

**QATAR CINEMA AND FILM
DISTRIBUTION COMPANY – Q.P.S.C
DOHA – QATAR**

**INTEREM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD
ENDED SEPTEMBER 30, 2021**

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INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	September, 2021 (Unreviewed)	December 31, 2020 (Audited)
ASSETS			
current assets:			
Cash and bank balances	(1)	15,911,158	23,447,147
Accounts receivable	(2)	1,964,269	2,445,423
Inventory and spare parts		264,385	279,785
Prepayments and other debit balances	(3)	899,005	1,189,041
Total Current Assets		19,038,817	27,361,396
Non-Current Assets :			
Available-for-sale investments	(4)	37,194,590	32,620,651
Investment properties	(5)	78,696,914	81,264,698
Property and equipment	(6)	18,571,310	18,193,037
Right of use asset		6,766,413	7,387,122
Total Non-Current Assets		141,229,227	139,465,508
Total Assets		160,268,044	166,826,904
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Current Liabilities:			
Accounts payable		733,894	1,108,632
Borrowings		3,500,000	7,000,000
Advance rent received		887,951	1,498,848
Dividends payable		6,532,700	6,837,695
Accruals and other credit balances	(7)	211,187	1,691,235
Total Current Liabilities		11,865,732	18,136,410
Non -Current Liabilities:			
Employees' end of service benefits		1,152,730	1,105,680
Lease liabilities		8,681,737	9,205,390
Total Non-Current Liabilities		9,834,467	10,311,070
Total Liabilities		21,700,199	28,447,480
Shareholders' Equity:			
Share capital	(8)	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		13,133,719	8,559,780
Retained earnings		21,970,394	26,355,912
Total shareholders' Equity		138,567,845	138,379,424
Total Liabilities and Shareholders' Equity		160,268,044	166,826,904

These interim Condensed Financial statements were approved on October 27, 2021 and signed by:

Ali Ishaq Hussein Al Ishaq
Managing Director & CEO

Ahmed Abdul Rahman Fakhroo
Chairman

INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30,2021

	Note	For The Nine Months Period Ended September 30,	
		2021 (Unreviewed) QR.	2020 (Unreviewed) QR.
Operating income	(9)	967,187	1,295,720
Direct Cost	(10)	(2,515,627)	(2,888,186)
Gross Operating Profit		(1,548,440)	(1,592,466)
General & Administrative expenses	(11)	(3,423,636)	(2,982,061)
Depreciation of property, Equipment and investment properties		(2,955,642)	(3,095,198)
Dividends income		887,394	951,791
Rental income		9,966,894	11,975,305
Finance costs		(592,864)	(968,489)
Other income	(12)	182,280	131,687
Depreciation of right-of-use assets		(620,709)	(622,983)
Net profit for the period		1,895,277	3,797,586
Basic / diluted earnings per share	(13)	0.030	0.06

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30,2021

	For The Nine Months Period Ended September 30,	
	2021 (Unreviewed) QR.	2020 (Unreviewed) QR.
Net profit for the period	1,895,277	3,797,586
Other comprehensive income items		
Net changes in Fair value of Available for sale investments	4,573,939	(3,960,299)
Total comprehensive (loss) income for the period	6,469,216	(162,713)

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, 2021

	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, 2020 (Audited)	62,807,950	37,992,630	2,663,152	12,348,658	21,578,432	6,389,662	143,780,484
Net income for the period	--	--	--	--	3,797,586	--	3,797,586
Net movement in Fair value reserve	--	--	--	(3,960,299)	--	--	(3,960,299)
Dividends payable	--	--	--	--	--	(6,229,920)	(6,229,920)
Social and sports fund contribution	--	--	--	--	--	(159,742)	(159,742)
Transfer to dividends payable	--	--	--	--	(50,875)	--	(50,875)
Balance as September 30, 2020 (Unreviewed)	62,807,950	37,992,630	2,663,152	8,388,359	25,325,143	--	137,177,234
Balance as at January 1, 2021 (Audited)	62,807,950	37,992,630	2,663,152	8,559,780	21,527,557	6,404,599	139,955,668
Net income for the period	--	--	--	--	1,895,277	--	1,895,277
Net movement in Fair value reserve	--	--	--	4,573,939	--	--	4,573,939
Dividends payable	--	--	--	--	--	(6,280,795)	(6,280,795)
Social and sports fund contribution	--	--	--	--	--	(123,804)	(123,804)
Transfer to dividends payable	--	--	--	--	(1,452,440)	--	(1,452,440)
Balance as at September 30, 2021 (Unreviewed)	62,807,950	37,992,630	2,663,152	13,133,719	21,970,394	--	138,567,845

INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

Note	For The Nine Months Period Ended	
	September 30, 2021 (Unreviewed) QR.	September 30, 2020 (Unreviewed) QR.
Cash Flows From Operating Activities		
Net Profit for the period	1,895,277	3,797,586
Adjustments for:		
Depreciation of property and equipment and investment properties	3,576,351	3,718,181
Finance charges	592,864	968,489
Employees' end of service benefits	102,433	107,933
Net cash flows from operating activities before changes in working capital	6,166,925	8,592,189
Accounts receivable	771,190	2,091,616
Inventory and spare parts	15,400	7,242
Accounts payable	(1,854,786)	(1,678,733)
Advance rent received	(610,897)	(1,478,735)
	4,487,832	7,533,579
Employees' end of service benefits Paid	(55,383)	--
Sports & social support fund	(123,804)	--
Net cash generated by operating activities	4,308,645	7,533,579
Cash Flows From Investing Activities		
Additions of property and equipments	(1,521,587)	(3,016,419)
Acquisition of available-for sale investments	---	---
Net Cash Used in Investing Activities	(1,521,587)	(3,016,419)
FINANCING ACTIVITIES		
Finance charges paid	(237,256)	(593,725)
Loan payment	(3,500,000)	(8,000,000)
Dividends paid	(6,585,791)	(6,070,071)
Net cash used in financing activities	(10,323,047)	(14,663,796)
Net increase in cash and cash equivalents	(7,535,989)	(10,146,636)
cash and cash equivalents - beginning of period	23,447,147	32,852,340
Cash and Cash equivalents -end of period	15,911,158	22,705,704

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED September 30, 2021

1. Cash and bank balances:

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Cash on hand	8,468	--
Cash at banks – current accounts	15,758,006	23,302,526
Short term fixed deposits	144,684	144,621
	15,911,158	23,447,147

Term and call deposits earn annual profit rate 0.50% with original maturity of 90 days.

2. Accounts Receivable

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Accounts receivable	1,200,259	723,028
Notes receivable	1,625,310	2,583,695
Provision for doubtful debts	(861,300)	(861,300)
	1,964,269	2,445,423

3. Prepayments and other debit Balances

	Sep 30 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Due From Staff	225,519	207,460
Letters of guarantee margin	631,581	980,881
Prepayment and other debit balances	41,905	700
	899,005	1,189,041

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

4. Available for Sale investments

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Fair value at the beginning of the Period/Year	32,620,651	36,409,529
Acquisition during the Period/Year	5,003,882	---
Disposals during the Period/Year	(429,943)	---
Net changes in Fair value	4,573,939	(3,788,878)
	37,194,590	32,620,651

5. Investment properties

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Net Book Value, beginning balance	81,264,698	84,684,543
Additions during the Period/Year	4,740	6,525
Depreciation Charge for the Period/Year	(2,572,524)	(3,426,370)
Net Book value, ending balance	78,696,914	81,264,698

6. Property and equipment

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Net Book Value, beginning balance	18,193,037	13,558,485
Additions during the year / Period	1,516,847	5,298,104
Depreciation Charge for the year / Period	(383,118)	(657,352)
Impairment During the year / Period	(755,456)	(6,200)
Net Book value, ending balance	18,571,310	18,193,037

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

7. ACCRUALS AND OTHER CREDIT BALANCES

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Accrued expenses	211,187	1,531,493
Provision for social contribution	---	159,742
	<u>211,187</u>	<u>1,691,235</u>

8. SHARE CAPITAL

	Sep 30, 2021 (Unreviewed) QR.	December 31, 2020 (Audited) QR.
Capital –authorized, issued and fully paid: 62,807,950 shares par value QR. 0.10 per share	<u>62,807,950</u>	<u>62,807,950</u>

9. OPERATING INCOME

	For The Nine Months Period Ended	
	Sep 30, 2021 (Unreviewed) QR.	Sep 30, 2020 (Unreviewed) QR.
Movies income	905,075	1,164,235
Films rent income	--	75,172
Advertising income	---	---
Cafeterias income	62,112	56,313
	<u>967,187</u>	<u>1,295,720</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

10. Direct Costs

	For The Nine Months Period Ended	
	Sep 30, 2021 (Unreviewed) QR.	Sep 30, 2020 (Unreviewed) QR.
Share of distributors and films expenses	442,579	625,808
Cinema expenses	2,073,048	2,262,378
	2,515,627	2,888,186

11. GENERAL AND ADMINISTRATIVE EXPENSES

	For The Nine Months Period Ended	
	Sep 30, 2021 (Unreviewed) QR.	Sep 30, 2020 (Unreviewed) QR.
Salaries, wages and staff compensation	1,447,965	1,305,183
Telephone and fax	157,079	77,882
Maintenance	69,117	97,216
Professional and governmental fees	294,543	263,455
Board meeting allowance	458,000	459,000
Advertise expenses	87,397	49,500
Audit fees	27,500	27,500
End of service benefits	102,433	107,933
Board	84,398	154,476
Stationery	8,821	11,619
Miscellaneous	686,383	428,297
	3,423,636	2,982,061

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

12. OTHER INCOME

	For The Nine Months Period Ended	
	Sep 30, 2021 (Unreviewed) QR.	Sep 30, 2020 (Unreviewed) QR.
Bank interest	25,641	20,605
Miscellaneous income	156,639	111,082
	182,280	131,687

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	
	Sep 30, 2021 (Unreviewed) QR.	Sep 30, 2020 (Unreviewed) QR.
Net profit for the period (QR.)	1,895,277	3,797,586
Weighted Average number of shares	62,807,950	62,807,950
Basic / diluted earnings per share (QR)	0.030	0.06