

INVESTOR INFORMATION GUIDE for Qatar Cinema Co. 2021

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



QATAR CINEMA AND FILM DISTRIBUTION CO.

The company owns a distinguished real estate portfolio, a group of properties fully leased to Qatar Airways, and 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. The company has 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 from several sources to ensure continuity and sustainability in its operations. 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:

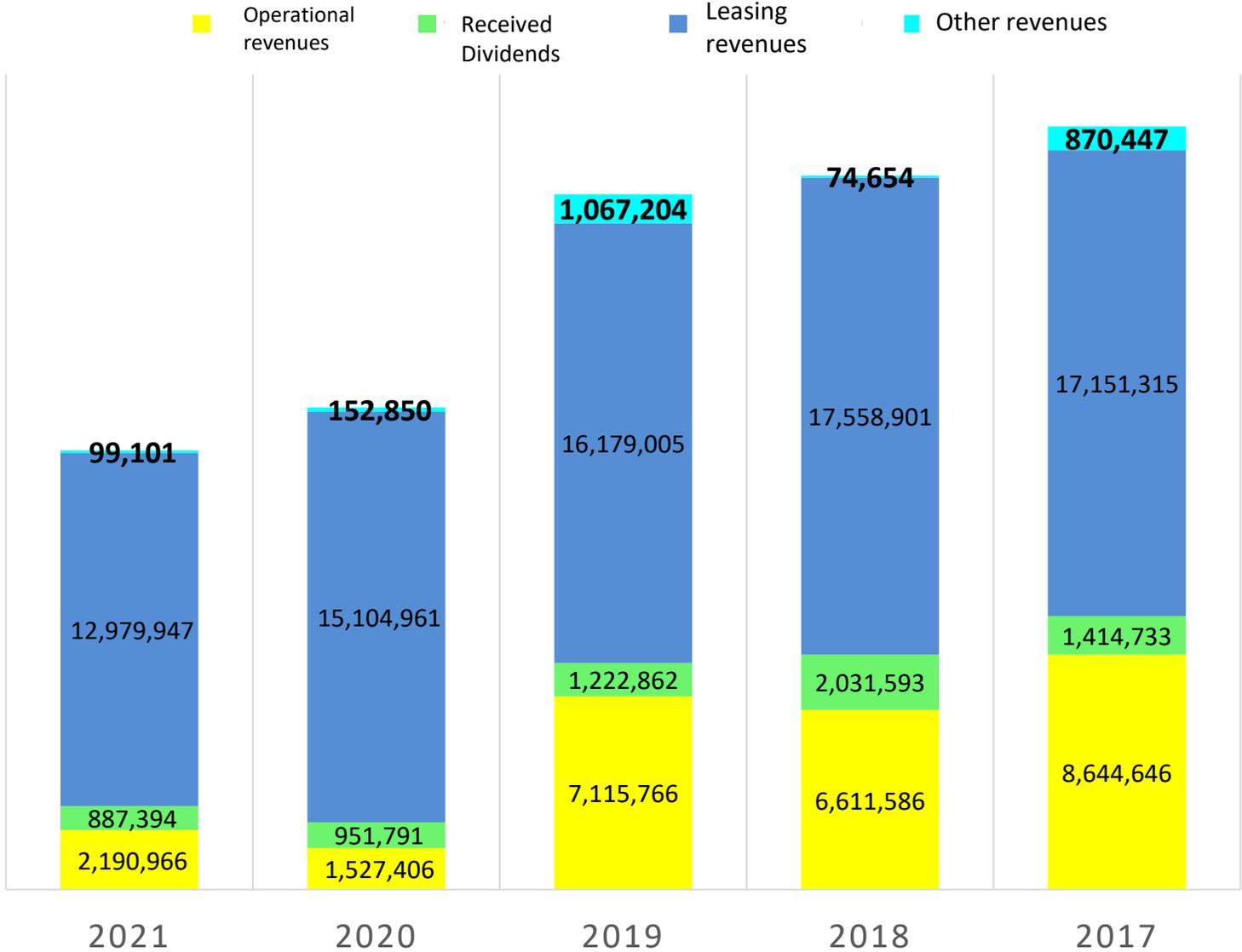
- ✓ The main activity specialized in operating and managing cinemas.
- ✓ In the real estate activity, the company owns a combination of distinguishing real estate assets which fully leased for credible companies and institutions.
- ✓ The stock portfolio in the stock market, which is capable of immediate liquidation.
- ✓ Other revenues result from the further profit distribution.

REVENUES AND PROFITABILITY

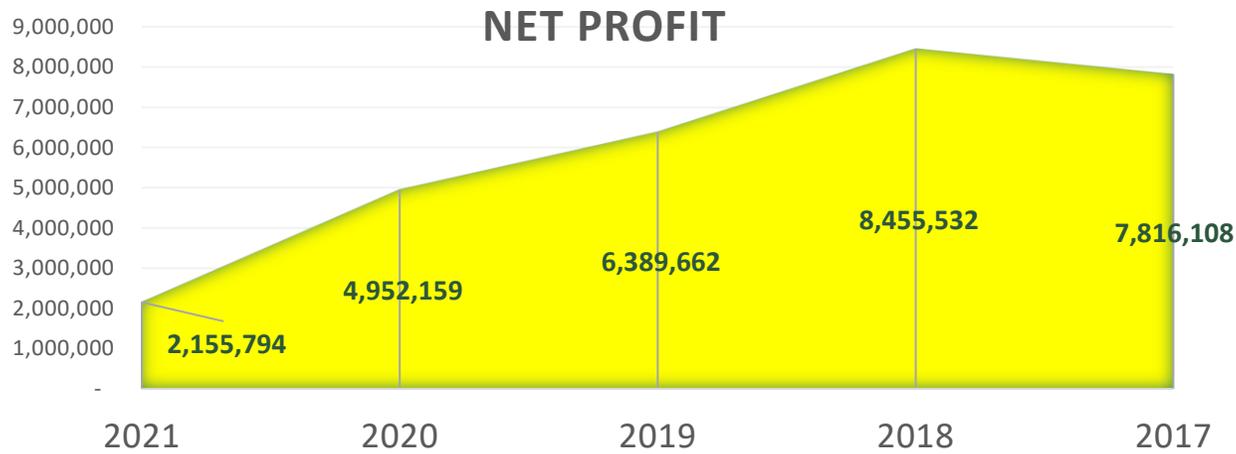
Revenues came from various sources to avoid the risks of relying on a single source income

The company's total revenues reached **16.15 million QR** in **2021**. The company's revenues were generated from various sources to avoid the risks of relying on a single income source.

Leasing revenue represents **80%** of the total revenues, which means the largest share of the company income. Cinema's operating revenue came in third place with **13.6%**. Then Dividend's revenue and other revenues came in Third place with only **6.1%** of total revenues The periodic revenues decreased **8.91%** compared to **2020**.



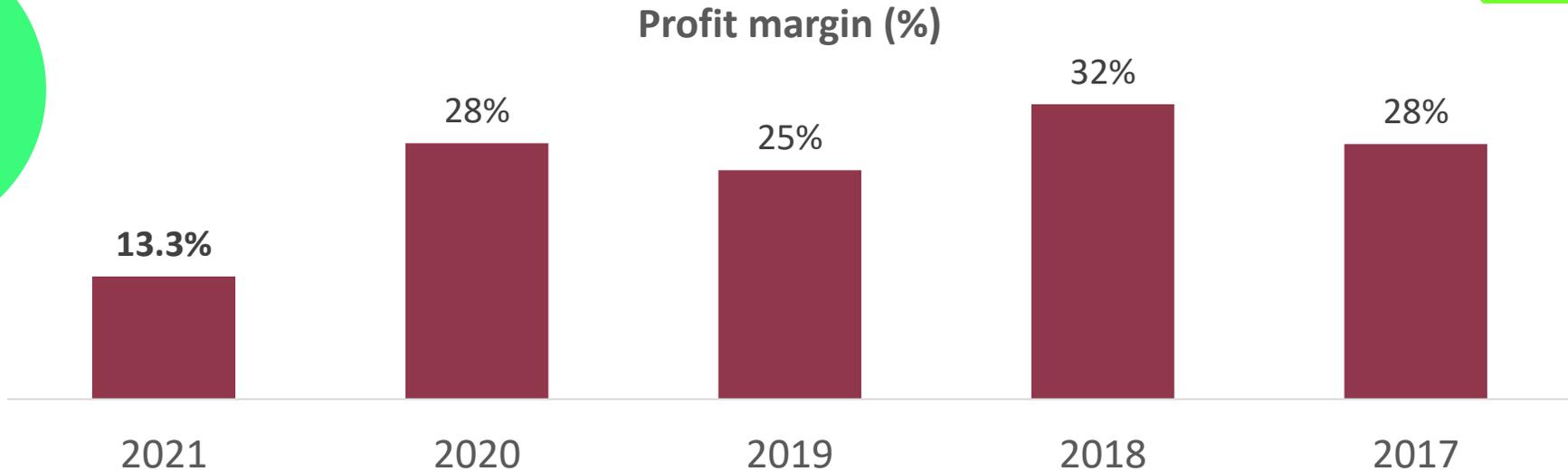
REVENUES AND PROFITABILITY



%13.3
Achieved Net profit margin in 2021

Net profit decreased in 2021 by 56% approximately compared to the same period in 2020. The company achieved about 2.16 million QR net profit with a roughly profit margin rate of 13.3%. The decrease is due to the decrease in the lease revenue by 14% and dividends revenue by 6.8%.

2.16
Million QR net Profit

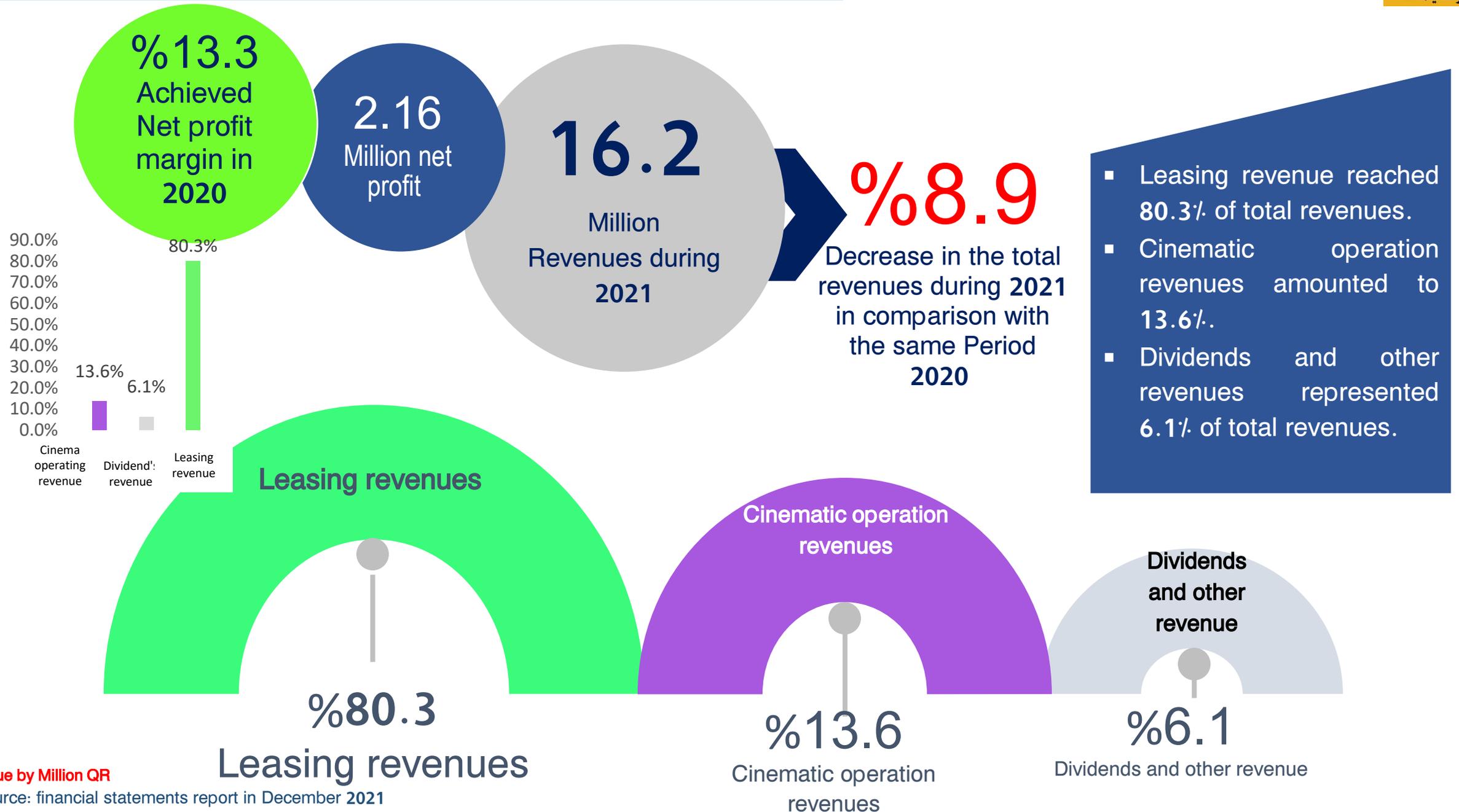


Value by Million QR

Source: financial statements report in December 2021

Net profit margin = net profit / Total revenues •

REVENUE DIVERSIFICATION SUPPORTS SUSTAINABLE GROWTH



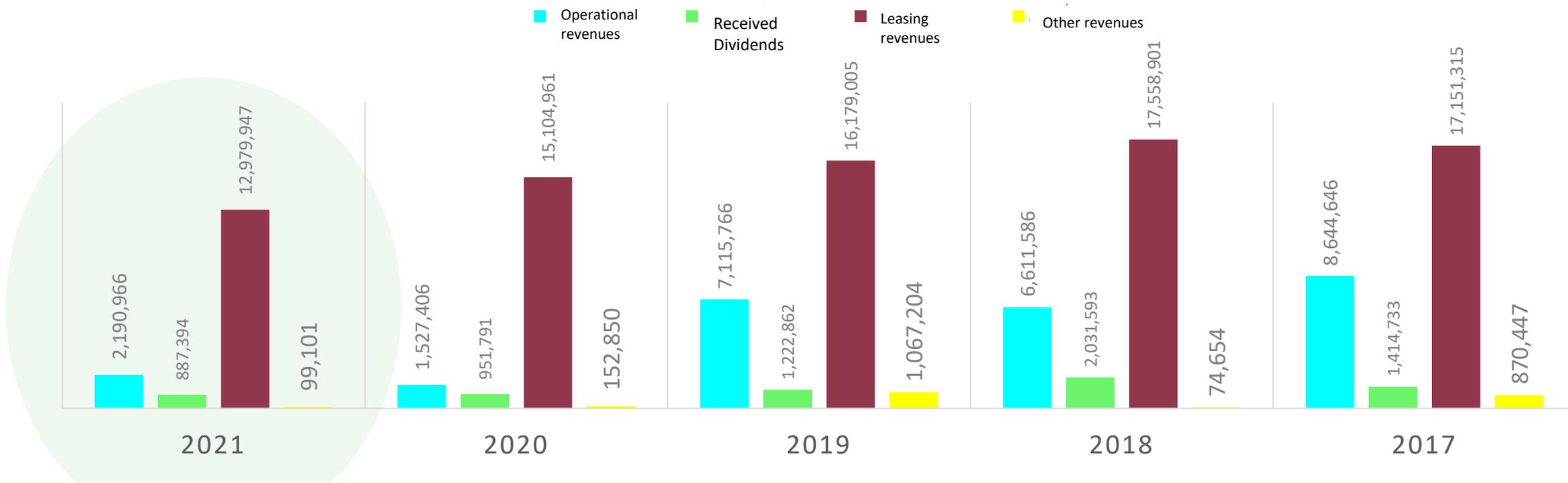
Value by Million QR

Source: financial statements report in December 2021

Revenues "LEASING REVENUES SUSTAINABILITY"

%8.91

Decrease in the total revenues 2021 compared to 2020.



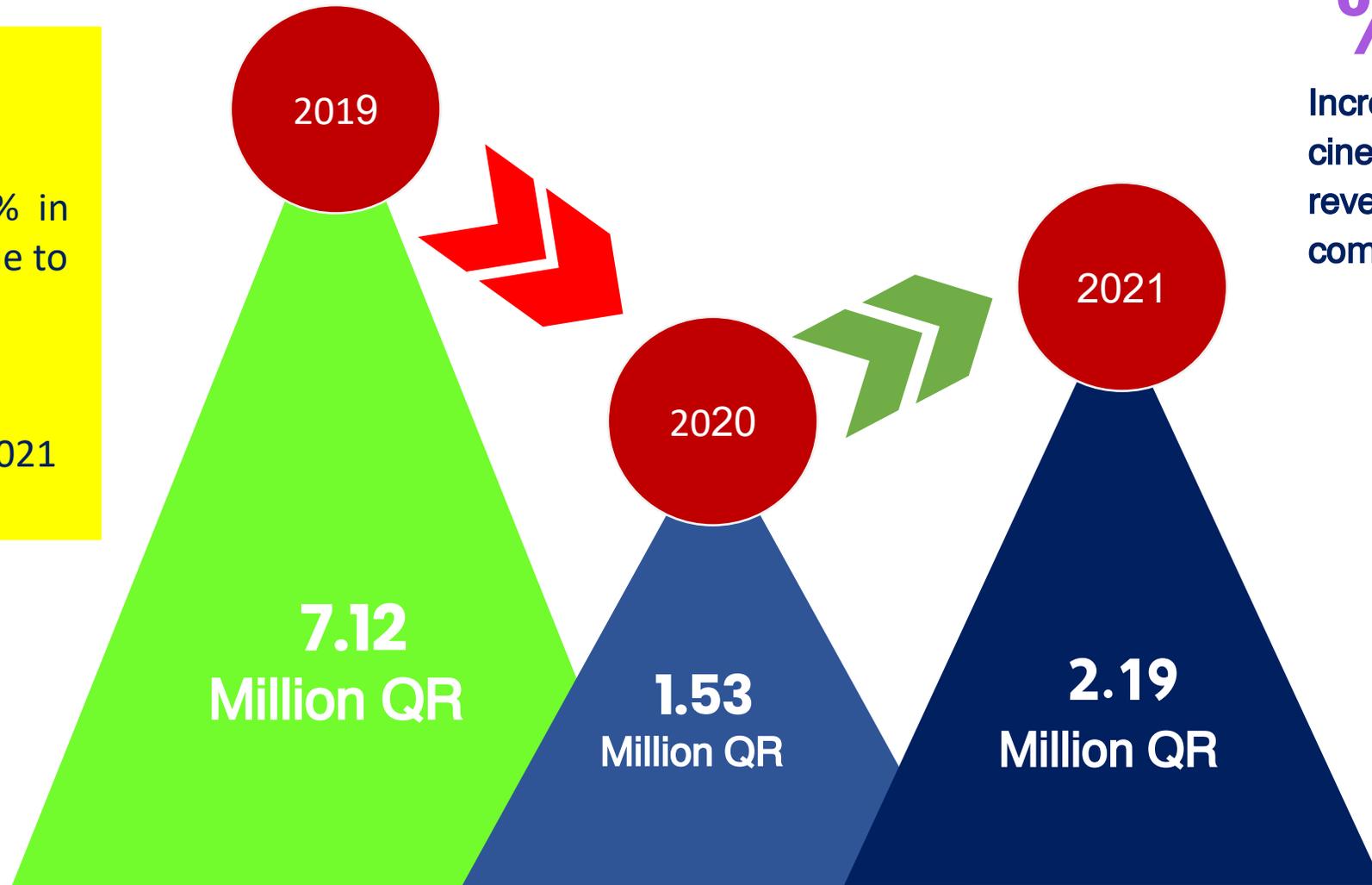
Despite the challenges faced by the real estate sector, The company is still able to achieve revenues from real estate leasing activity which supported the company's financial performance during 2021. The real estate leasing revenue decreased by 14% during 2021 compared to 2020. On the other side, the cinema operating revenue increased by 43.4% in 2021 compared to the same in 2020. and the real estate leasing revenue represents the most significant part of the income, which is paid in advance, which helps the company be in an excellent financial position.

Value by Million QR

Source: financial statements report in September 2021

CINEMA OPERATING REVENUE

The company made a high increase in the cinematic operating revenue by 43.4% in 2021 compared to 2020 due to the closing of cinemas as a result of the spread of the Corona epidemic, Cinema Threats closing from 9/4/2021 to 27/5/2021.



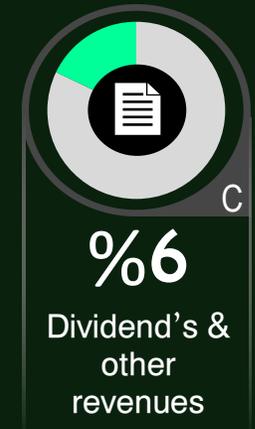
%43.4

Increase in cinematic operating revenues in 2021 compared 2020.

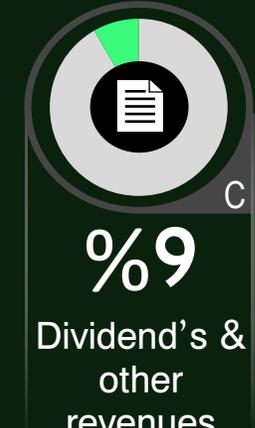
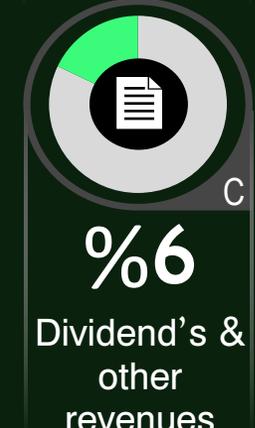
Value by Million QR

Source: financial statements report in December 2021

Comparison of 2021 total revenues by the same period in the last two years.



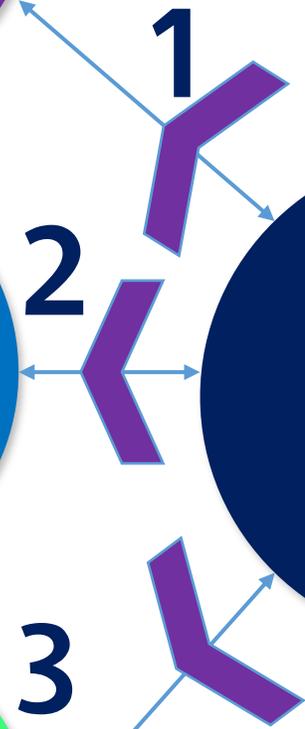
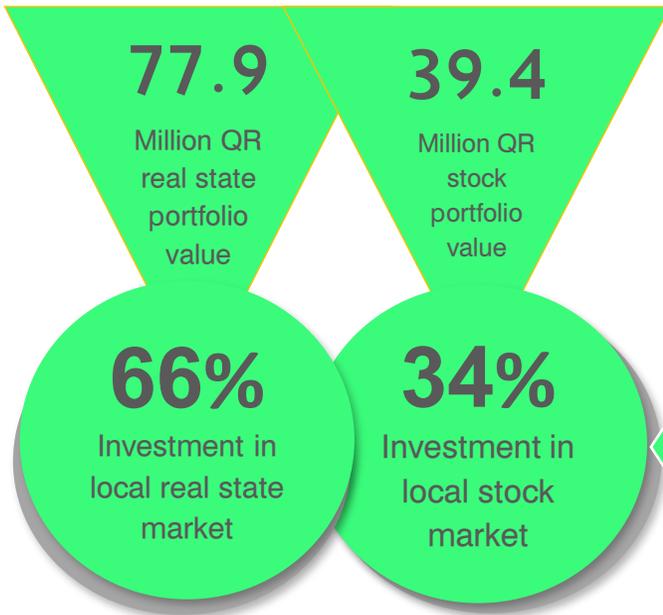
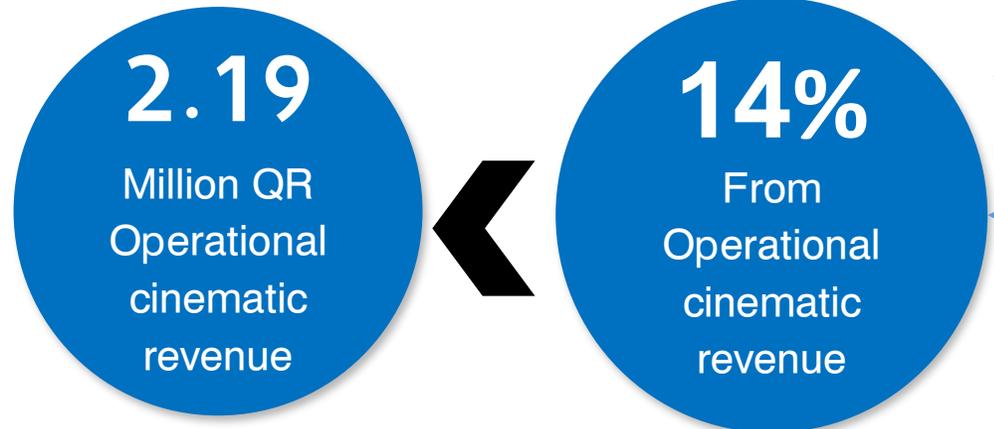
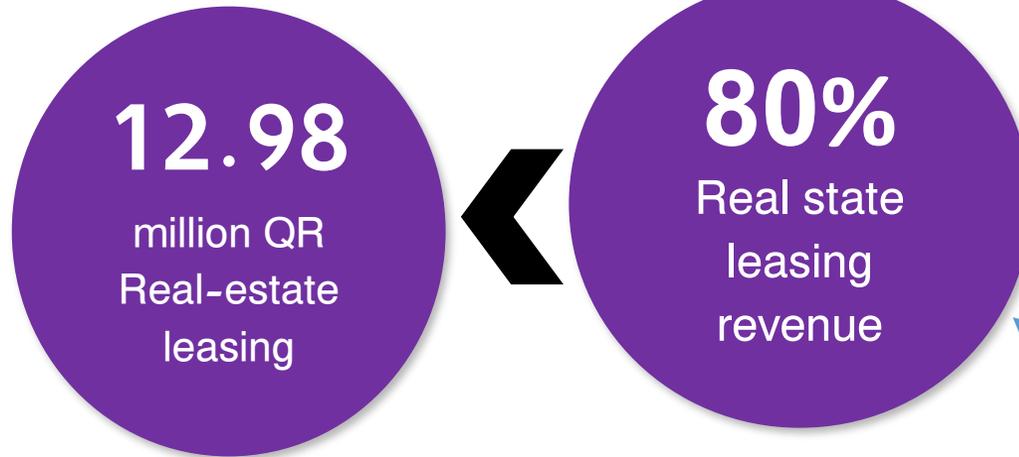
%8.91
Decrease in the total revenues in 2021 compared to 2020



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

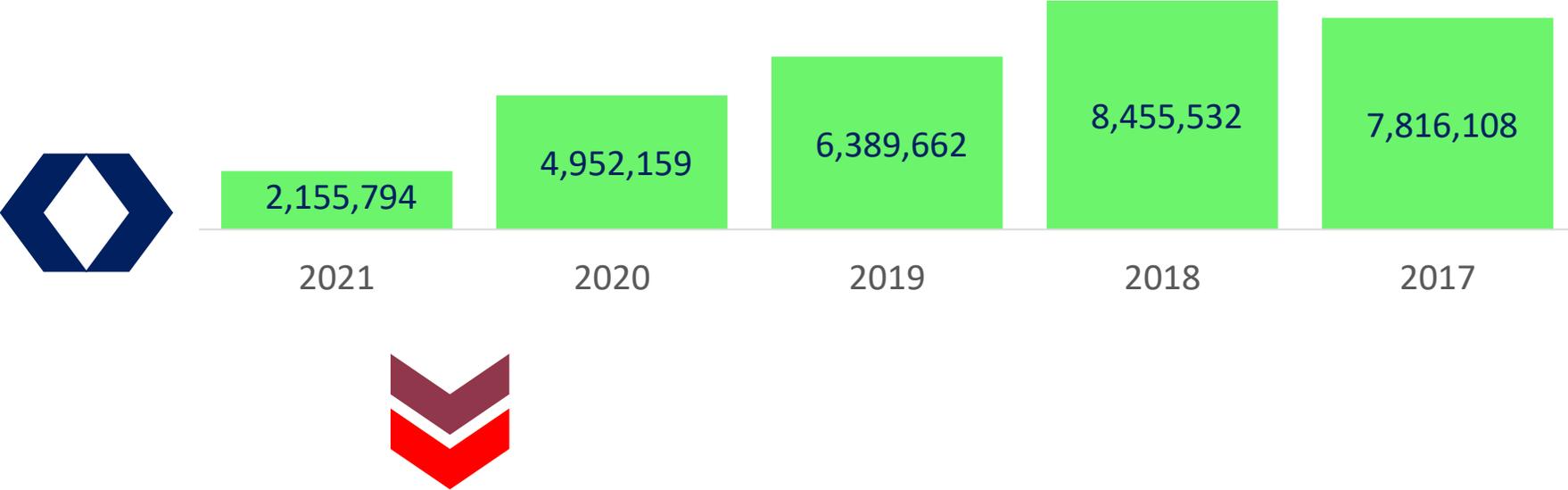
Total Revenues during 2021 in million QR

2,155,794
Net profit in 2021.



NET PROFIT

2,155,794
Net profit in
2021



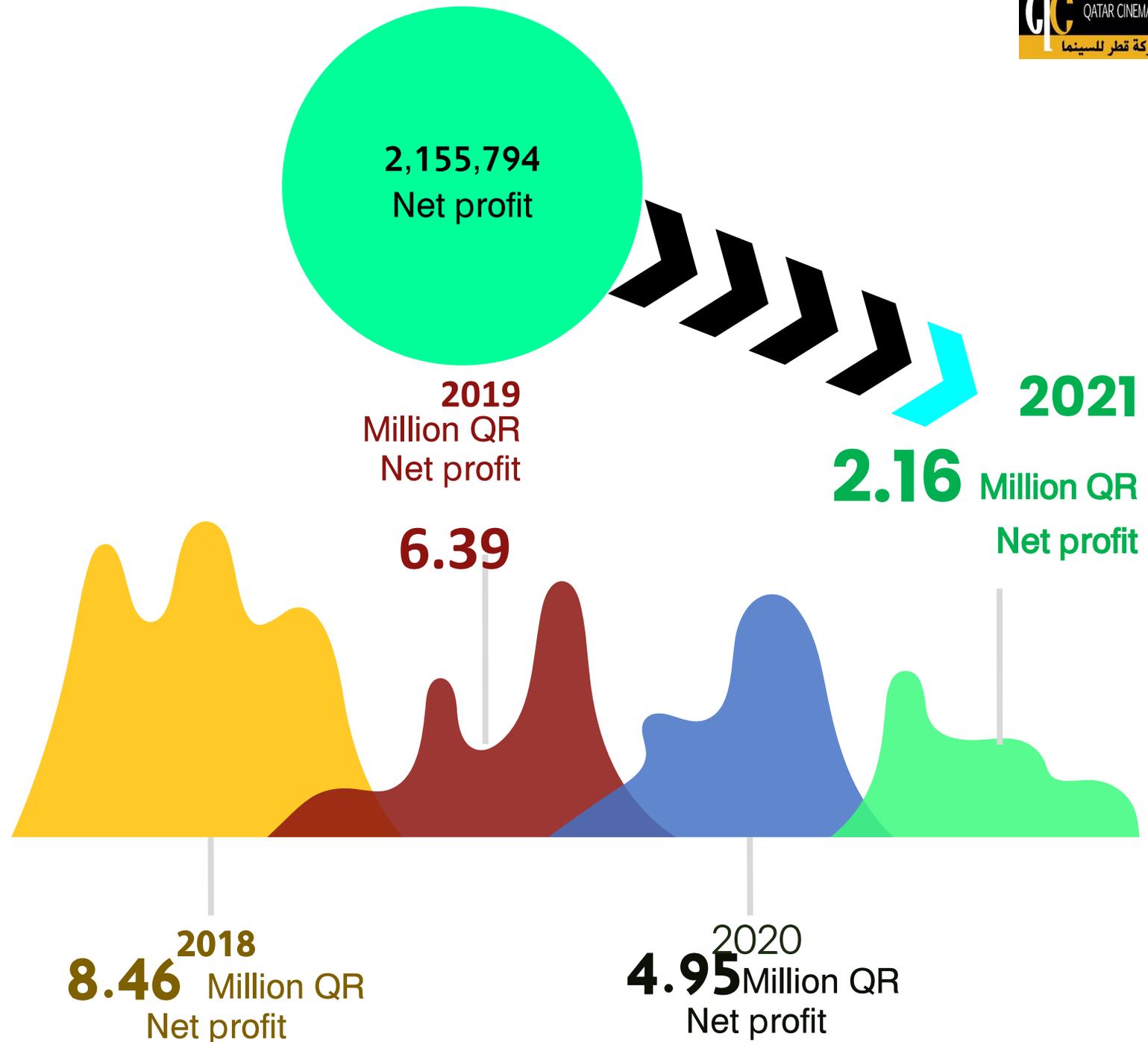
- Net profit decreased in **2021** by almost **-56%** compared to **2020**, achieving approximately **2.16** million QR net profit with a **13.3%** profit margin.
- The net profit decrease is due in main to the following to the decrease in the real state lease revenues by **14%** and the decrease in the dividends and other revenues by **6.8%**.

Source: financial statements report in December 2021

Net Profit

Net profit decreased in 2021 by almost -56% compared to the same period in 2020, achieving approximately 2.16 million QR net profit with a 13.3% profit margin. The net profit decrease is due to the following:

- Decreased leasing revenues as a result of reducing leasing contracts fee.
- Cinema's ticket revenues have decreased due to the opening of cinemas and theaters with a capacity of only 20% maximum capacity from the first of September 2020, besides implementing the other precautionary measures. In addition to Cinema Threats closing from 9/4/2021 to 27/5/2021.
- Expenses increase due to adding a new cost, such as the rent of the Katara's Cinema.



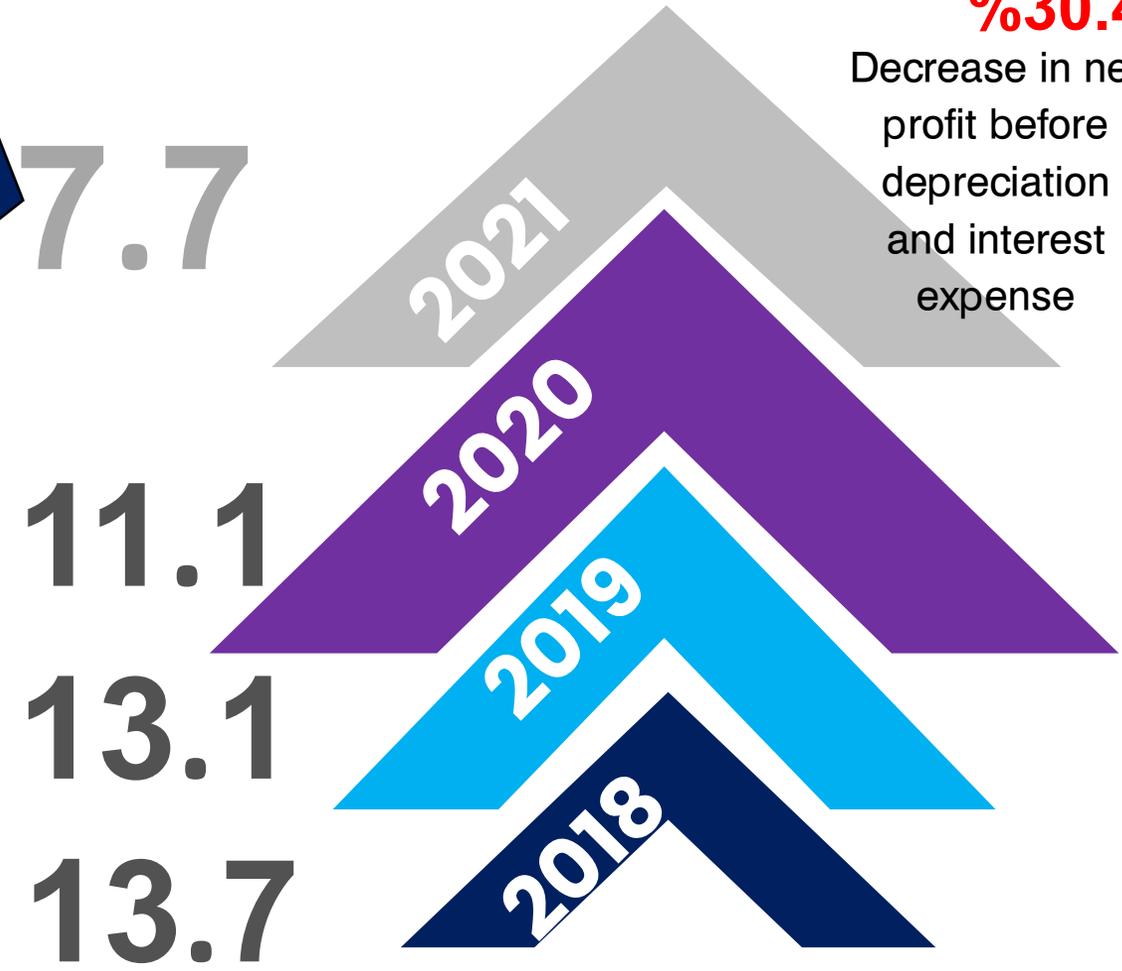
PROFITABILITY BEFORE DEPRECIATION AND INTEREST EXPENSE

Profit before depreciation and interest expense in 2021

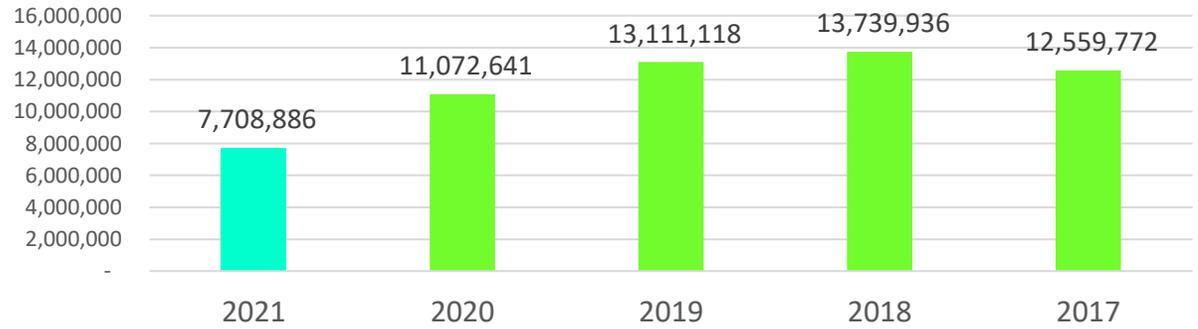
7.7

%30.4
Decrease in net profit before depreciation and interest expense

Net profit decreased before depreciation and interest deduction during 2021 by -30.4% approximately compared to 2020 achieving Net profit before depreciation and interest deduction valued by 7.7 million QR with a 47.7% profit margin. The net profit reduction comes as a result of the decrease in leasing and cinematic operations revenues.



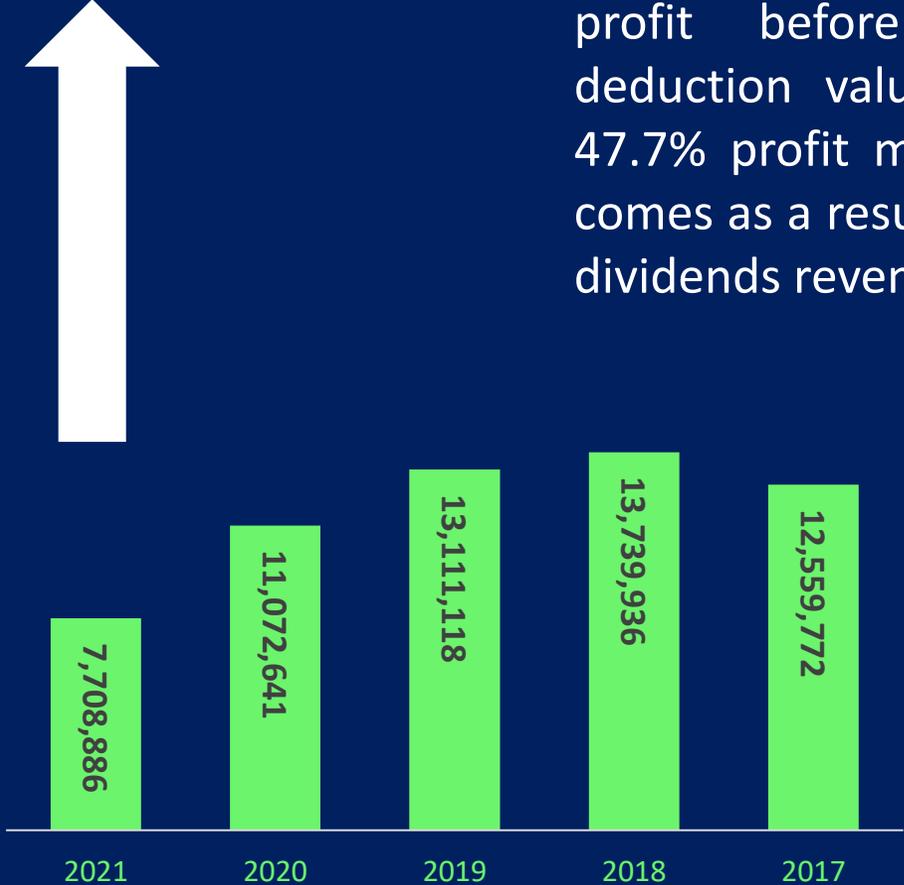
Net profit BEFORE DEPRECIATION AND INTEREST EXPENSE



PROFITABILITY BEFORE DEPRECIATION AND INTEREST EXPENSE



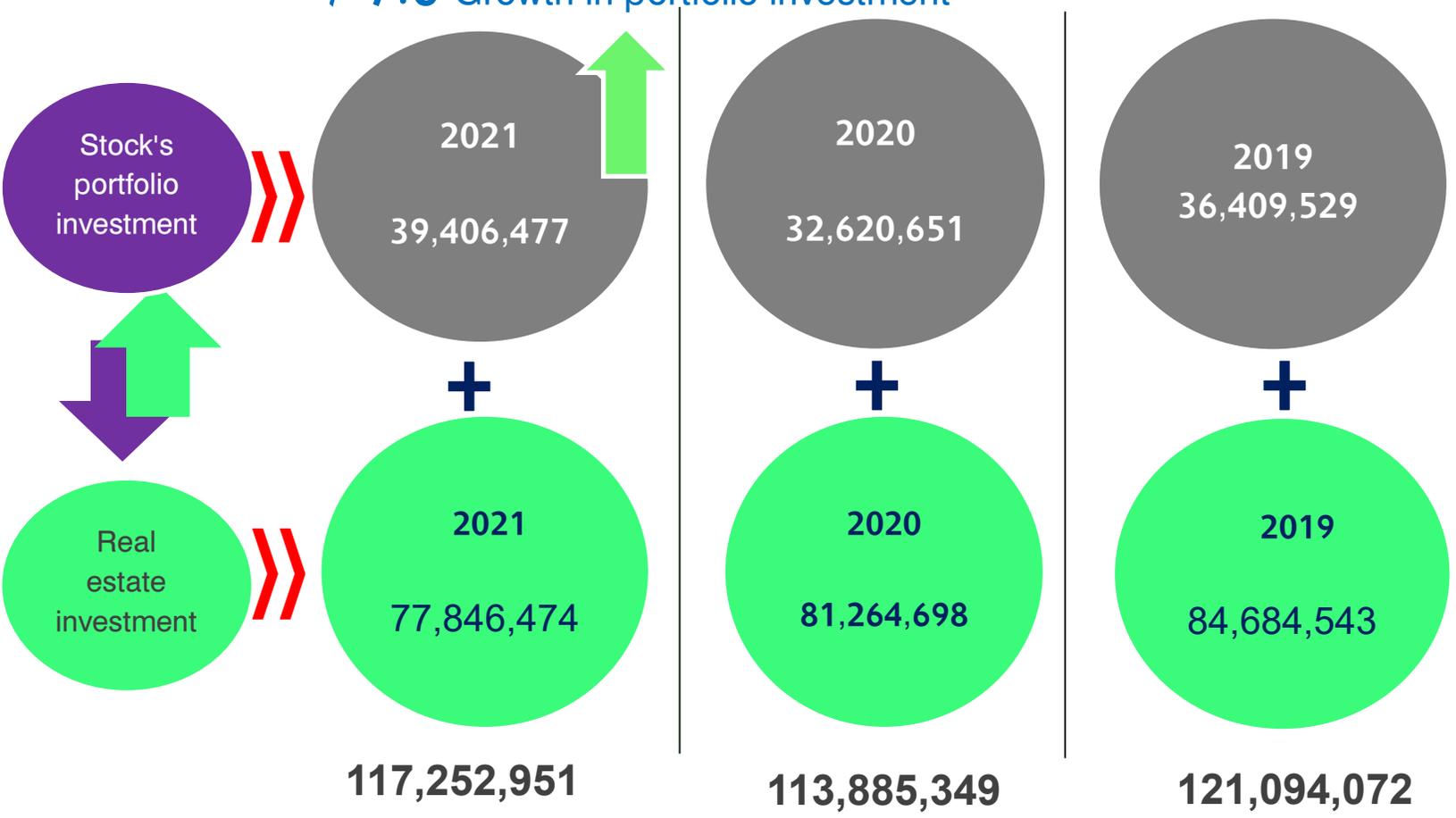
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Value by Million QR
Source: financial statements report in December 2021

INVESTMENTS AND INCOME DIVERSIFICATION

7.6% Growth in portfolio investment



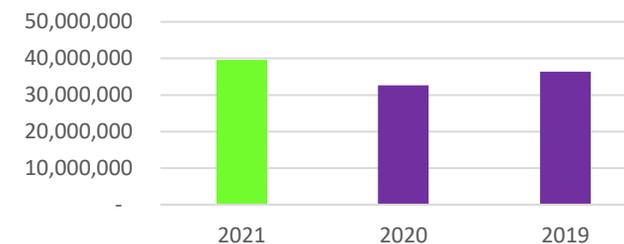
The total Investments amount to approximately 117 million QR, distributed between 34% for available for sale equity investments and 66% for real estate investments.

Available for sale (Equity) investments are the company's stock portfolio at fair value, and the stock portfolio reached its highest value since 2018 with a growth rate of: 7.6%.

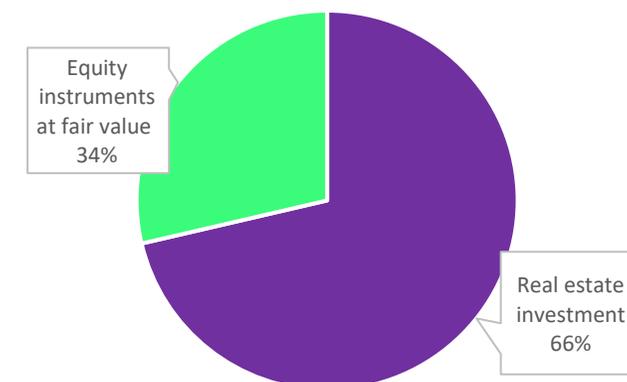
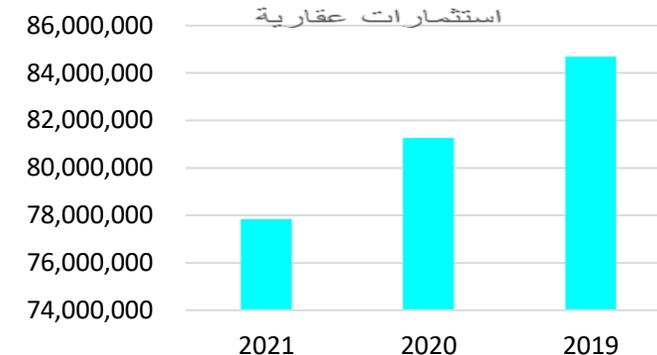
Value by Million QR

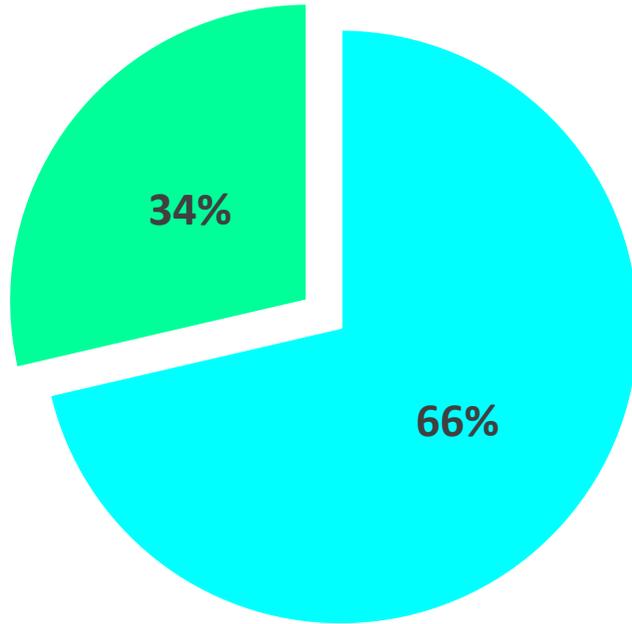
Source: financial statements report in December 2021

Available for sale (Equity) investments



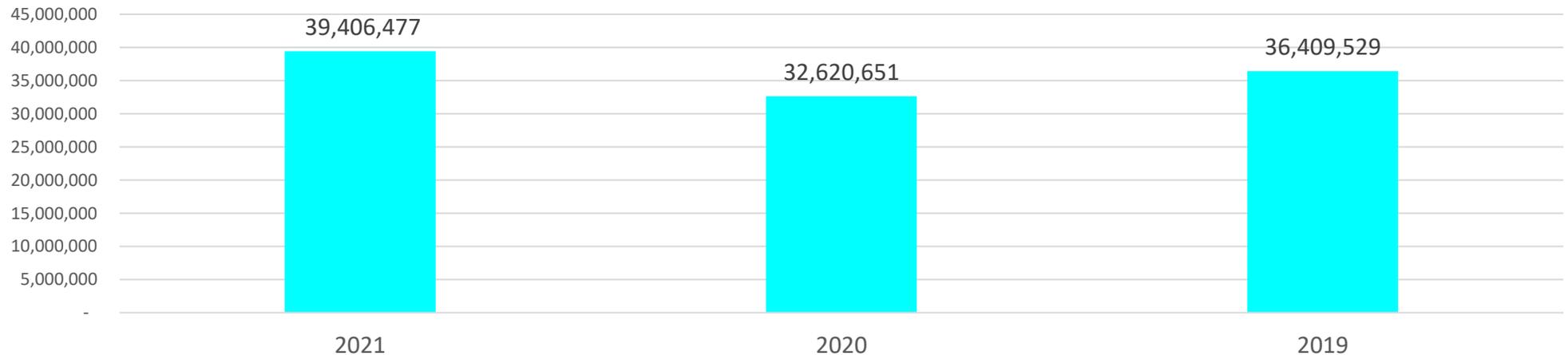
استثمارات عقارية





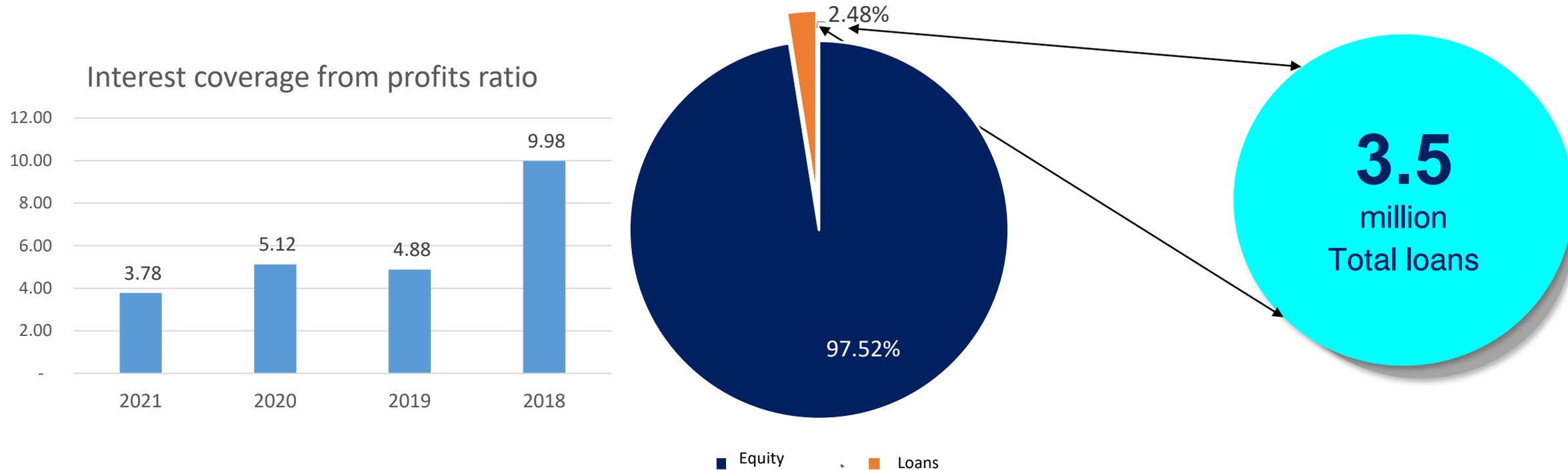
- Investment activities and other revenues contributed by **86.4%** of the total revenues.
- The company's stock market investments constitute **34%** of the total investments valued by **39.4 million QR** by the end of **2021**.
- The net value of the company's investments in the real estate sector constituted the most significant share from its investments, representing **66%** of the total investments. The company's real estate investments are worth **77.84 million QR**.

Equity available for sale with fair value



Value by Million QR

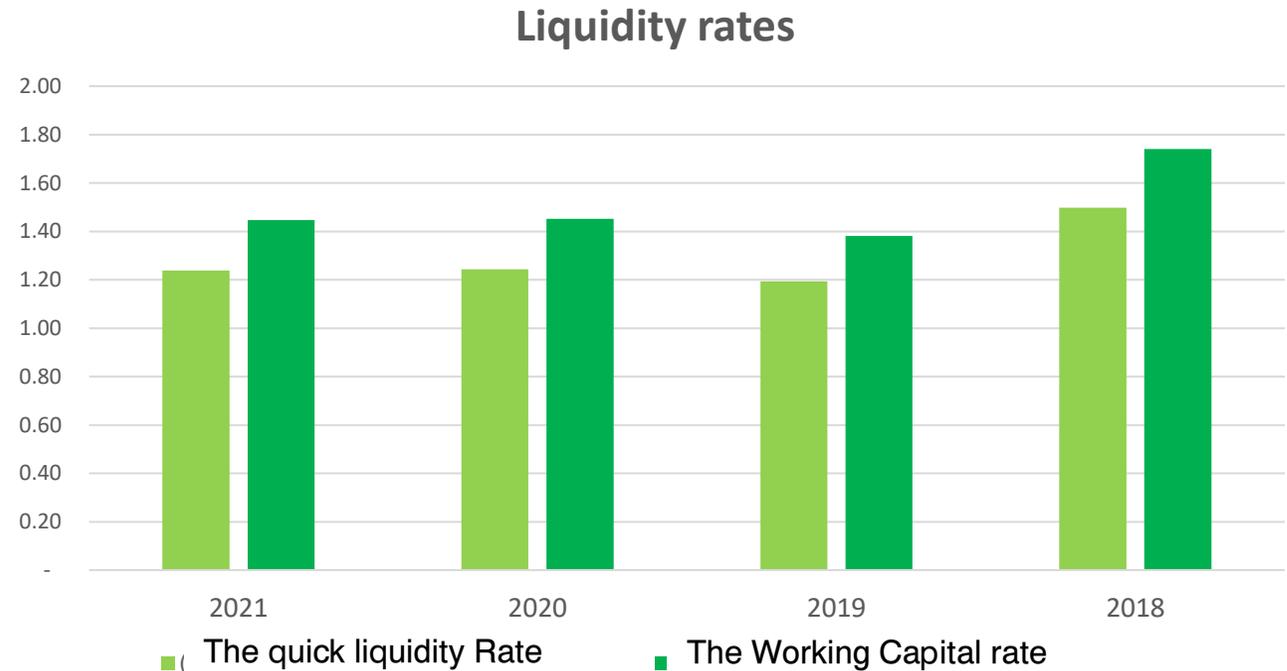
Source: financial statements report in December 2021



- The Company has limited reliance on loans to finance its assets.
- The company finances only 2.48% of its assets through loans and 97.52% through equity and other liabilities.
- The loan value in 2021 amounted to 3.5 million QR.

The Working Capital Rate **1.45**

The Quick Liquidity Rate **1.24**



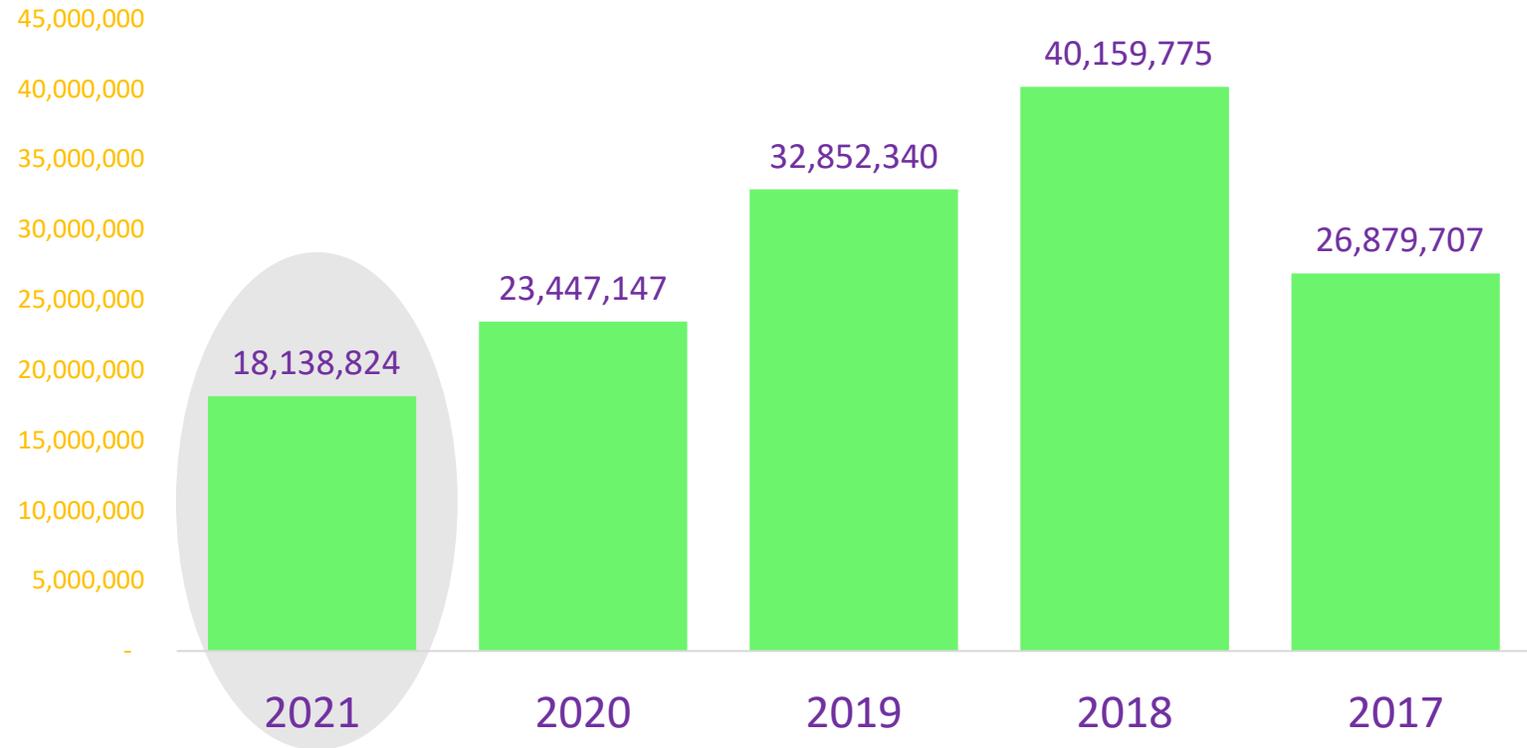
The Working Capital rate (Current Assets/Current Liabilities) stood at 1.45 in March 2021, which means that the Company can pay its short-term liability 1.45 times through its current assets. The quick liquidity Rate (cash/current liabilities) stood at 1.24 times for the same period, which means that the Company can repay its short-term liabilities by 1.24 through liquid 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.

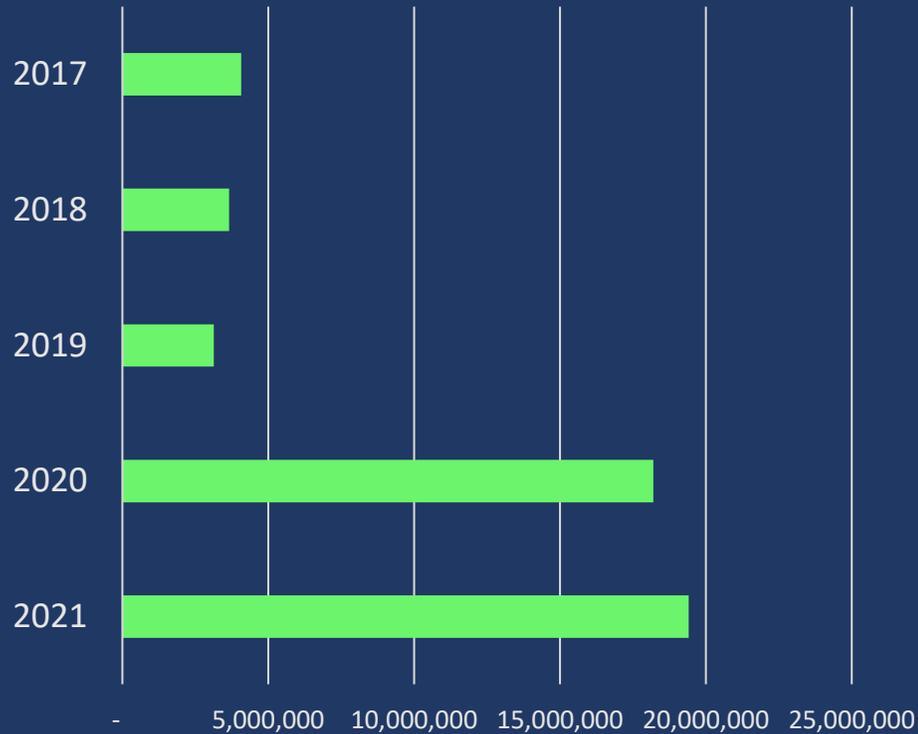
%22.6-
Decreasing in liquidity
by the end of 2021



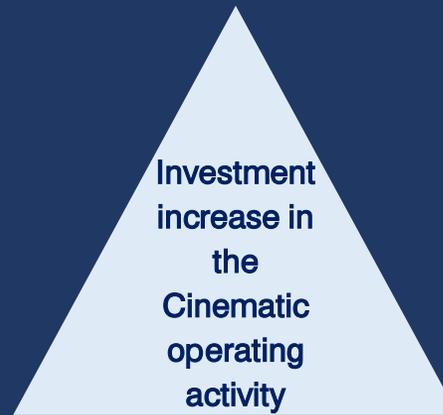
- The company's liquidity decreased by **22.6%** (5,308,323) and amounted to **18,138,824 QR** by the end of December **2021**. The liquid cash decrease is due to revenues decrease due to the corona pandemic and expansion of properties and paid **50%** of its debt.

GROWTH IN PROPERTIES AND WORK IN PROGRESS (CINEMAS)

Assets and properties



%6.7



19.4

18.2

3.1

3.7

December

2021



December

2020



December

2019



December

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 revenues in the future.

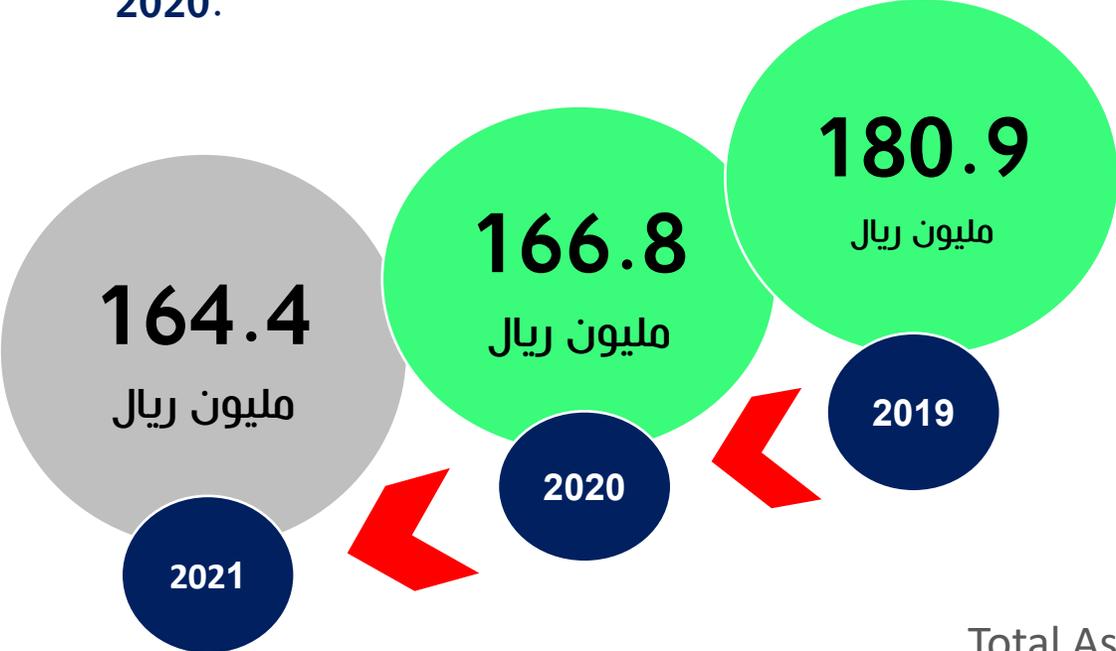
Value by Million QR

Source: financial statements report in March 2021

ASSETS IN December 2021

Decrease in assets in comparison with 2020.

% 1.4-

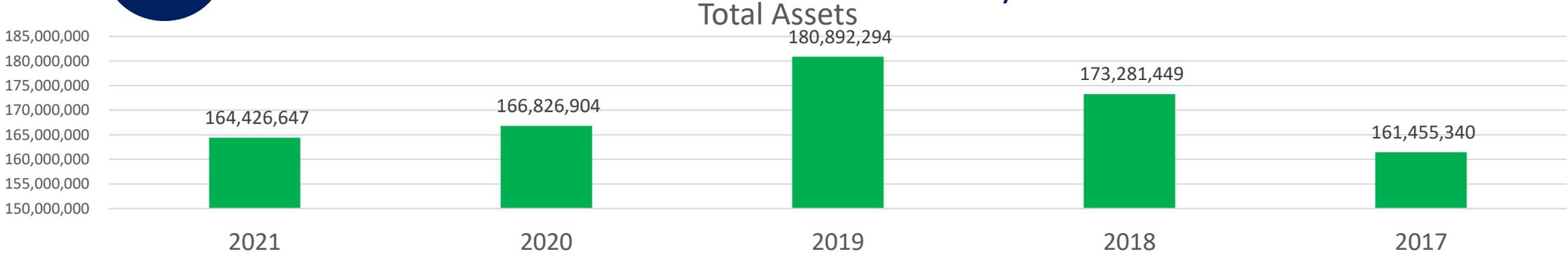


Million QR is approximately the value of the company's assets in September 2021, which means a -1.4% decrease in assets value compared to the same period in 2020 as a result of the value decrease of current assets by 6.74 million QR.

164.4

Million QR assets value decreased by the end of September 2021 compared to the same period in 2020 by a -1.4% decrease.

2.4

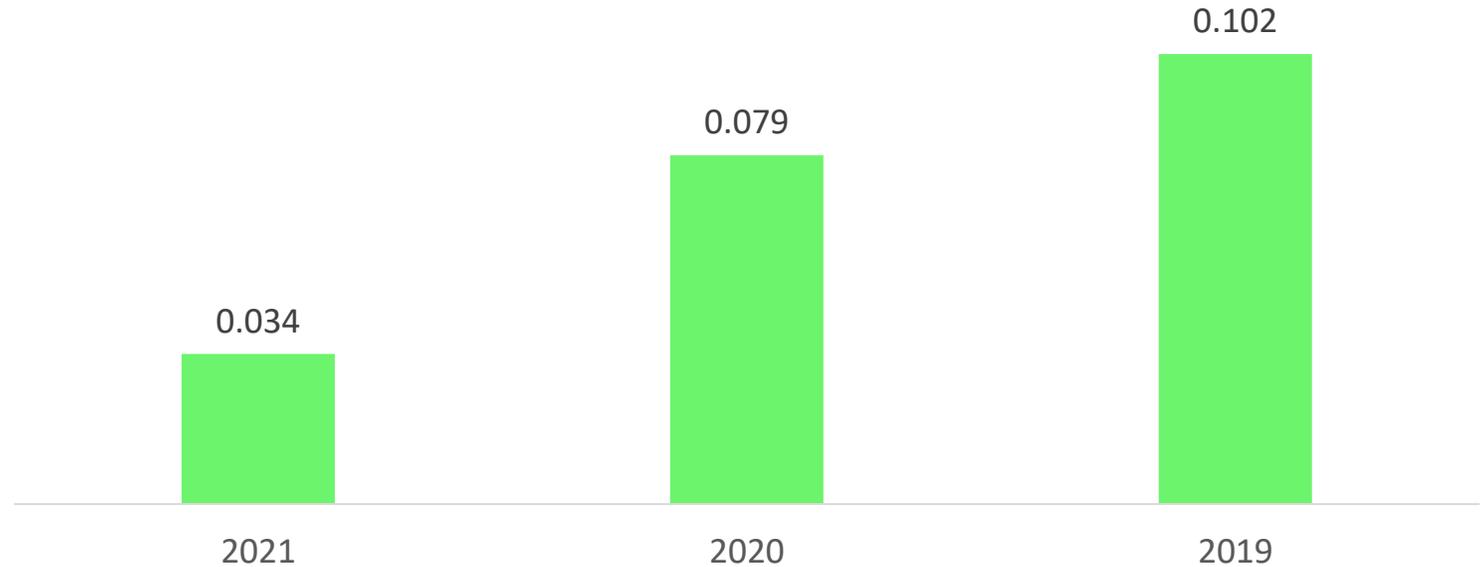


Value by Million QR

Source: financial statements report in December 2021

EARNING PER SHARE

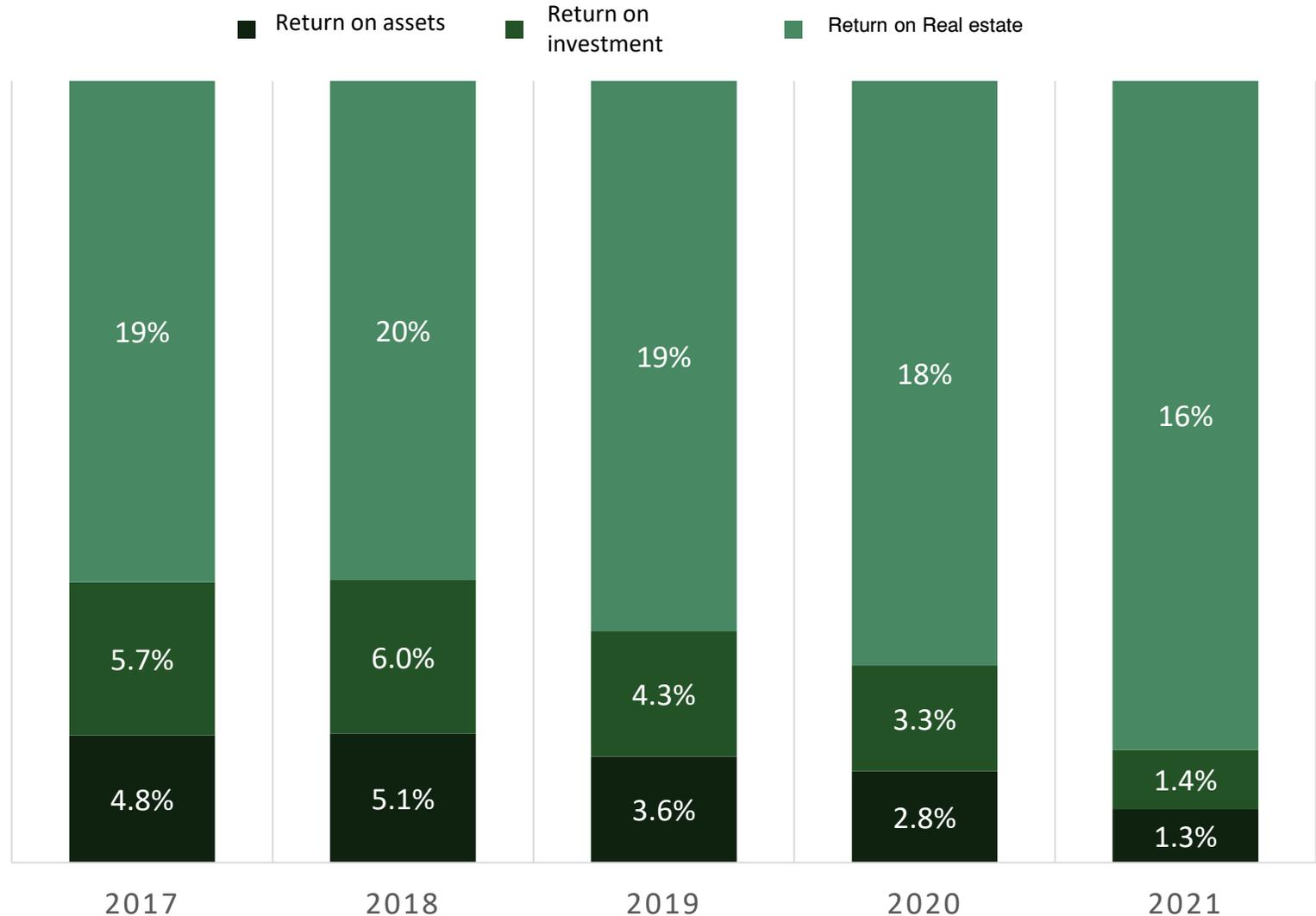
Capital
62,807,950 Million QR



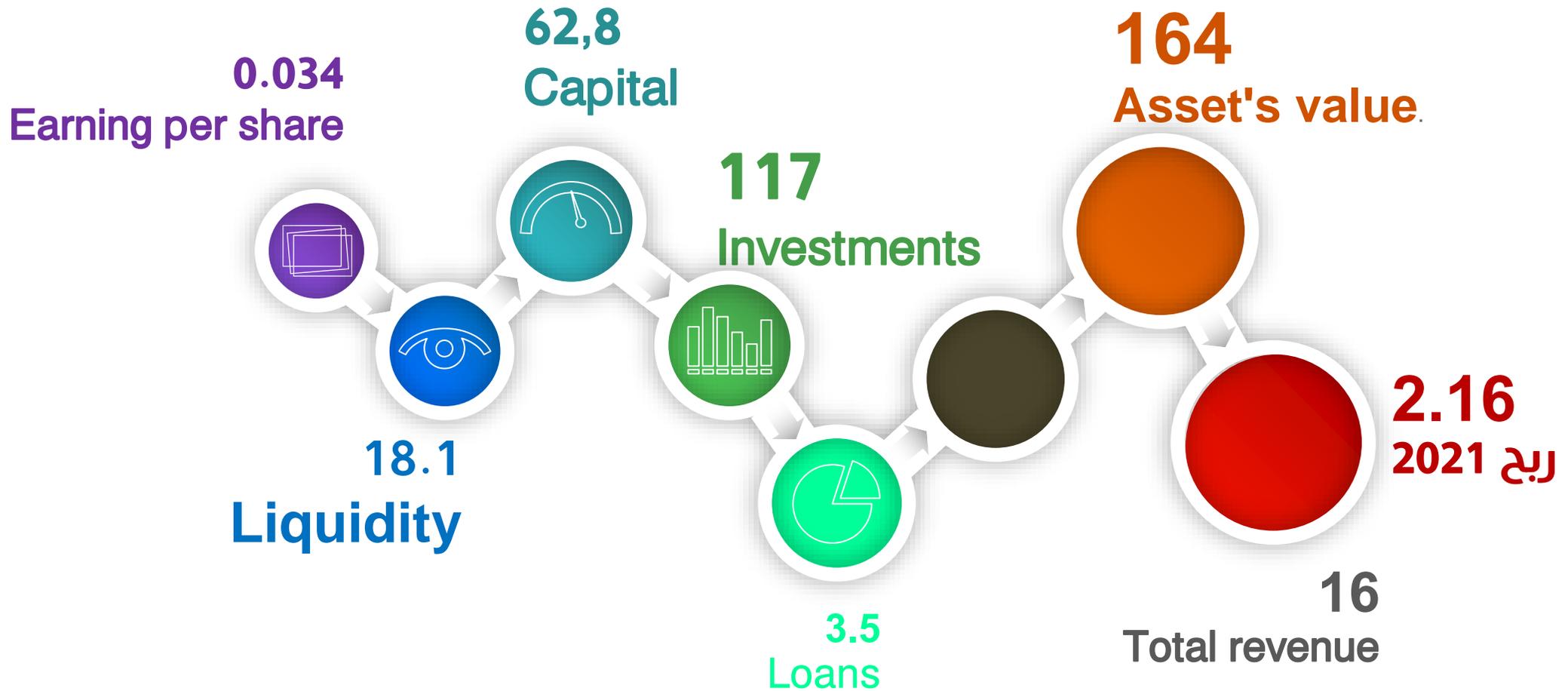
Till the end of December 2021, earnings per share reached 0.034 QR compared to 0.079 QR 2020, recording a -57% decrease approximately.

Return on investment

- Return on Real estate investment represented almost 16% during 2021. Real estate investment is considered the most income-generating activity in the company.
- The total return on the total Investment rate is 1.4% of the total assets in 2021.
- In total, The return on the assets rate represents 1.3% of the total invested amount of money in 2021.
- The return on investment and return on assets rates decreased in 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 gained returns 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 December 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 1/03/2021 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**

9 **14th JUL 2021 : Qatar Cinema & Film Distribution Co.: will disclose its Semi-Annual financial results on 01/08/2021**

10 **28th Jul 2021 : Qatar Cinema & Film Distribution Co. holds its investors relation conference call on 03/08/2021 to discuss the financial results**

11 **1st AUG 2021 : Qatar Cinema & Film Distribution Co. : Disclose the Semi-annual financial statement of 2021**

Qatar Cinema & Film Distribution Co. discloses the interim financial statement for the six-month period ending 30th June 2021 . The financial statements revealed a Net Profit of QR 1,489,239 in comparison to Net Profit QR 2,731,108 for the same period of the previous year.

The Earnings per share(EPS) amounted to QR 0.024 as of 30th June 2021 versus Earnings per share(EPS) QR 0.043 for the same period in 2020.

12 **13th OCT 2021 : Qatar Cinema & Film Distribution Co.: To disclose its Quarter 3 financial results on 27/10/2021.**

13 **18th OCT 2021 : Qatar Cinema & Film Distribution Co. holds it's investors relation conference call on 02/11/2021 to discuss the financial results.**

14 **27th OCT 2021 : Qatar Cinema & Film Distribution Co.: Disclose the financial statements for Quarter 3 of 2021.**

Qatar Cinema & Film Distribution Co. discloses the interim financial statement for the nine-month period ending 30th September 2021 . The financial statements revealed a Net Profit of QR 1,895,277 in comparison to Net Profit QR 3,797,586 for the same period of the previous year.

The Earnings per Share(EPS) amounted to QR 0.03 as of 30th September , 2021 versus Earnings per Share(EPS) QR 0.06 for the same period in 2020 .

15  **20th Jan 2022: Qatar Cinema & Film Distribution Co.: Disclosure of the date of the Board of Directors meeting on February 5, 2022.**

16  **27th Jan 2022: Qatar Cinema & Film Distribution Co.: holds its investors relation conference call on 10/02/2022 to discuss the financial results**

17  **27th Jan 2022: Qatar Cinema & Film Distribution Co.: announces the opening of nominees for the board memberships, years from 2022 to 2025. Applications will be accepted starting from 29/01/2022 till 07:30 PM of 07/02/2022.**

18  **5th Feb 2022 : Qatar Cinema & Film Distribution Co.: Holds it's AGM and EGM on 01/03/2022 for 2022.**

19 **5th Feb 2022: Qatar Cinema & Film Distribution Co.:** discloses the interim financial statement for the twelve-month period ending 31st December 2021. The financial statements revealed a Net Profit of QR 2,155,794 in comparison to Net Profit QR 4,952,159 for the same period of the previous year. The Earnings per share(EPS) amounted to QR 0.034 as of 31st December 2021 versus Earnings per share(EPS) QR 0.079 for the same period in 2020.
In addition to the proposed dividend distribution cash Dividends of 0.06
*Net Profit should not include minority rights

Thank You

Qatar Cinema Company

Doha- Qatar

Cinema Signal,

P.O Box: 1970 Doha, Qatar

Office: +974 4471620

Fax: +974 44671511

