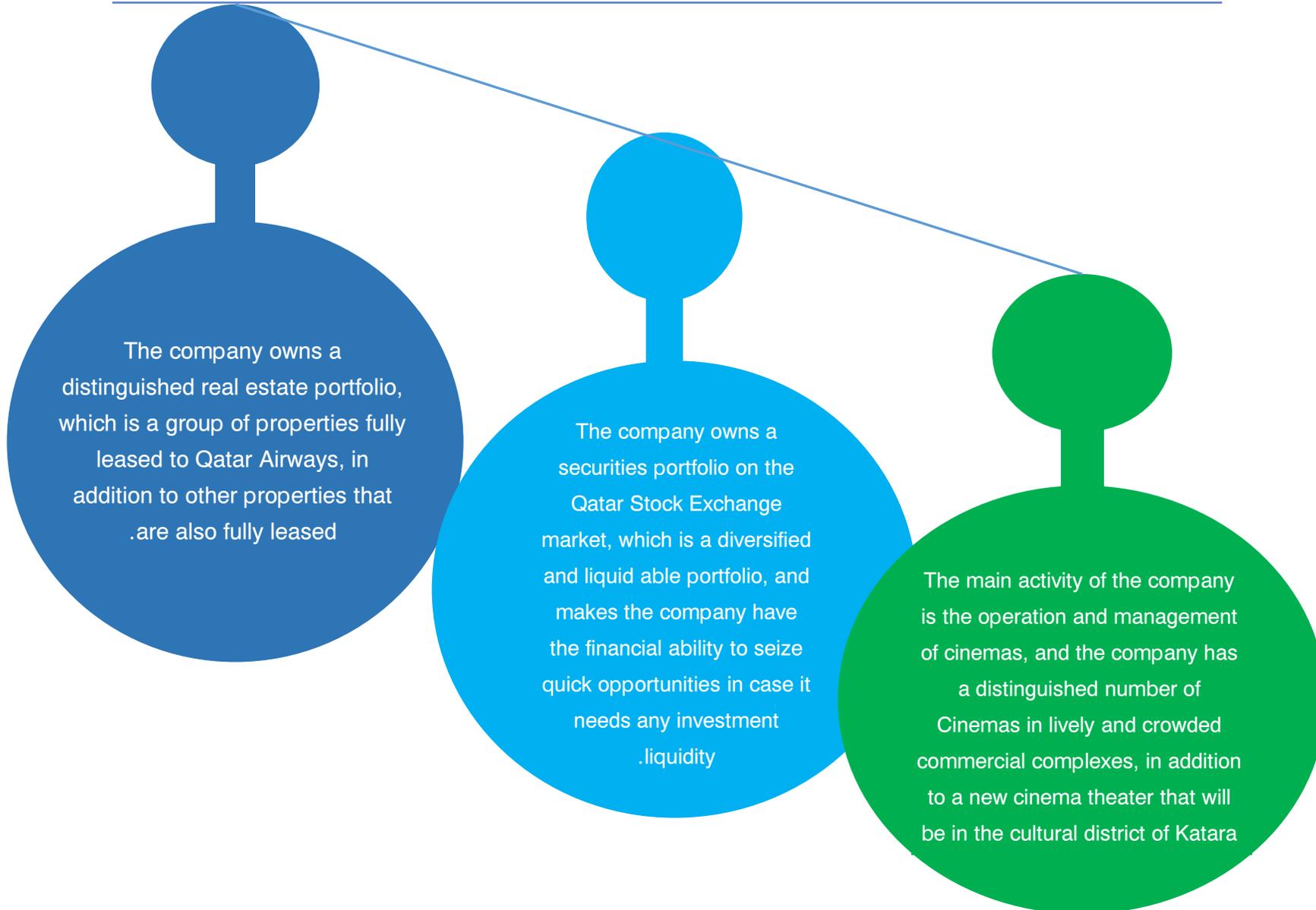


INVESTORS INFORMATION GUIDE 2020

Presentation Of The Financial Statements
For The Period From 1 January 2020 To 30/December/2020



.QATAR CINEMA AND FILM DISTRIBUTION CO



The company relies on the revenue generation process on several sources in order to ensure continuity and sustainability in its operations, and 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:

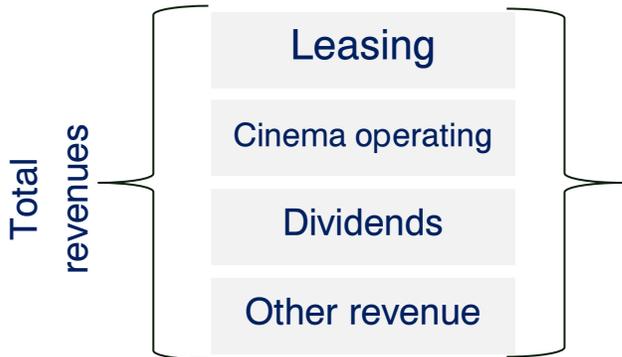
- ✓ The main activity specialized in operating and managing cinemas.
- ✓ The real estate activity, the company own a combination of distinguishing real estate assets which fully leased for credible companies and institutions.
- ✓ The stock portfolio in the stock market, which is capable of immediate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

REVENUES AND PROFITABILITY

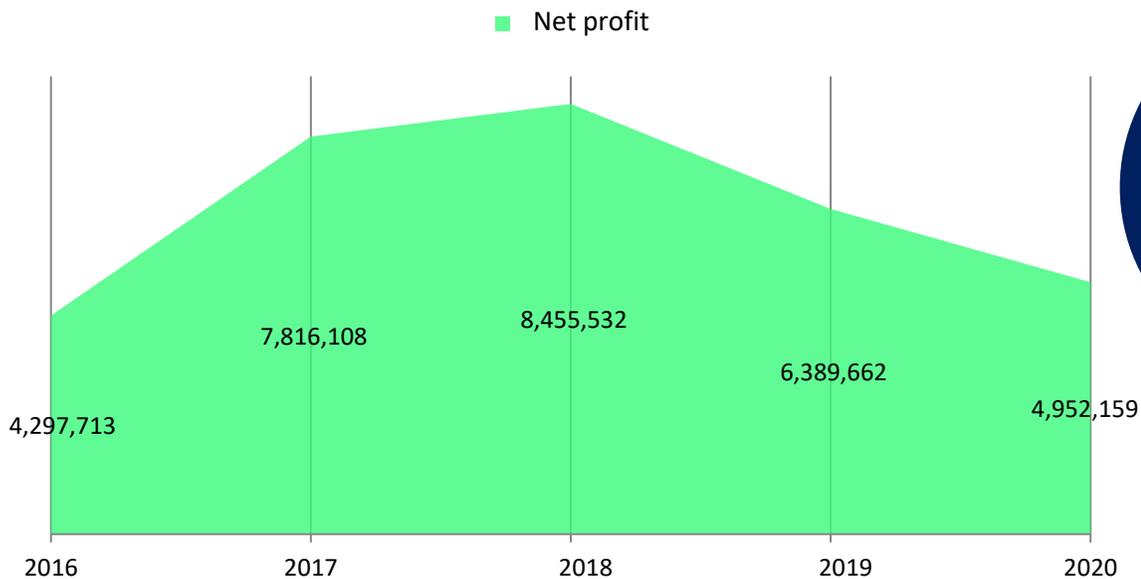
Revenues came from various sources to avoid the risks of relying on a single source income

The company's total revenues achieved 17.73 million QR during 2020,

Revenues generated from various sources to avoid the risks of relying on a single income source. Leasing revenue represents 85% of the total revenues, which represents the largest share of the company income. then came in the second place Cinema operating revenue achieved 9% of the total revenues. Third, Dividend's revenue amounted to only 6% of the total revenue The remaining percentage remains for other income. The periodic revenues decreased by 30.6% in comparison with 2019.



REVENUES AND PROFITABILITY



28%
Achieved
Net profit
margin in
2020

Net profit decreased in 2020 by 22% approximately compared to 2019, and the company achieved approximately 4.9 million QR net profit with * approximately profit margin rate 28 %, the Net Profit decrease is due to the following:-

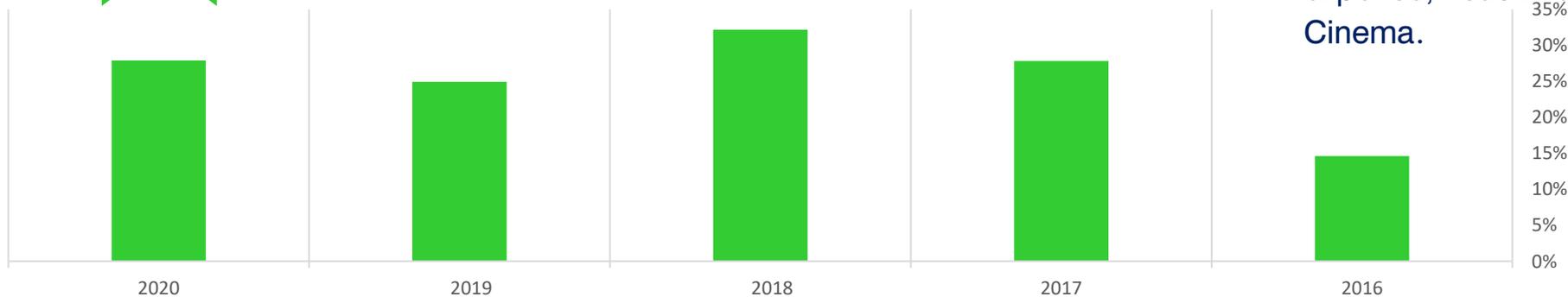
Closing of the company's cinemas since 12/23/2020 which led to a decrease in cinematic operating revenues.

In addition to Income for the comparable year, 2019 included other income from end-of-service disputes for one employee amounting to 788960 QR.

An increase in expenses due to adding a new expense, such as the rent of the Katara's Cinema.



NET PROFIT MARGIN



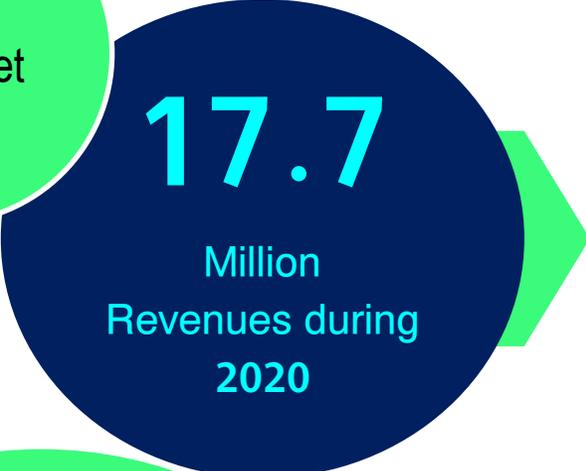
4.95
Million QR
net Profit

Value by Million QR

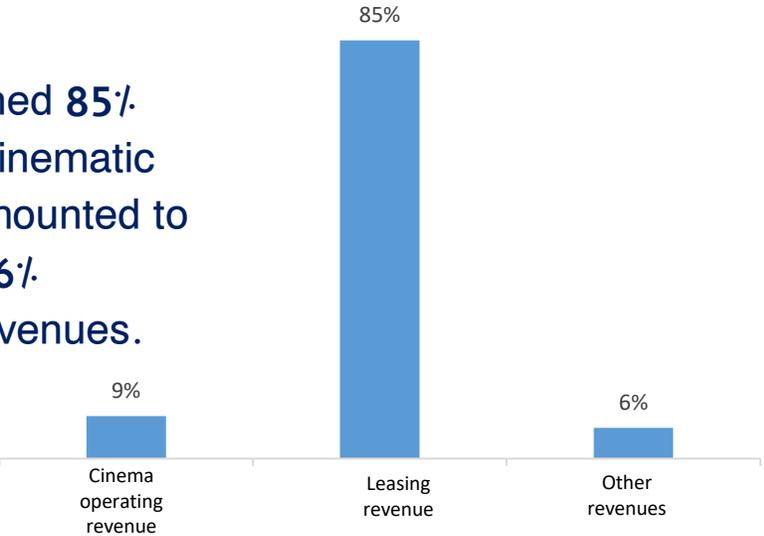
Source: financial statements report in December 2020

*Net profit margine = net profit / Total revenue

REVENUE DIVERSIFICATION SUPPORTS SUSTAINABLE GROWTH

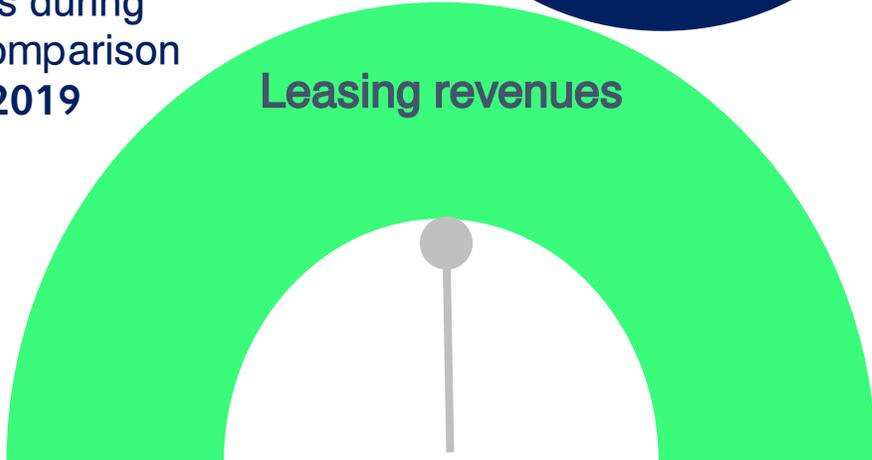


Leasing revenue reached **85%** from total revenues. Cinematic operation revenues amounted to **9%** and the remaining **6%** dividends and other revenues.



%30

Decrease in the total revenues during 2020 in comparison with 2019



Leasing revenues



Cinematic operation revenues

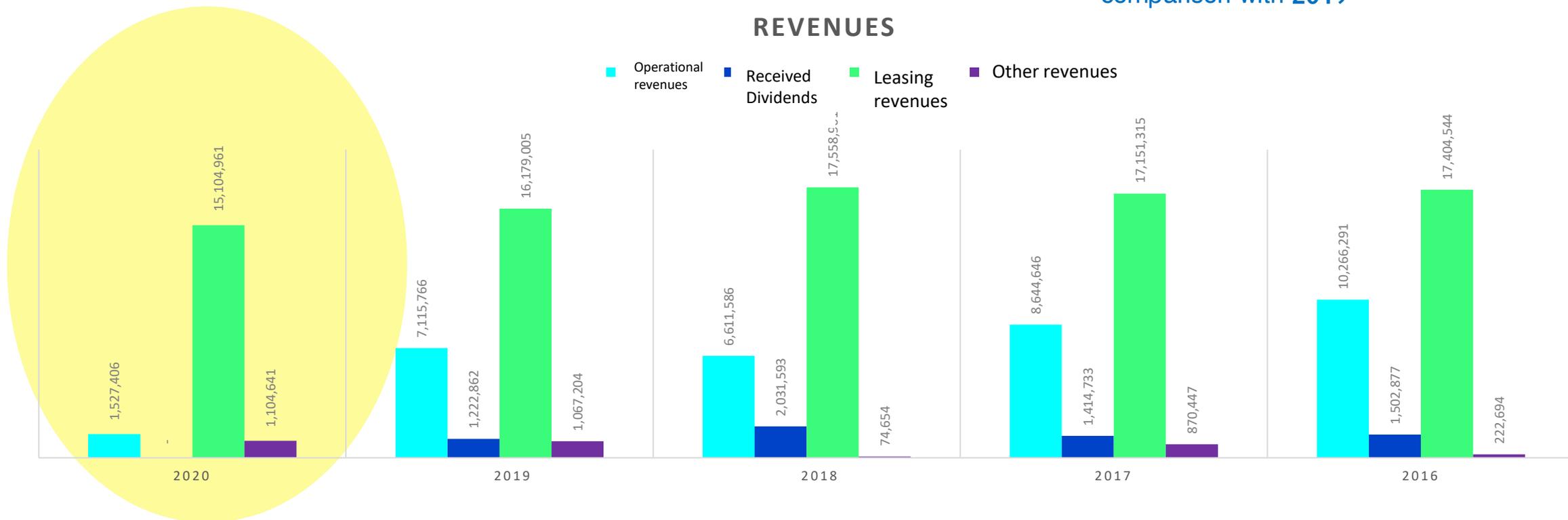


Investment and other revenues

Revenues "LEASING REVENUES SUSTAINABILITY"

-30.6%

Decrease in the total revenues during 2020 in comparison with 2019



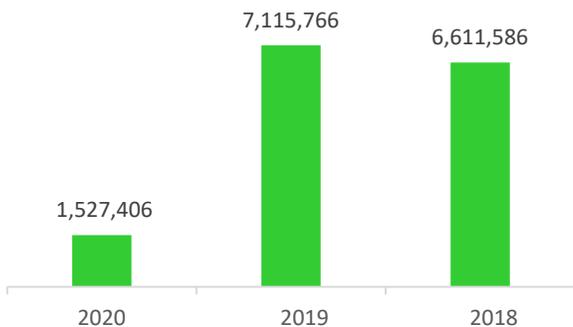
Despite the challenges faced by the real estate sector, The company still able to achieve revenues from real estate leasing activity which supported the financial performance during 2020. The real estate leasing revenue decreased slightly by only 6.6% during 2020 compared to 2019. On the other side, the cinema operating revenue decreased by 78.5% in 2020 in comparison with the same period in 2019. and the real estate leasing revenue represents the biggest part of the income, which paid in advance which helping the company to be in a good financial position.

Value by Million QR

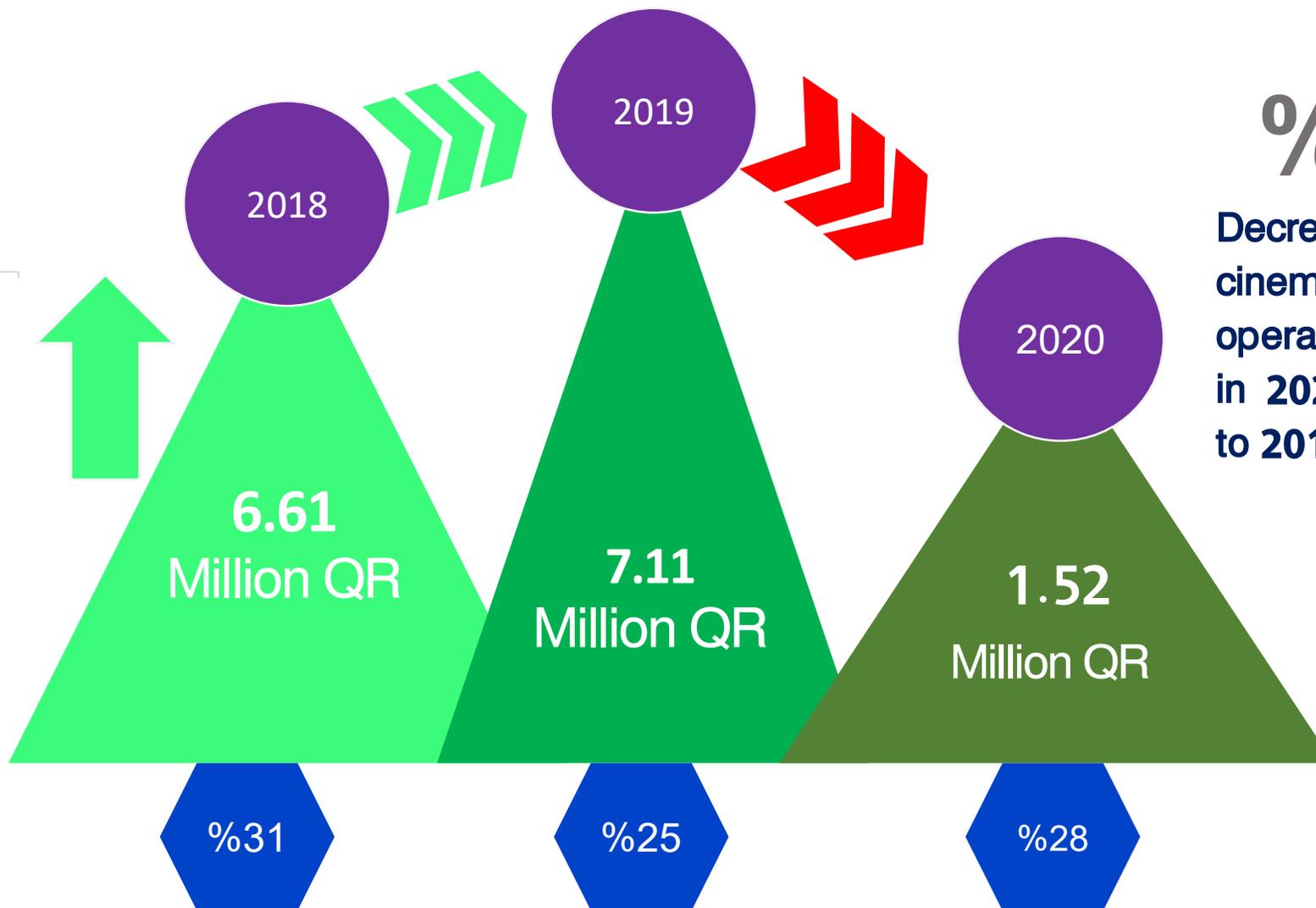
Source: financial statements report in December 2020

CINEMA OPERATING REVENUE

Cinema operation revenues



The company achieved a decrease in the cinematic operating revenue by 78.5% in 2020 compared to 2019 due to the closing of cinemas as a result of the spread of the Corona epidemic .



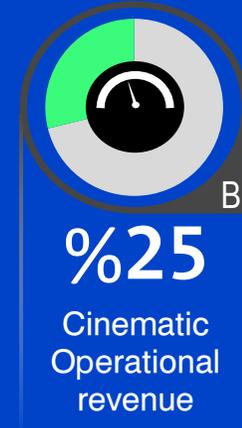
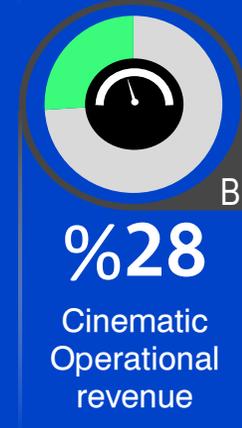
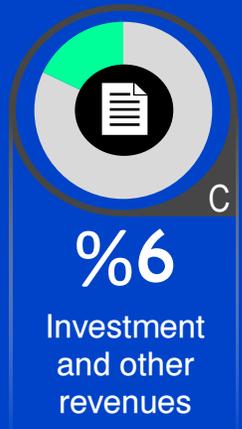
%78-

Decrease in cinematic operating revenues in 2020 compared to 2019.

Value by Million QR

Source: financial statements report in December 2020

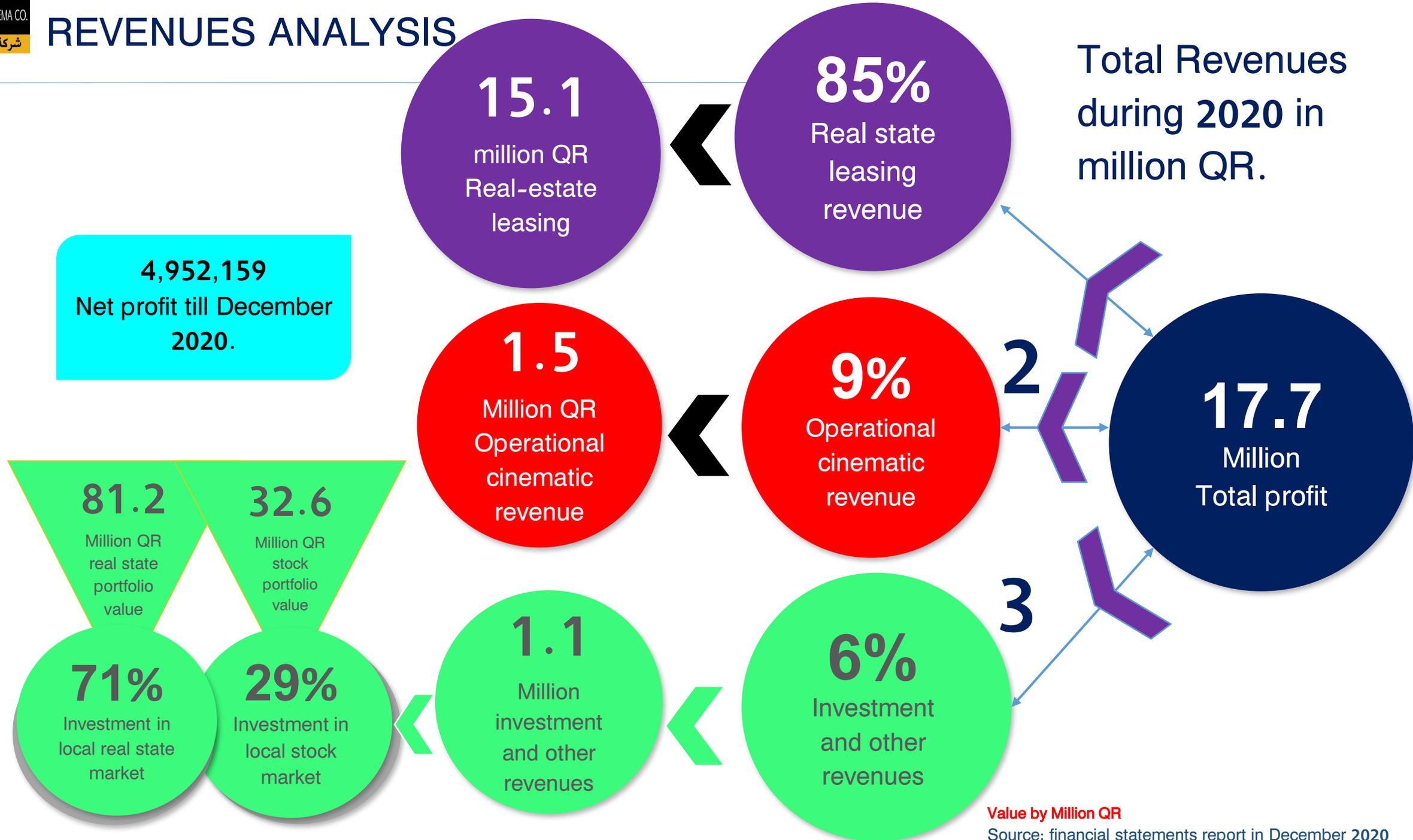
Comparing 2020 total revenues by same period in the last two years.



%30
Decrease in the total revenues in 2020 compared to 2019.

REVENUES ANALYSIS

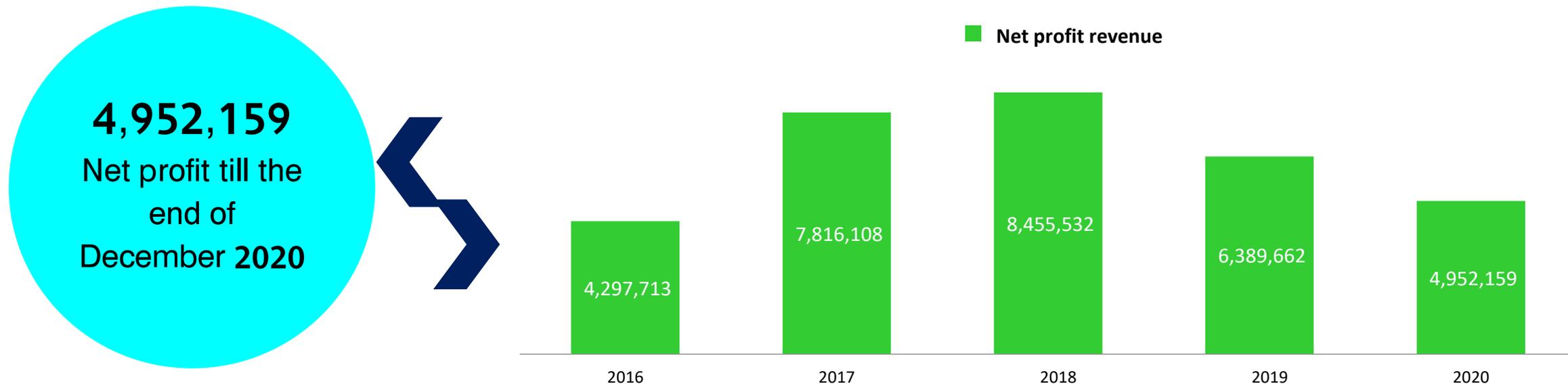
Total Revenues during 2020 in million QR.



Value by Million QR

Source: financial statements report in December 2020

NET PROFIT



Net profit decreased in 2020 by almost -22% compared to the same period in 2019, achieved approximately 4.9 million QR net profit with a 28% profit margin.

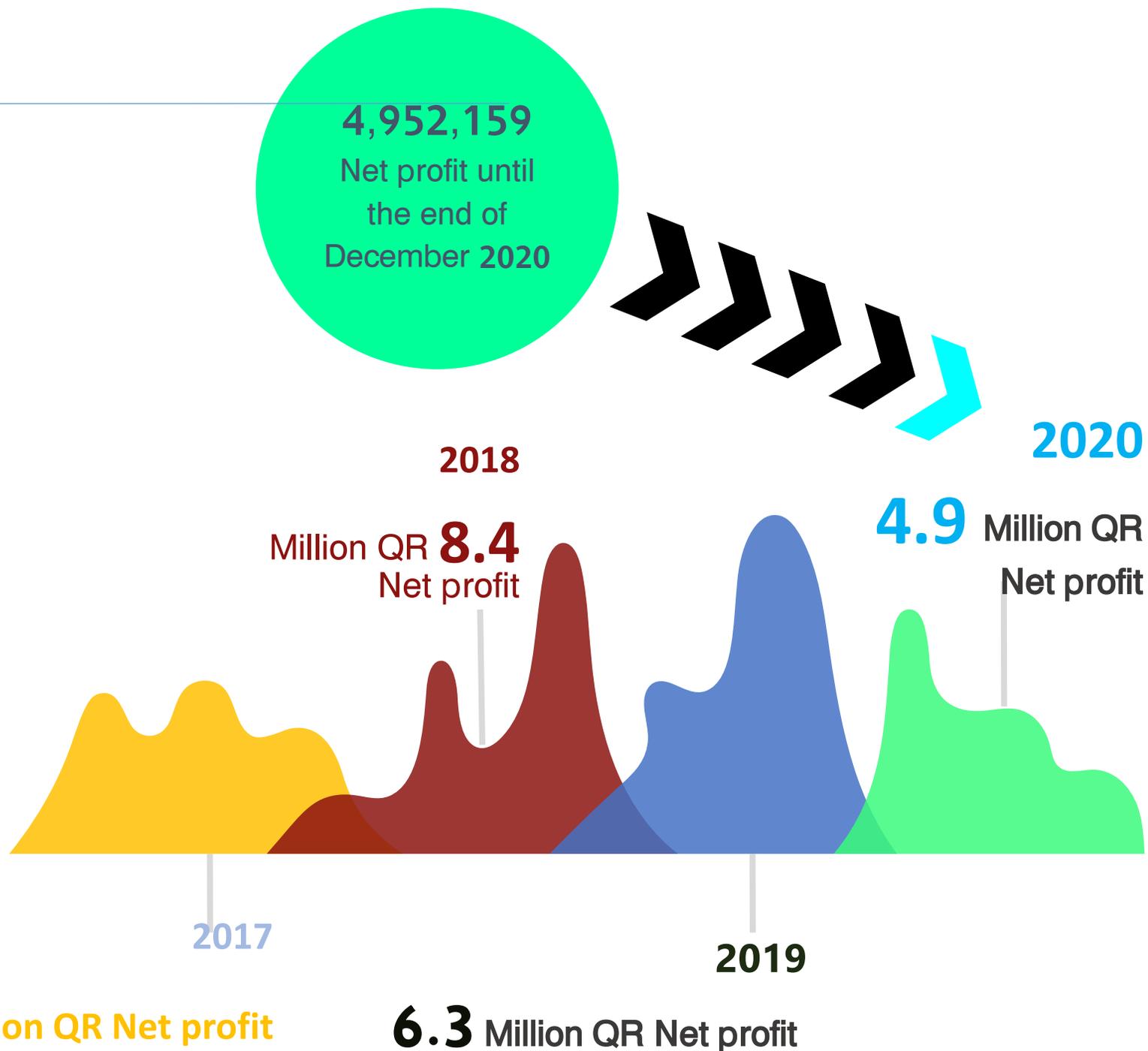
The net profit decrease is due to the following:

- Closing of the company's cinemas since 12/23/2020 which led to a reduction of cinematic operation revenue
- Income for the comparable year 2019 included other income from end-of-service disputes for an employee, amounting to 788.96 thousand QR.
- Expenses increase due to adding a new expense, such as the rent of the Katara's Cinema.

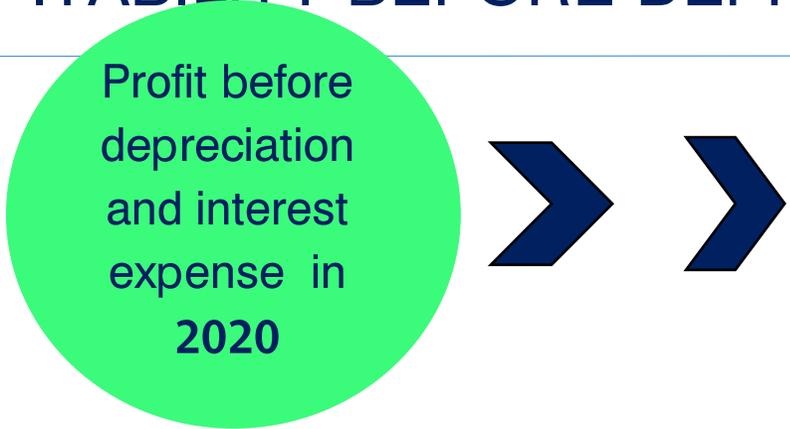
NET PROFIT

Net profit decreased in 2020 by almost -22% compared to the same period in 2019, achieved approximately 4.9 million QR net profit with a 28% profit margin. The net profit decrease is due to the following:

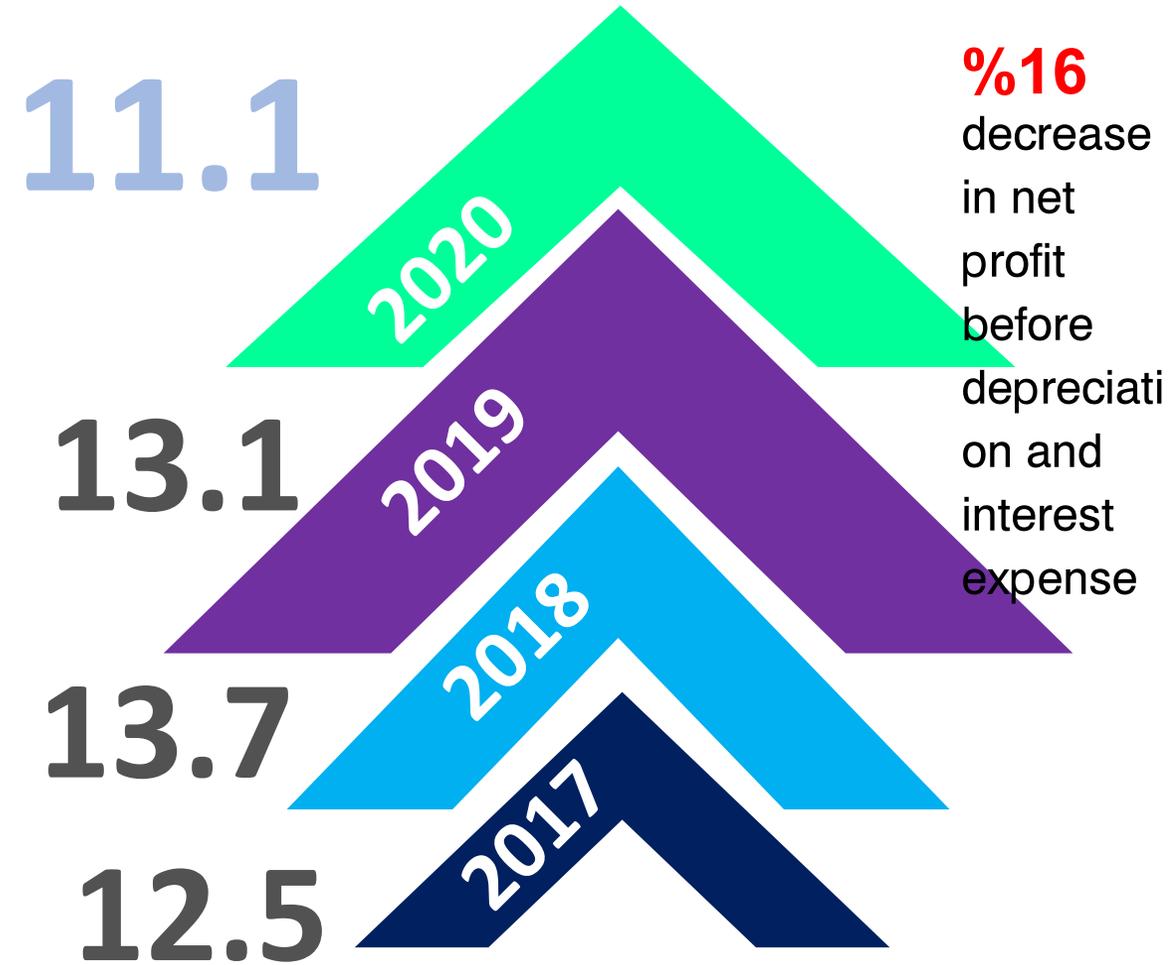
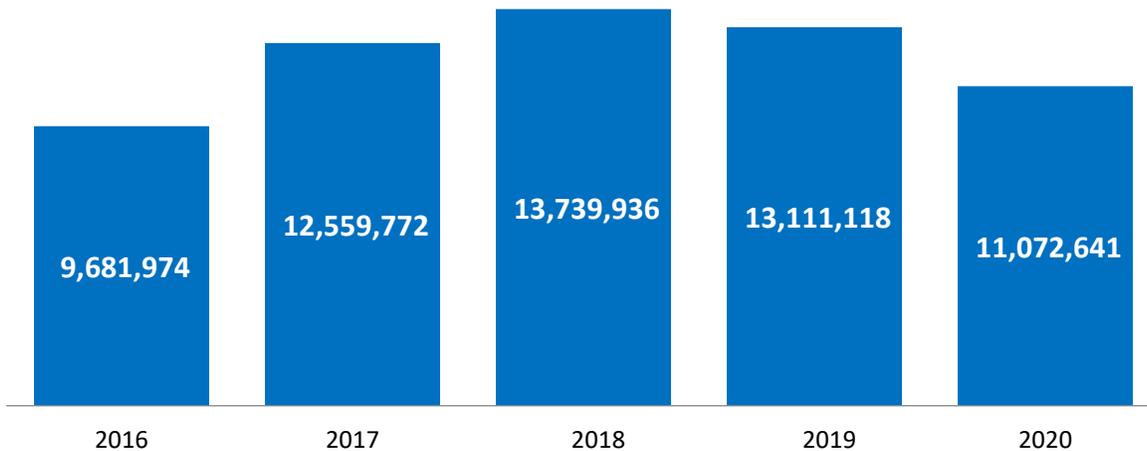
- Cinema's ticket revenues have decreased due to the closure of Cinemas since mid-March 2020.
- Decrease in diversified revenues in 2020 compared to the same period in 2019, as a result of the judgment in favor of the company in judicial disputes in 2019.
- Expenses increase due to adding a new expense, such as the rent of the Katara's Cinema.
- The closures that resulted from the Covid 19 pandemic, which caused the complete closure of cinemas.
- Negative impact on artistic cinematographic production in the world.



PROFITABILITY BEFORE DEPRECIATION AND INTEREST EXPENSE



Net profit decreased before depreciation and interest deduction during 2020 by -16% approximately compared to 2019 achieving Net profit before depreciation and interest deduction valued by 11.1 million QR with a 62% profit margin. the net profit reduction comes as a result of the decrease in leasing and dividends revenues.



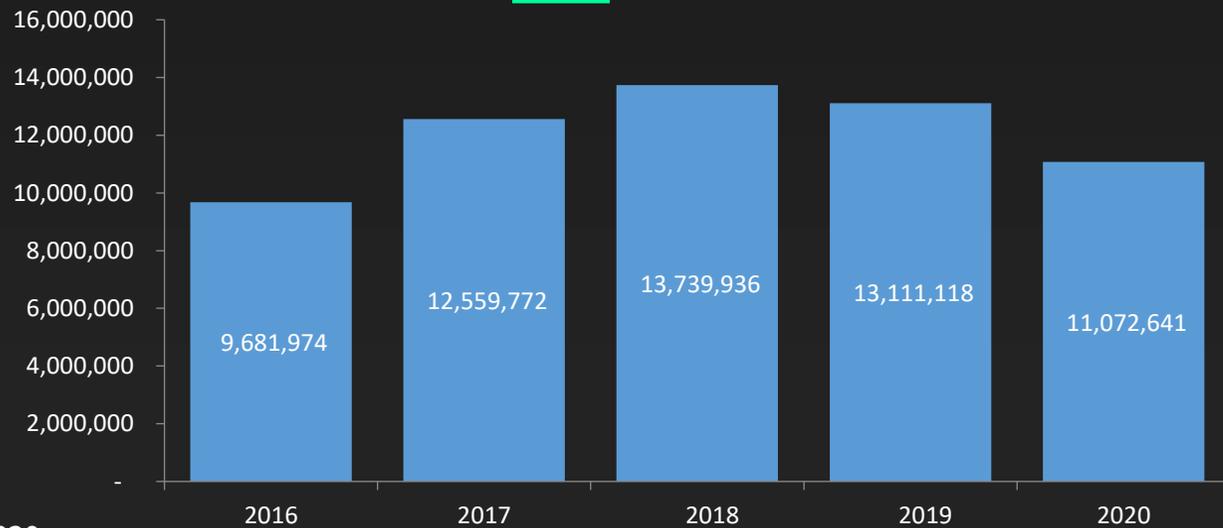
PROFITABILITY BEFORE DEPRECIATION AND INTEREST EXPENSE

Profit before depreciation and interest expense in 2020



Net profit decreased before depreciation and interest deduction during 2020 by -16% approximately compared to 2019 achieving Net profit before depreciation and interest deduction valued by 11.1 million QR with a 62 % profit margin. the net profit reduction comes as a result of the decrease in leasing and dividends revenues.

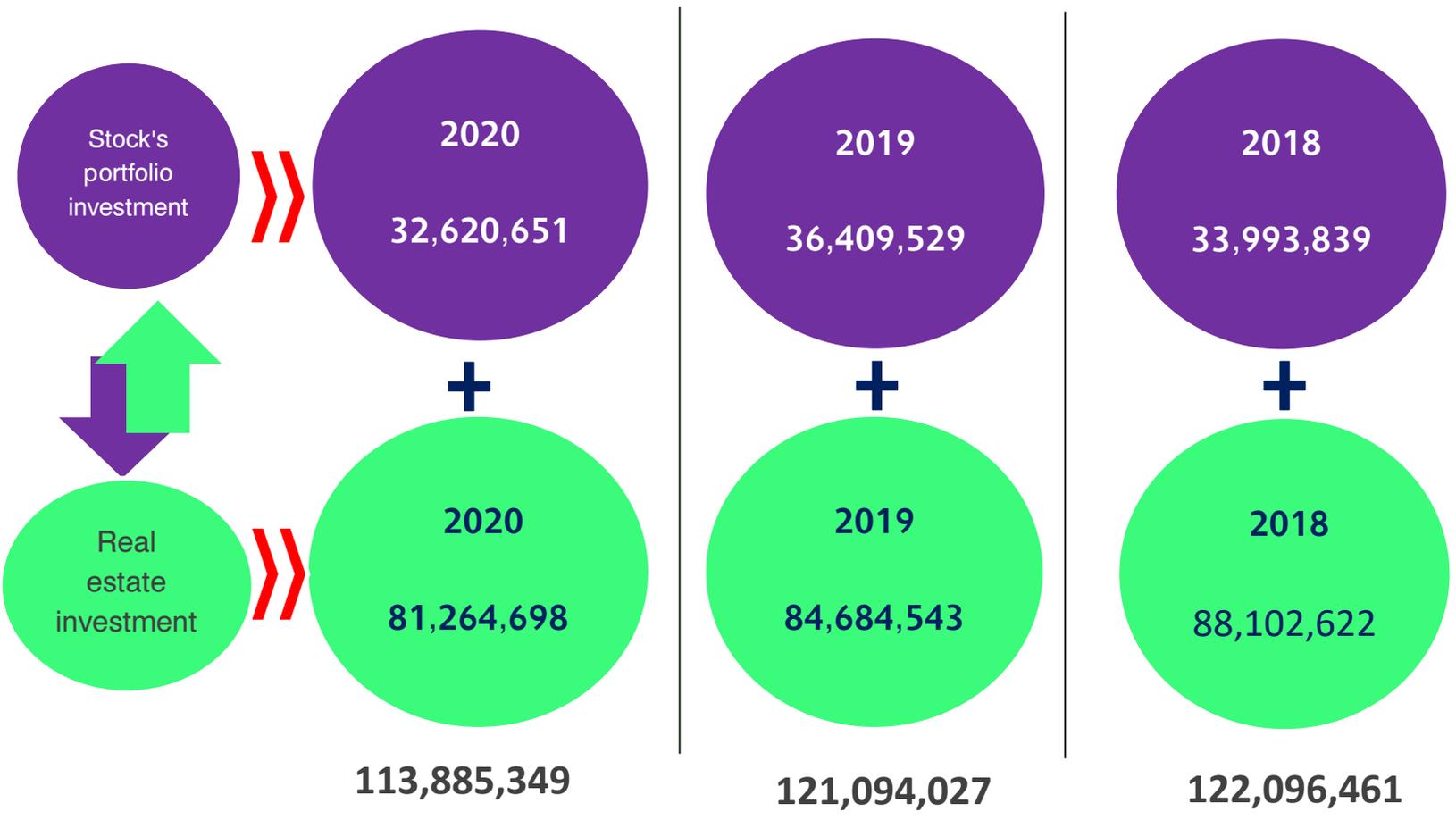
- 11.1 2020
- 13.1 2019
- 13.7 2018
- 12.5 2017



Value by Million QR

Source: financial statements report in December 2020

INVESTMENT AND INCOME DIVERSIFICATION

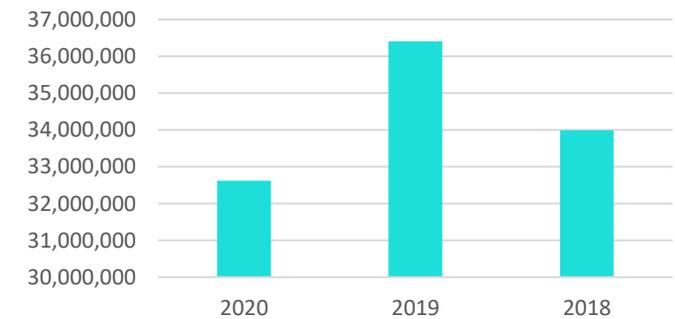


The total Investments amount to approximately 113.8 million QR, distributed between 29% for available for sale equity investments and 71% for real estate investments.

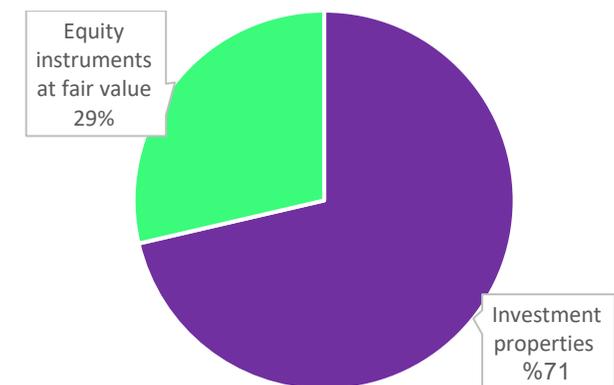
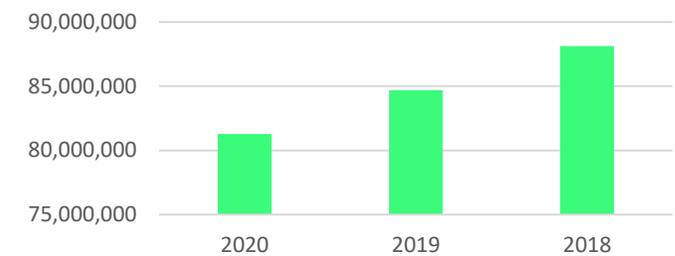
Value by Million QR

Source: financial statements report in December 2020

Equity instruments at fair value

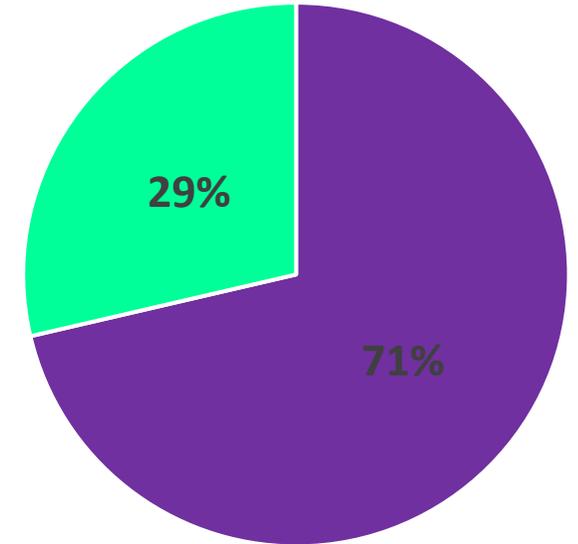
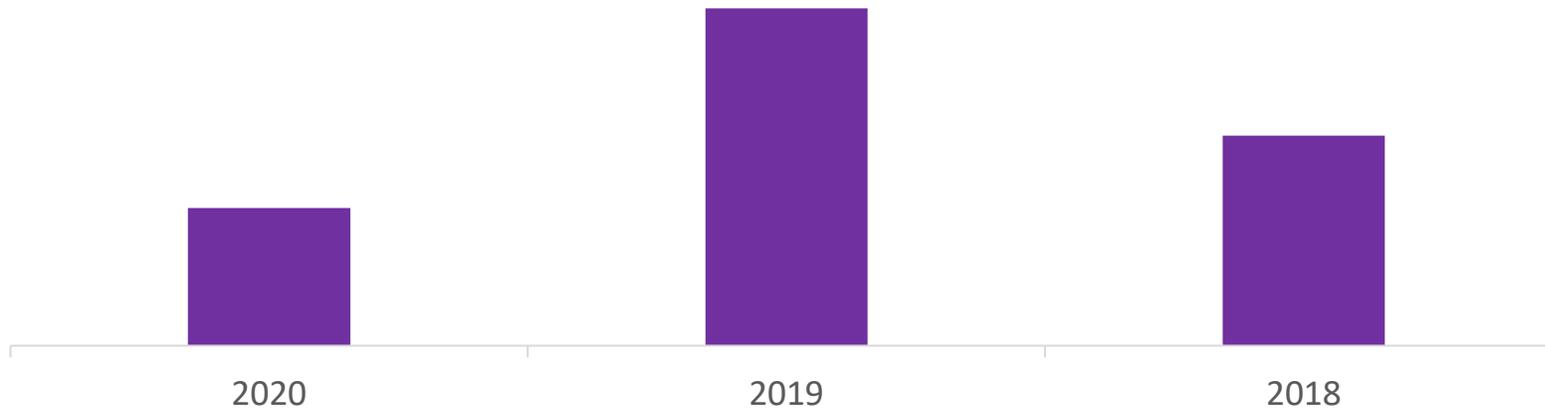


Investment properties



INVESTMENTS DIVERSIFICATION

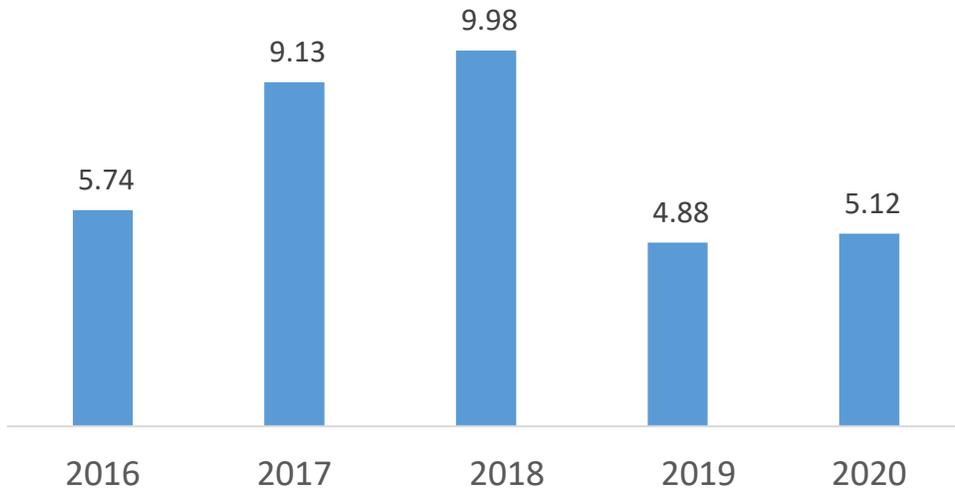
Equity available for sale with fare value



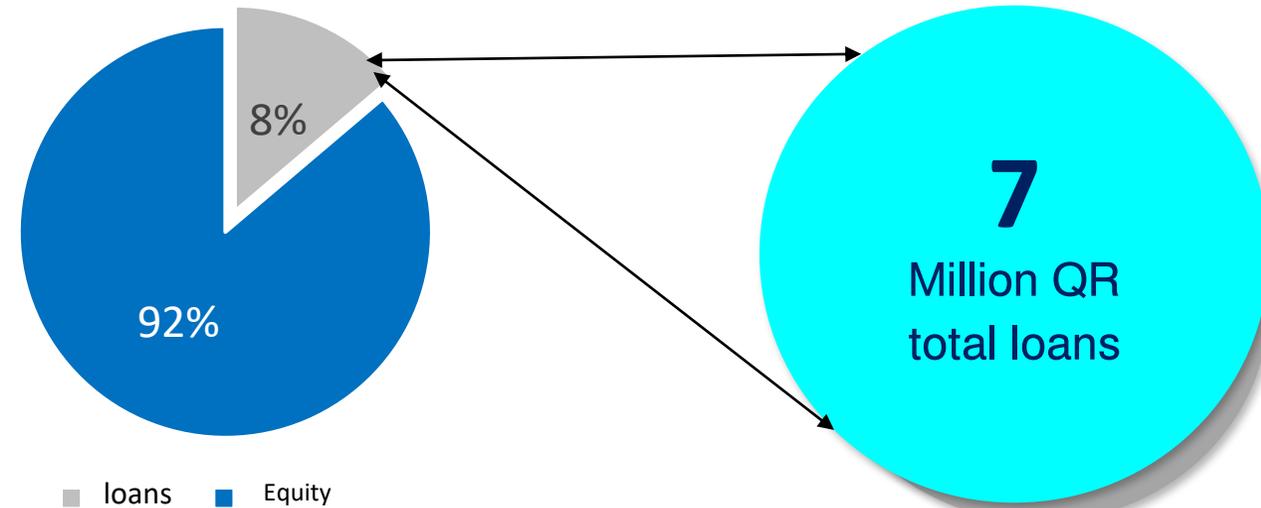
- Investment activities and other revenues contributed by 9% of the total revenues.
- The company’s stock market investments constitute 29% of the total investments valued by 32.6 million QR.
- The net value of the company's investments in the real estate sector constituted the largest share from its investments, which represents 71% of the total investments. The company's real estate investments worth 81.2million QR.

FUNDING STRUCTURE AND INTEREST EXPENSE

Interest coverage from profits ratio



FUNDING STRUCTURE

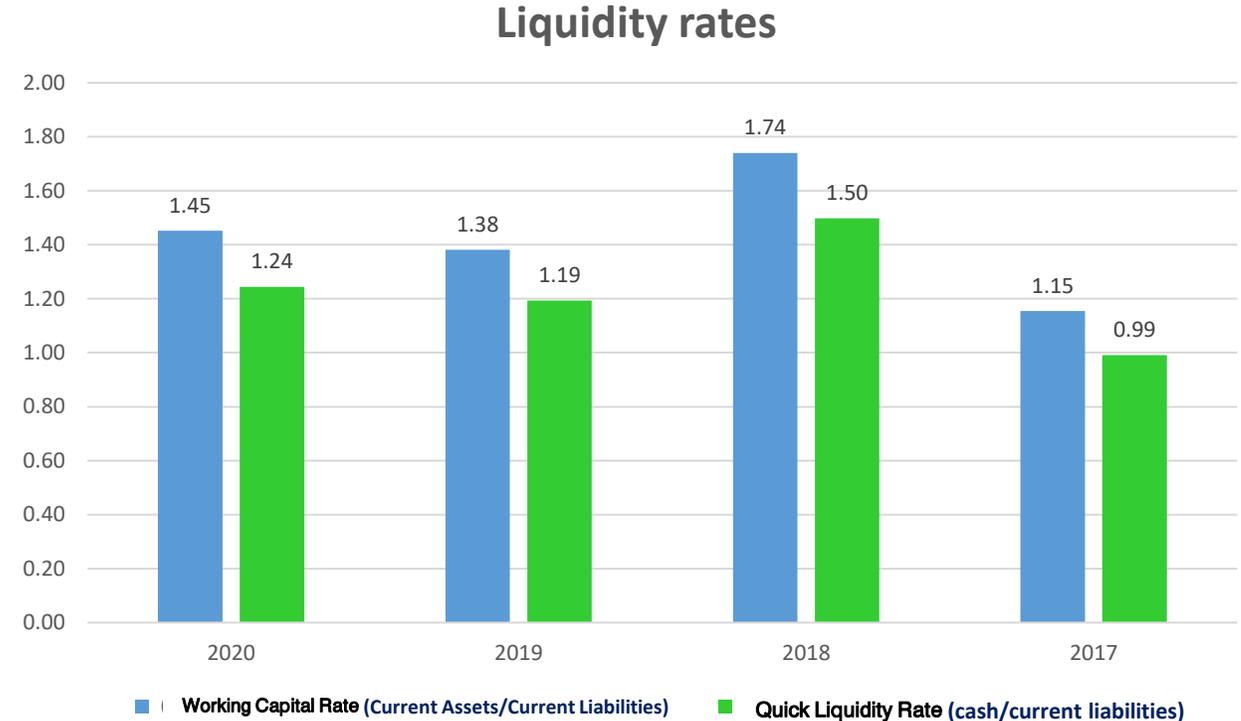


- The Company has limited reliance on loans to finance its assets.
- The company finances only 8% of its assets through loans and 92% through equity and other liabilities.
- The loan value in December 2020 amounted to 7 million QR.

LIQUIDITY AND CASH

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 December 2020, 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 1.24 through cash.

Clarification :

The Working Capital rate :Company ability to pay its short-term liability through its current assets.

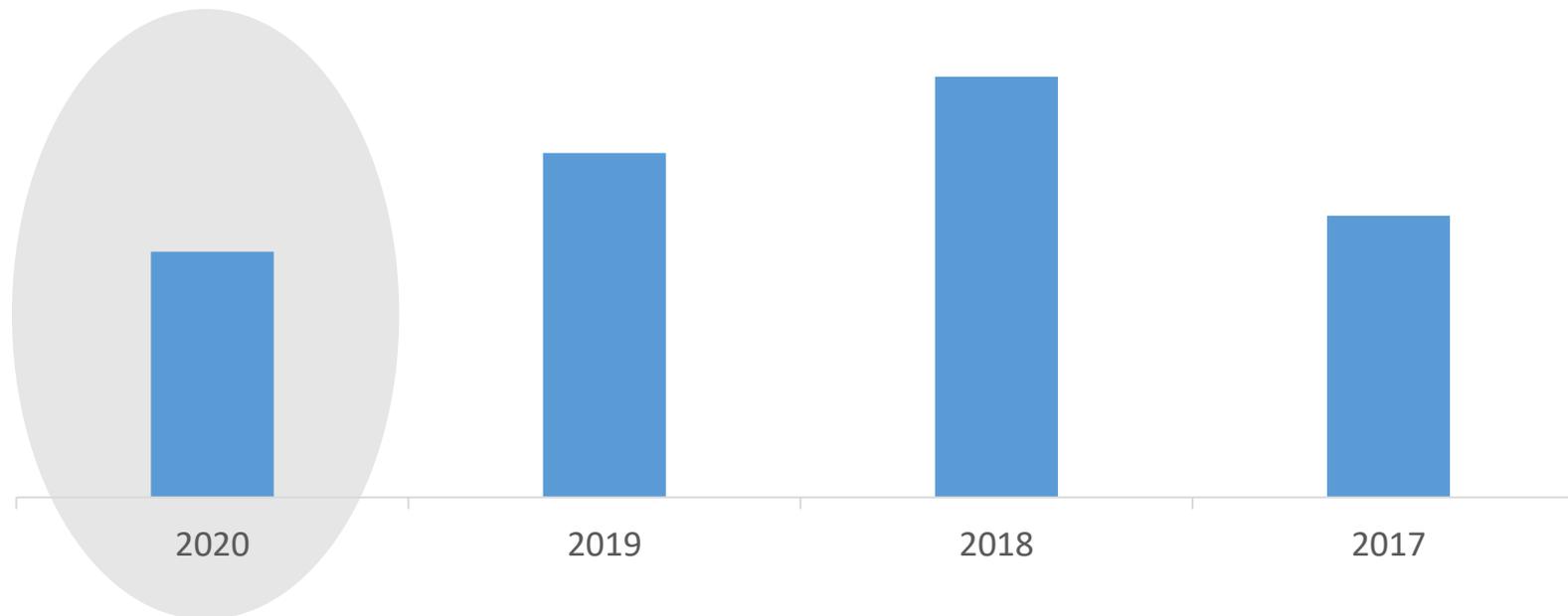
The quick liquidity Rate :Company ability to pay its short-term liability through its cash.

CASH AND BANK ACCOUNTS

-29%

Decreasing in liquidity
by the end of
December 2020

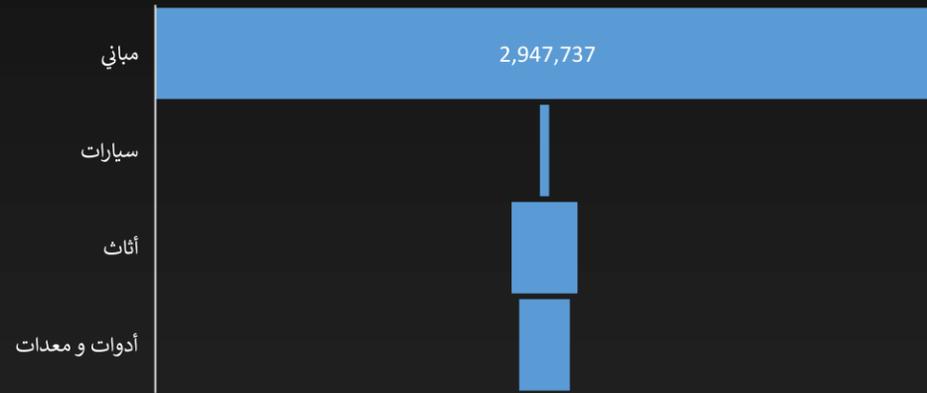
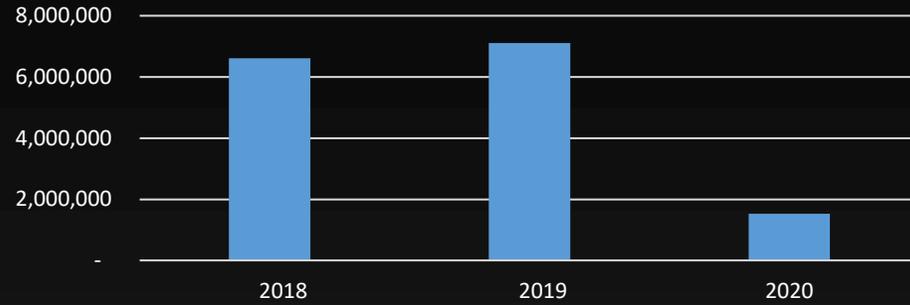
CASH AND BANK ACCOUNTS BALANCES



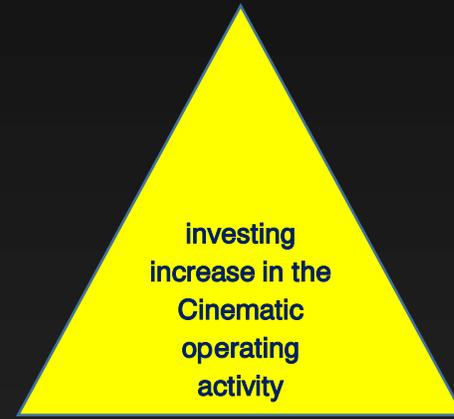
the company's liquidity decreased by 29% (9,405,193) and valued by 23,447,147 QR at the end of December 2020. The liquid cash decreased due to the use of cash for long-term investments, which used in its cinema's under progress works that will yield a more return in the future and the difference will be shown clearly in the liquidity moving to the expansion of the operational activity, where there exists a significant growth in the volume of work under progress.

GROWTH IN PROPERTIES AND WORK IN PROGRESS (CINEMAS)

Cinema operation revenues



%34



18.1

13.5

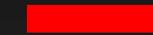
4.5

4.5

December 2020



December 2019



December 2019



December 2019

The company aims to expand its cinematic operating activity by developing its cinemas on international standards by 9,834,831 Million QR. 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 revenue in the future.

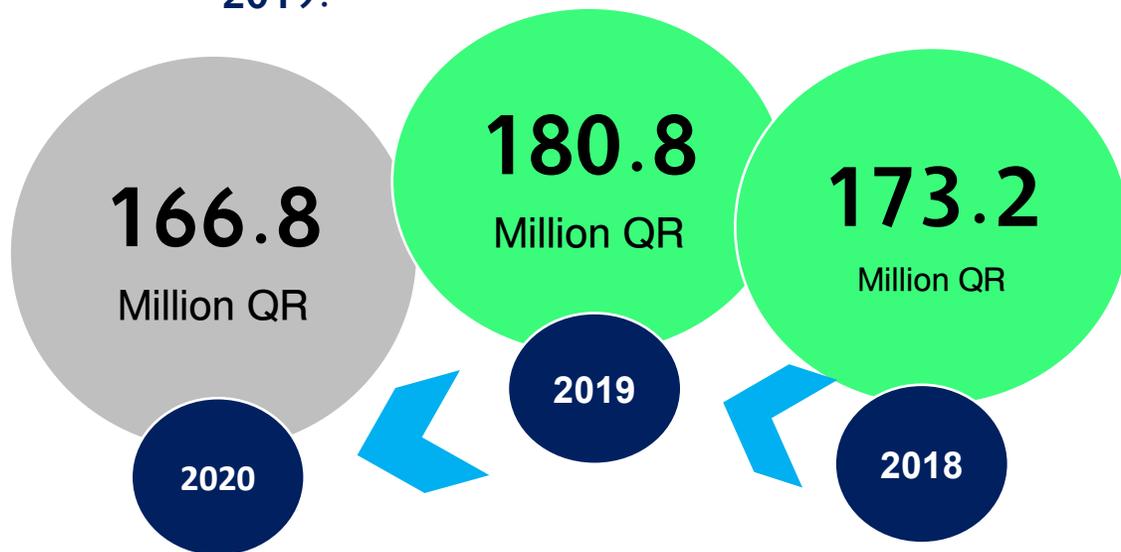
Value by Million QR

Source: financial statements report in December 2020

ASSETS IN DECEMBER 2020

decrease in assets
in comparison with
2019.

-7.8%



166 million QR is approximately the value of the company's assets in December 2020, which means a -7.8% decrease in assets value in comparison with the same period in 2019 as a result of the value decrease of fixed assets by 14.06 million QR.

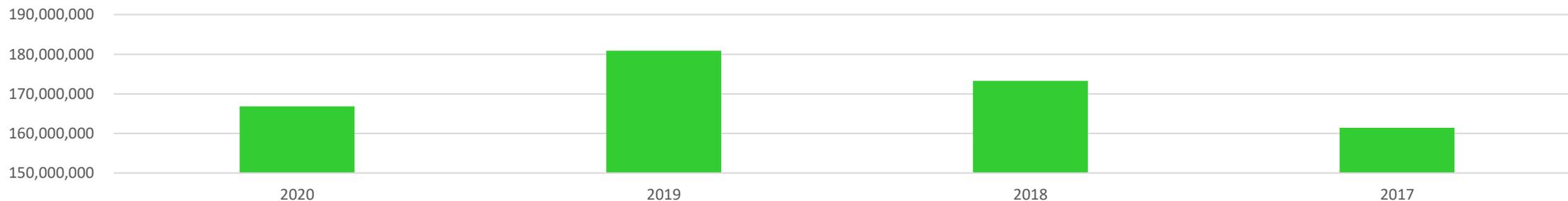
Million QR assets value decreased by the end of December 2020 compared to the same period in 2019 by a -7.8% decrease.

166.8



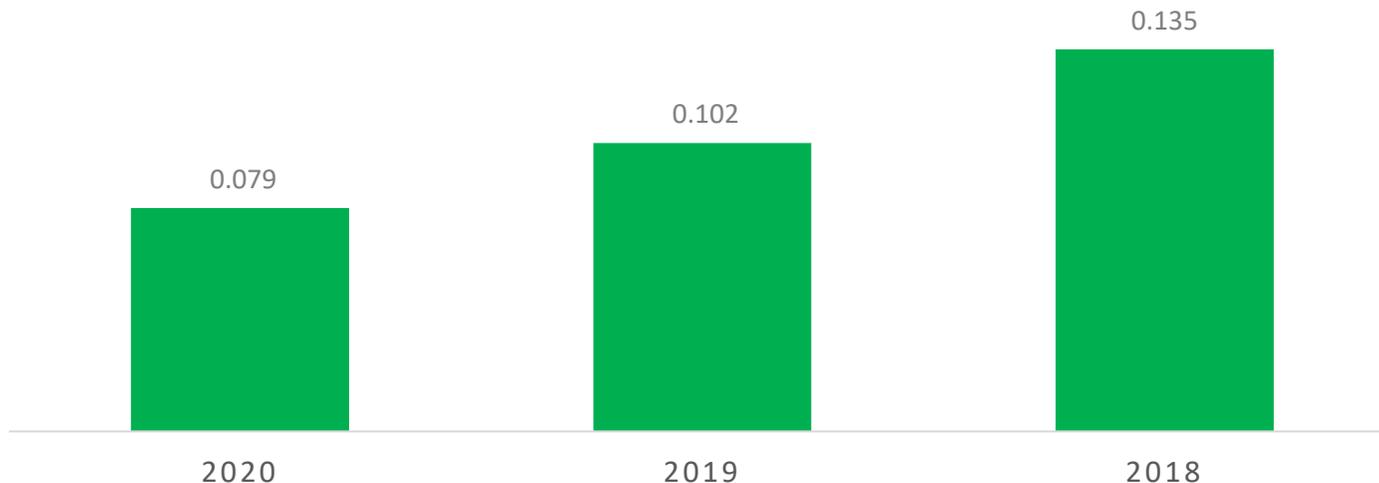
14.06

Total Assets



EARNING PER SHARE

Capital
62,807,950 Million QR



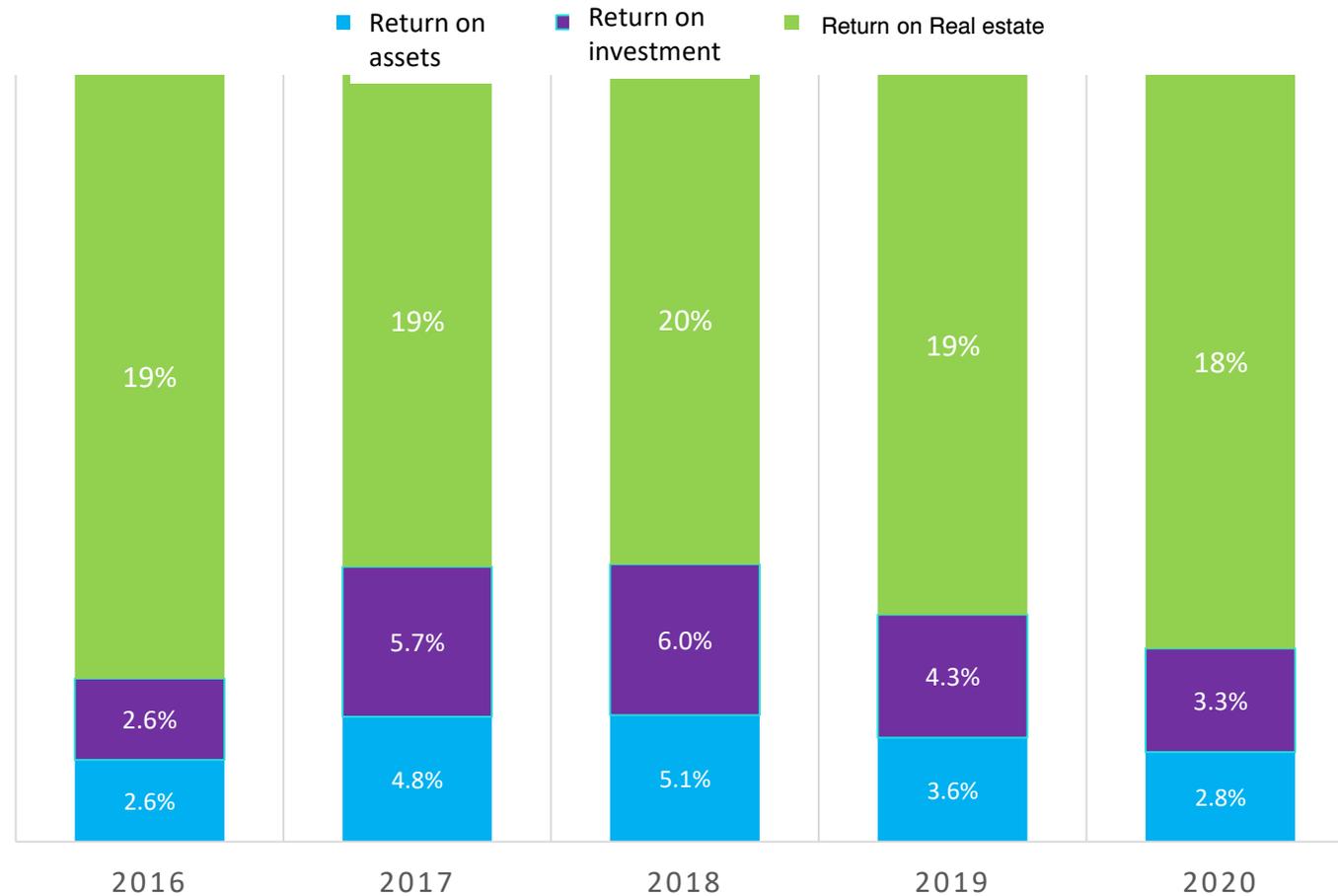
Till the end of December 2020, Earning per share reached 0.079 QR while earning per share reached 0.102 QR for the same period by the end of 2019, recorded a -23% approximately decrease.

RETURN ON INVESTMENT

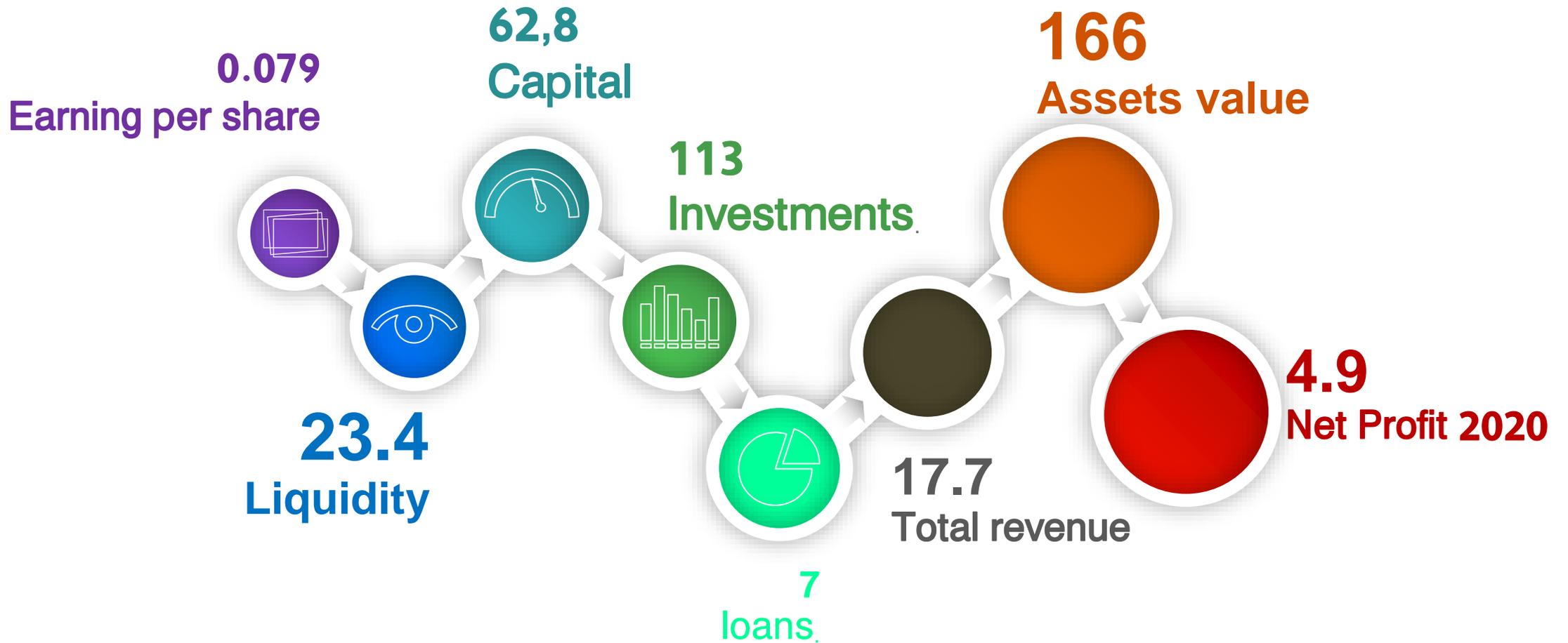
Return on Real estate investment represented almost 19% during 2020. Real estate investment is the most income-generating activity in the company.

Generally, The return on the investment rate represents 3.3% of the total invested amount of money in 2020. The total return on the total assets rate is 2.8 % of the total assets in 2020.

The return on investment and return on assets rates decreased in the first 9 months of 2020 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 returned their revenue yet, in addition to lower profits achieved as a result of corona pandemic.



QATAR CINEMA AND FILM DISTRIBUTION



1  12th February: CINEMA DISCLOSES ITS ANNUAL FINANCIAL STATEMENTS FOR THE YEAR 2019 AND THE AGM TO BE HELD ON 09/03/2020
The statements show that the net profit is QR 6.38 million compared to net profit amounting to QR 8.45 million for the same period of the previous year.

2  9th march: THE AGM OF QATAR CINEMA ENDORSES ITEMS ON ITS AGENDA AND APPROVES THE DISTRIBUTION OF 10% CASH DIVIDEND.

3  7th April: CINEMA DISCLOSE ITS 1ST QUARTER FINANCIAL STATEMENTS ON APRIL 26, 2020.

4  25th APRIL: CINEMA DISCLOSES ITS FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020.
Company disclosed the interim financial statement for the three-month period ended March 31, 2020. The financial statements revealed a net profit of QR 1.46 Million comparison to net profit QR 3.14 Million For the same period of the previous year.

5  19th July: CINEMA DISCLOSES THE SEMI-ANNUAL FINANCIALS ON August 12, 2020

6  25th July: CINEMA ANNOUNCES THAT INVESTORS RELATION CONFERENCE CALL WILL BE HELD ON 16 AUGUST 2020

7  12th august: CINEMA DISCLOSES ITS FINANCIAL STATEMENTS FOR THE 1ST HALF OF 2020
Qatar cinema & film distribution company disclosed its reviewed financial statements for the period ended on 30.06.2020. The statement shows that the net profit is QR 2.73 million compared to net profit amounting to QR 4.32 million for the same period of the previous year.
Earnings per share (eps) amounted to qr 0.043 for the period ended june 30, 2020 compared to EPS amounted to QR 0.069 for the same period of the previous year.

8



6th October : Qatar Cinema & Film Distribution Co. discloses its financial statement for the period ending 30th September 2020 on 25/10/2020.

9



11th October : Qatar Cinema & Film Distribution Co. announces that the conference call with the Investors to discuss the financial results for the Quarter 3 2020 will be held on 28/10/2020 at 12:00 PM , Doha Time.

10



25th October 2020 Qatar Cinema & Film Distribution Co. discloses the interim financial statement for the nine-month period ending 30th September 2020 . The financial statements revealed a Net Profit of QR 3,797,586 in comparison to Net Profit QR 5,597,992 for the same period of the previous year. The Earnings per Share(EPS) amounted to QR 0.06 as of 30th September , 2020 versus Earnings per Share(EPS) QR 0.09 for the same period in 2019 .

Doha- Qatar

Cinema Signal,

P.O Box: 1970 Doha, Qatar

Office: +974 4471620

Fax: +974 44671511

