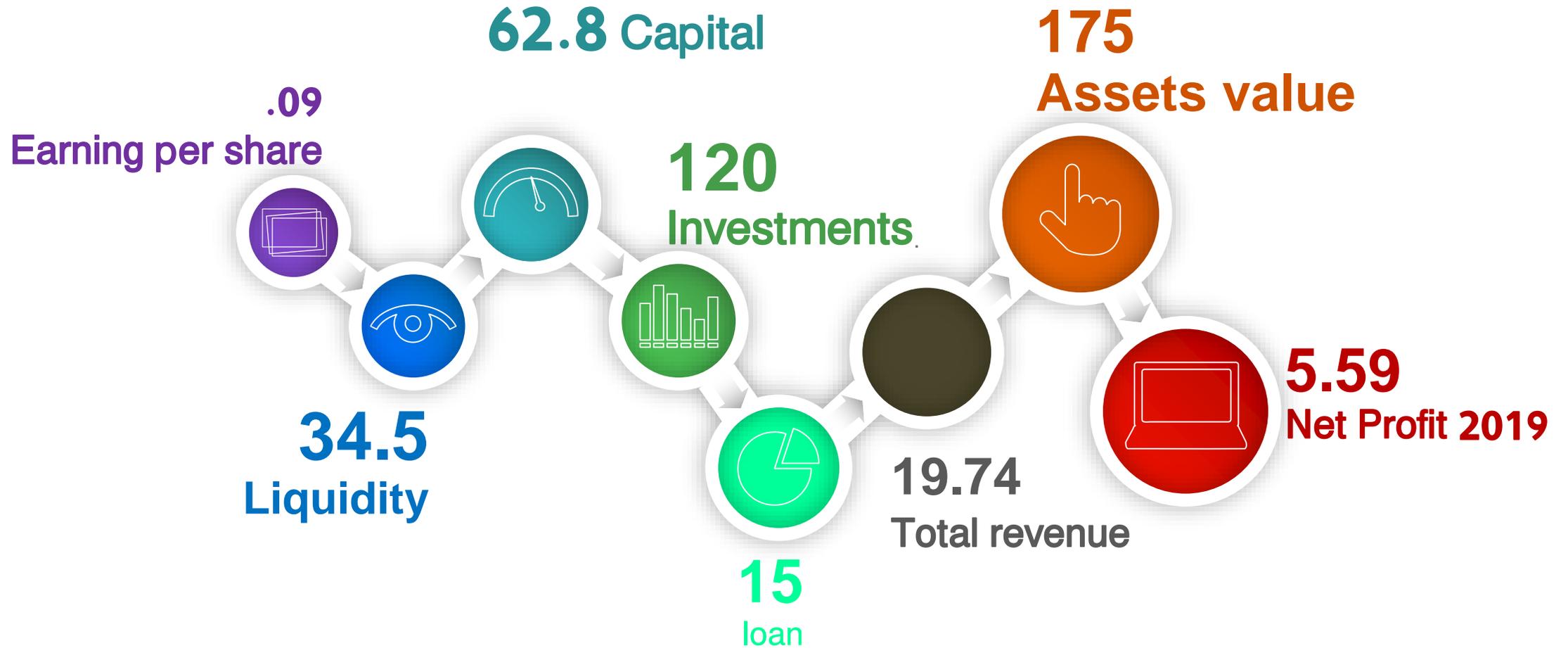
EARNING PER SHARE

Capital
62,807,950million QR

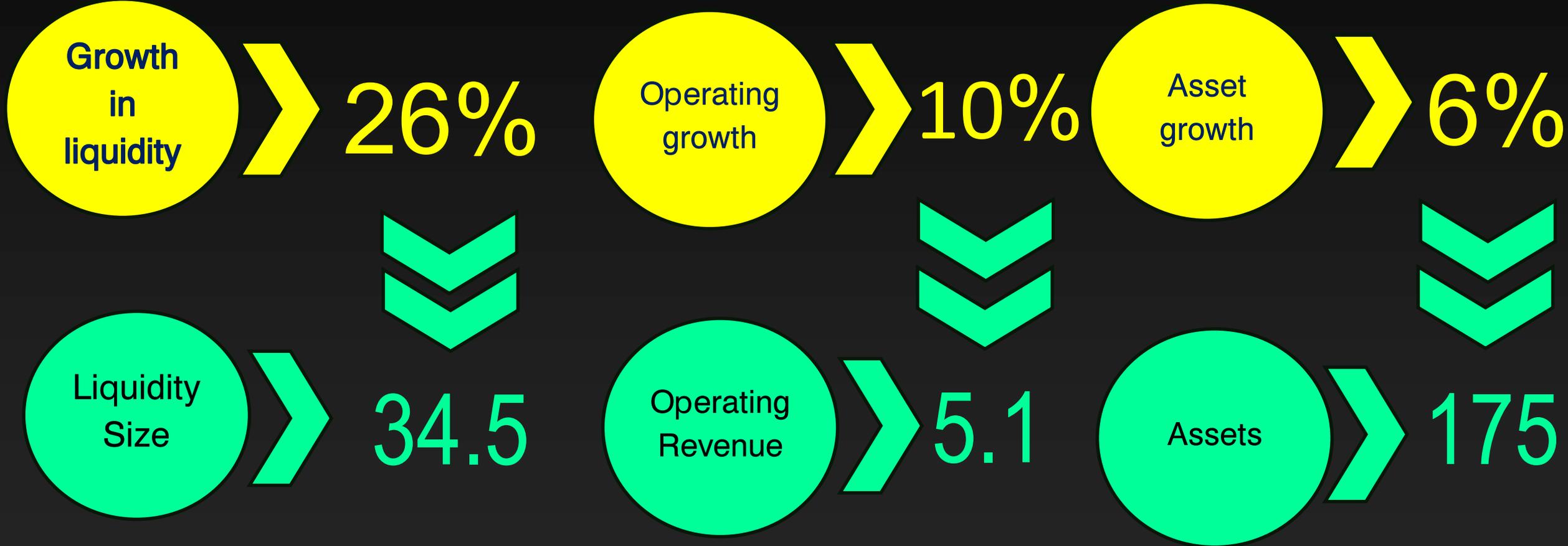


Till the end of September 2019, Earning per share reached 0.09 QR while earning per share reached 0.11 QR for the same period in 2018, recorded a decrease by 18%.

QATAR CINEMA & FILM DISTRIBUTION CO.



SUSTAINABLE GROWTH



MAJOR NEWS

- 1
 - 4th August : Qatar Cinema and Film Distribution Company received a letter from the Ministry of Municipality and Environment, to meet with them and discuss the proposals submitted by the Department, and the Ministry of Communications and transportation regarding full ownership of the plot or partial ownership of some parts of the land plot owned by the company. The land plot is located in Al-Najma area, next to the cinema signals, for the favor of the metro project (Al-Hilal station) for the Qatar Rail Company (Rail). These proposals are still under consideration by the Board of Directors.
- 2
 - 7th October: Qatar Central Securities Depository (QCSD) announces that foreign ownership in Qatar Cinema and Film Distribution Company has been changed to 49% of the capital, changing the number of available shares for foreigners to 30.78 million shares.
- 3
 - 21th October: Qatar Central Securities Depository (QCSD) announces that an individual's ownership in Qatar Cinema and Film Distribution Company has been changed to 10% of the capital, changing the number of available shares for individuals to 6.28 million shares.

Doha- Qatar

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