

Bahrain Cinema Company B.S.C.

Condensed consolidated interim financial
information for the three months period
ended 31 March 2022 (Reviewed)

Bahrain Cinema Company B.S.C.
Condensed consolidated interim financial information
for the three months period ended 31 March 2022
(Reviewed)

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Bahrain Cinema Company B.S.C.
Administration and contact details as at 31 March 2022

Commercial registration no	1192 obtained on 11 August 1968 (Also refer Note 1)	
Board of Directors	Dr Esam Abdulla Yusuf Fakhro Ali Yusuf Ali Ubaydli Ahmed A. Rashed Albastaki Fareed Yusuf Khalil Almoayyed Jehad Yusuf Abdulla Amin Jalal Mohamed Yusuf Jalal Mohamed Ebrahim Khalil Kanoo Shawqi Ali Yusuf Fakhro	- Chairman - Vice-Chairman - Managing Director
Chief Executive Officer	Ahmad A. Rashed Albastaki	
Audit committee	Shawqi Ali Yusuf Fakhro Fareed Yusuf Khalil Almoayyed Jalal Mohamed Yusuf Jalal	- Chairman
Registered office	27 th Floor Building 470, Road 1010 Block 410 Fakhro Tower PO Box 26573 Sanabis Kingdom of Bahrain	
Bankers	National Bank of Bahrain Bank of Bahrain and Kuwait Ahli United Bank National Bank of Kuwait Mashreq Bank Arab Bank Kuwait Finance House Al Salam Bank	
Auditors	BDO 17 th Floor, Diplomat Commercial Office Tower PO Box 787 Manama Kingdom of Bahrain	
Share Registrar	Bahrain Clear B.S.C. (c) PO Box 3203 Manama Kingdom of Bahrain	
Support Share registrar	KFin Technologies (Bahrain) W.L.L. PO Box 514 Manama Kingdom of Bahrain	

Review report on the condensed consolidated interim financial information to the Board of Directors of Bahrain Cinema Company B.S.C.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Bahrain Cinema Company B.S.C. ("the Company") and its subsidiary (collectively referred as "the Group") as at 31 March 2022, the condensed consolidated interim statement of profit or loss and other comprehensive income, the condensed consolidated interim statement of changes in shareholders' equity and the condensed interim consolidated statement of cash flows for the three months period then ended, and selected explanatory notes. The Company's Board of Directors is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 - "*Interim financial reporting*". Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 - "*Review of interim financial information performed by the independent auditor of the entity*". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information does not present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2022, and of its consolidated financial performance and its consolidated cash flows for the three months period ended in accordance with International Financial Reporting Standard IAS 34 - "*Interim financial reporting*".

BDO


Manama, Kingdom of Bahrain
11 May 2022



Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of financial position as at 31 March 2022
(Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>31 March 2022 (Reviewed)</u>	<u>31 December 2021 (Audited)</u>
ASSETS			
Non-current assets			
Property, plant and equipment	6	3,567,181	3,716,409
Capital work-in progress	7	1,969,736	1,969,736
Investment properties	8	22,314,651	22,314,085
Right-of-use assets	9	3,016,399	3,082,592
Investment in an associate	10	9,749,488	9,677,134
Non-current portion of receivable on disposal of business operations		3,152,352	3,152,351
Financial assets at amortised cost	11	13,950,627	-
Financial assets at fair value through profit or loss	12	11,187,553	9,952,285
		<u>68,907,987</u>	<u>53,864,592</u>
Current assets			
Inventories		160,534	153,968
Financial assets at fair value through profit or loss	12	9,979,121	10,204,842
Trade and other receivables	13	4,473,523	4,157,779
Cash and bank balances		321,268	3,966,736
		<u>14,934,446</u>	<u>18,483,325</u>
Total assets		83,842,433	72,347,917
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	14	8,262,345	8,262,345
Share premium		911,442	911,442
Revaluation reserve		4,557,442	4,557,442
Statutory reserve		4,131,173	4,131,173
Charity reserve		305,695	305,695
Retained earnings		41,682,892	41,956,873
Treasury shares	14	(370,975)	(370,975)
		<u>59,480,014</u>	<u>59,753,995</u>
Non-current liabilities			
Non-current portion of Murabaha facility	15	50,427	199,645
Non-current portion of term loan	16	9,943,124	-
Employees' terminal and other benefits		1,451,059	1,437,264
Non-current portion of lease liabilities	17	2,705,259	2,442,960
		<u>14,149,869</u>	<u>4,079,869</u>
Current liabilities			
Current portion of Murabaha facility	15	5,557,545	5,546,182
Current portion of term loan	16	325,052	-
Current portion of lease liabilities	17	1,035,415	1,338,018
Trade and other payables		2,975,277	1,629,853
Bank overdrafts		319,261	-
		<u>10,212,550</u>	<u>8,514,053</u>
Total equity and liabilities		83,842,433	72,347,917

The reviewed condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on its behalf by:


Dr Esam Abdulla Fakhro
Chairman


Ali Yusuf Ali Ubaydli
Vice- Chairman


Ahmed A. Rashed Albastaki
Managing Director

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of profit or loss and other comprehensive income
for the three months period ended 31 March 2022
(Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>Three months period ended 31 March 2022 (Reviewed)</u>	<u>Three months period ended 31 March 2021 (Reviewed)</u>
Operating income	22	1,049,155	263,341
Operating costs		<u>(1,073,691)</u>	<u>(462,255)</u>
Operating gross loss for the period		<u>(24,536)</u>	<u>(198,914)</u>
Income/(loss) from investments, net	18	1,322,184	(122,323)
Other income	19	<u>100,059</u>	<u>282,221</u>
		<u>1,422,243</u>	<u>159,898</u>
General and administrative expenses		(450,104)	(209,871)
Finance costs		<u>(37,878)</u>	<u>(71,467)</u>
		<u>(487,982)</u>	<u>(281,338)</u>
Net profit/(loss) and other comprehensive income/(loss) for the period		<u>909,725</u>	<u>(320,354)</u>
Basic earnings/(loss) per share	20	<u>12 fils</u>	<u>(4 fils)</u>

The reviewed condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on its behalf by:


Dr Esam Abdulla Fakhro
Chairman


Ali Yusuf Ali Ubaydli
Vice- Chairman


Ahmed A. Rashed Albastaki
Managing Director

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of changes in shareholders' equity for the three months period ended 31 March 2022
(Reviewed)
(Expressed in Bahrain Dinars)

	Share capital	Share premium	Revaluation reserve	Statutory reserve	Charity reserve	Retained earnings	Treasury shares	Total
At 31 December 2020 - audited	8,262,345	911,442	4,557,442	4,131,173	310,695	40,913,683	(370,975)	58,715,805
Net loss and other comprehensive loss for the period	-	-	-	-	-	(320,354)	-	(320,354)
At 31 March 2021 - reviewed	8,262,345	911,442	4,557,442	4,131,173	310,695	40,593,329	(370,975)	58,395,451
At 31 December 2021 - audited	8,262,345	911,442	4,557,442	4,131,173	305,695	41,956,873	(370,975)	59,753,995
Dividend for the year 2021	-	-	-	-	-	(1,183,706)	-	(1,183,706)
Net profit and other comprehensive income for the period	-	-	-	-	-	909,725	-	909,725
At 31 March 2022 - reviewed	8,262,345	911,442	4,557,442	4,131,173	305,695	41,682,892	(370,975)	59,480,014

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of cash flows
for the three months period ended 31 March 2022
(Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>Three months period ended 31 March 2022 (Reviewed)</u>	<u>Three months period ended 31 March 2021 (Reviewed)</u>
Operating activities			
Net profit/(loss) for the period		909,725	(320,354)
Adjustments for:			
Depreciation	6	150,621	171,280
Amortisation of cost to right-of-use assets	9	181,849	143,867
Profit on sale of property, plant and equipment	19	(14)	-
Net share of (profit)/loss from investment in an Associate	10	(72,354)	72,506
Dividend income	18	(101,134)	-
Unrealised (gains)/losses on financial assets at fair value through profit or loss	12	(1,015,465)	169,889
Profit from fixed deposits and call accounts	18	(11,953)	(21,691)
Rent concessions	19	(10,204)	(93,599)
Interest income from sukuks and bonds	18	(121,278)	(98,381)
Interest income on long term receivables	19	(70,928)	(106,392)
Finance costs		37,878	71,467
Changes in operating assets and liabilities:			
Inventories		(6,566)	1,742
Trade and other receivables		(315,745)	(409,062)
Employees terminal benefits		13,795	(6,945)
Trade and other payables		<u>1,345,425</u>	<u>(7,940)</u>
Net cash provided by/(used in) operating activities		<u>913,652</u>	<u>(433,613)</u>
Investing activities			
Purchase of property, plant and equipment	6	(1,393)	(8,494)
Additions to capital work-in-progress		-	(244,585)
Additions to investment properties	8	(566)	-
Proceeds from sale of property, plant and equipment		14	-
Interest income on long term receivable		70,928	106,392
Profit from fixed deposit and call accounts received	18	11,953	21,691
Proceeds from sale of financial assets at fair value through profit or loss		504,151	194,087
Interest income from bonds and sukuks	18	121,278	98,381
Purchase of financial assets at amortised cost		(13,950,627)	-
Purchase of financial assets at fair value through profit or loss	12	(498,233)	-
Dividend income received	18	<u>101,134</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(13,641,361)</u>	<u>167,472</u>

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of cash flows
for the three months period ended 31 March 2022 (continued)
(Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>Three months period ended 31 March 2022 (Reviewed)</u>	<u>Three months period ended 31 March 2021 (Reviewed)</u>
Financing activities			
Amount repaid against Murabaha facility		(137,857)	(127,311)
Lease liabilities paid		(145,757)	(25,639)
Term loan obtained		10,268,176	-
Dividends paid	24	(1,183,706)	(61,312)
Finance costs paid		<u>(37,878)</u>	<u>(47,257)</u>
Net cash provided by/(used in) financing activities		<u>8,762,978</u>	<u>(261,519)</u>
Net decrease in cash and cash equivalents		(3,964,731)	(527,660)
Cash and cash equivalents, beginning of the period		<u>3,966,738</u>	<u>708,244</u>
Cash and cash equivalents, end of the period		<u>2,007</u>	<u>180,584</u>
Comprising:			
Cash and bank balances		321,268	3,657,721
Bank overdrafts		<u>(319,261)</u>	<u>(3,477,137)</u>
		<u>2,007</u>	<u>180,584</u>

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the three months period ended 31 March 2022

(Reviewed)

(Expressed in Bahrain Dinars)

1 Organisation and activities

Bahrain Cinema Company B.S.C. ("the Company") and its subsidiary (collectively referred as "the Group") is a public Bahraini shareholding company incorporated under Royal Decree dated 30 November 1967, is registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain and operates under commercial registration number 1192 obtained on 11 August 1968.

The principal activities of the Group are the screening of films, advertisements and operation of restaurants, providing leisure and amusement related services, real estate activities with own or leased property and sale/trade of furnisher and all household articles and sale/trade in other machinery and equipments and parts.

The registered office of the Company is in the Kingdom of Bahrain.

These condensed consolidated interim financial statements include assets liabilities and the result of operations of the branches which operate under commercial registration numbers 1192-1, 1192-9, 1192-16, 1192-20, 1192-22, 1192-24, 1192-25, 1192-26, 1192-27 and 1192-28.

The consolidated condensed interim financial information, set out on pages 4 to 23, were approved and authorised for issue by the Board of Directors on 11 May 2022.

2 Structure of the Group

The structure of the Group is as follows:

Subsidiary company

<u>Name of subsidiary</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective ownership interest 2022</u>	<u>Effective ownership interest 2021</u>
Red Dragon Company S.P.C. *	Kingdom of Saudi Arabia	Restaurant operations and Go-karting business	100%	100%
Cineco Cinema L.L.C.**	United Arab Emirates	Screening of films	100%	100%

* The Company has not yet started its operations.

** On 5th August 2021, the Company's Board of Directors has passed the resolution for the closure of activity of Cineco Cinema L.L.C. Accordingly, the Company has disclosed the operation as discontinued operations in the statement of profit or loss and other comprehensive income during the year 2021.

The total assets and net profit/(loss) for the period of the above subsidiaries have been extracted from the unaudited management accounts prepared as at, and for the period ended, 31 March 2022.

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
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2 Structure of the Group (continued)

Joint ventures

<u>Name of joint ventures</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective ownership interest 2022</u>	<u>Effective ownership interest 2021</u>
Qatar Bahrain International Cinema W.L.L.	State of Qatar	Screening of films	23%	23%
Al Murjan Restaurant Management W.L.L.	State of Qatar	Restaurant operations	50%	50%

The Group is a party to joint arrangements with the above entities. The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement. Under IFRS 11 this joint arrangement is classified as a joint venture and has been included in the condensed consolidated interim financial information using the equity method.

Associate

<u>Name of Associate</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective ownership interest 2022</u>	<u>Effective ownership interest 2021</u>
Vox Cineco Cinemas Company W.L.L.	Kingdom of Bahrain	Screening of films, sale of food and beverages	50%	50%

3 Basis of preparation

The condensed interim financial information has been presented in accordance with International Accounting Standard 34 - “*Interim financial reporting*”. The condensed interim financial information should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2021. The financial information has been presented in Bahrain Dinars (BD) which is also the functional currency of the Company.

These financial statements have been prepared using going concern assumption under the historical cost convention.

Improvements/amendments to IFRS/IAS

Improvements/amendments to IFRS/IAS contained numerous amendments to IFRS/IAS that the IASB considers non-urgent but necessary. ‘Improvements to IFRS’ comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. The amendments are effective for the Company’s future accounting year with earlier adoption.

Standards, amendments and interpretations effective and adopted in 2022

None of the amendments to standards that were made effective in 2022 had any significant effect on these condensed financial statements.

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2022
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3 Basis of preparation (continued)

Standards, amendments and interpretations issued and effective in 2022 but not relevant

The following new amendments to existing standard and interpretation to published standard is mandatory for accounting period beginning on or after 1 January 2022 or subsequent periods, but is not relevant to the Company's operations:

<u>Standard or interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 1	Subsidiary as a first-time adopter	1 January 2022
IFRS 3	Reference to the conceptual framework	1 January 2022
IAS 16	Property, plant and equipment - proceeds before intended use	1 January 2022
IAS 37	Onerous contracts - cost of fulfilling a contract	1 January 2022
IFRS 9	Derecognition of financial liabilities	1 January 2022

Standards, amendments and interpretations issued but not yet effective in 2022

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial period ended 31 March 2022. They have not been adopted in preparing the financial statements for the period ended 31 March 2022 and will or may have an effect on the entity's future financial statements. In all cases, the entity intends to apply these standards from application date as indicated in the table below:

<u>Standard or interpretation</u>	<u>Title</u>	<u>Effective for annual periods beginning on or after</u>
IAS 1	Disclosure of accounting policies	1 January 2023
IAS 1	Classification of liabilities as current or non-current	1 January 2023
IAS 8	Definition of accounting estimates	1 January 2023
IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
IFRS 17	Amendments to IFRS 17	1 January 2023

Early adoption of amendments or standards in 2022

The Company did not early-adopt any new or amended standards in 2022. There would have been no change in the operational results of the Company for the period ended 31 March 2022 had the Company early adopted any of the above standards applicable to the Company.

4 Significant accounting policies and critical accounting judgments, estimates and assumptions

The accounting policies used in the preparation of the condensed interim financial information are consistent with those used in the annual audited consolidated financial statements of the Group prepared as at, and for the year ended 31 December 2021, as described in those annual audited consolidated financial statements.

5 Significant events and transactions

The World Health Organisation declared coronavirus and COVID-19 a global health emergency on 30 January 2020. Since then, a Group has experienced significant disruption to its operations in the following respects:

- The closure of cinema and restaurants locations due to local governments mandating that shopping centres and other 'non-essential' businesses cease normal operations;
- Disruptions in the supply of inventory from major suppliers;
- Decreased demand for movies in cinema halls and dine-in restaurants as a consequence of social distancing requirements and recommendations;
- Significant uncertainty concerning when government lockdowns will be lifted, social distancing requirements will be eased and the long-term effects of the pandemic on the demand for a Group's primary products.

Based on the nature of operations and the industry in which it operates, the Group's management assessed the significant impact of COVID-19 in the below areas:

- Rent concessions;
- Government grants;
- Going concern; and
- Commitments and contingencies.

(a) *Rent concessions*

The Group has elected to apply the practical expedient introduced by the amendments to IFRS 16 to all rent concessions that satisfy the criteria. Substantially all of the rent concessions entered into during the period ended 31 March 2022 satisfy the criteria to apply the practical expedient.

The application of the practical expedient has resulted in the reduction of total lease liabilities of BD10,204 (2021: BD380,659). The effect of this reduction has been recorded in the consolidated statement of profit or loss and other comprehensive income in the year in which the event or condition that triggers those payments occurs.

(b) *Government grants*

The Group has applied for government support programs introduced in response to the global pandemic. The Group has not received a government grant relating to supporting the payroll of the Group's employees during the period (2021: BD98,662). The Group has elected to present this government grant by reducing the related staff cost. The Group had to commit to spending the assistance on payroll expenses, and not reduce employee head count below prescribed levels for a specified year of time. The Group does not have any unfulfilled obligations relating to this program. The Group has also not received the grant business continuity support during the period (2021: BD125,850).

5 Significant events and transactions (continued)

(c) Going concern

The Group has incurred a gross operating loss of BD24,536 (2021: BD198,914) from its core business operations and has earned a net profit of BD909,725 during the period (2021: net loss of BD320,354). The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of Covid-19 may contribute to evolve, but at the present time the projections show that the Group has ample resources to continue to operational existence and its going concern positions remain largely unaffected and unchanged from 31 December 2021. As a result, this consolidated financial statement has been appropriately prepared on a going concern basis.

(d) Commitments and contingent liabilities

The Group has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the Group, customers and suppliers, with a view of potential increase in contingent liabilities and commitments and no issue were noted.

No other significant impact has been noted by the management on other financial statement areas during the period ended 31 March 2022.

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
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(Expressed in Bahrain Dinars)

6 Property, plant and equipment

	<u>Freehold land and Buildings</u>	<u>Building on Leasehold land/leasehold improvements</u>	<u>Fixtures, furniture and office equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
<i>Cost or revaluation</i>					
At 31 December 2020 (Audited)	821,716	1,303,015	10,412,049	197,037	12,733,817
Additions	-	-	23,009	-	23,009
On discontinued operation	-	-	(90,734)	-	(90,734)
At 31 December 2021 (Audited)	821,716	1,303,015	10,344,324	197,037	12,666,092
Additions	-	-	1,393	-	1,393
Disposals	-	-	(245)	-	(245)
At 31 March 2022 (Reviewed)	<u>821,716</u>	<u>1,303,015</u>	<u>10,345,472</u>	<u>197,037</u>	<u>12,667,240</u>
<i>Accumulated depreciation and impairment</i>					
At 31 December 2020	175,713	1,272,557	6,678,130	181,555	8,307,955
Charge for the year	41,086	1,255	604,845	8,763	655,949
On discontinued operation	-	-	(14,221)	-	(14,221)
At 31 December 2021	216,799	1,273,812	7,268,754	190,318	8,949,683
Charge for the period	10,272	277	138,753	1,319	150,621
On disposal	-	-	(245)	-	(245)
At 31 March 2022 (Reviewed)	<u>227,071</u>	<u>1,274,089</u>	<u>7,407,262</u>	<u>191,637</u>	<u>9,100,059</u>
<i>Net book value</i>					
At 31 March 2022 (Reviewed)	<u>594,645</u>	<u>28,926</u>	<u>2,938,210</u>	<u>5,400</u>	<u>3,567,181</u>
At 31 December 2021 (Audited)	<u>604,917</u>	<u>29,203</u>	<u>3,075,570</u>	<u>6,719</u>	<u>3,716,409</u>

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7 Capital work-in-progress

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	1,969,736	1,610,429
Additions	-	445,059
Written-off	-	(85,752)
Closing balance	<u>1,969,736</u>	<u>1,969,736</u>

8 Investment properties

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	22,314,085	21,910,000
Additions	566	1,277
Unrealised fair value gains for the period/year	-	402,808
Closing balance	<u>22,314,651</u>	<u>22,314,085</u>

9 Right-of-use asset

	<u>Theatres</u>	<u>Restaurants</u>	<u>Leisure and amusement</u>	<u>Office building</u>	<u>Others</u>	<u>Total</u>
Cost						
At 31 December 2020	4,508,800	627,758	-	289,557	20,456	5,446,571
Additions	-	-	792,385	-	-	792,385
At 31 December 2021	4,508,800	627,758	792,385	289,557	20,456	6,238,956
Additions	-	49,206	-	131,825	-	181,031
Modification	5,452	-	(70,827)	-	-	(65,375)
At 31 March 2022	<u>4,514,252</u>	<u>676,964</u>	<u>721,558</u>	<u>421,382</u>	<u>20,456</u>	<u>6,354,612</u>
Amortisation and impairment						
At 31 December 2020	2,136,933	226,351	-	191,696	19,638	2,574,618
Charge for the year	390,826	111,520	13,206	65,376	818	581,746
At 31 December 2021	2,527,759	337,871	13,206	257,072	20,456	3,156,364
Charge for the period	79,255	36,276	36,018	30,300	-	181,849
At 31 March 2022	<u>2,607,014</u>	<u>374,147</u>	<u>49,224</u>	<u>287,372</u>	<u>20,456</u>	<u>3,338,213</u>
Carrying Value						
31 March 2022 (Reviewed)	<u>1,907,238</u>	<u>302,817</u>	<u>672,334</u>	<u>134,010</u>	<u>-</u>	<u>3,016,399</u>
31 December 2021 (Audited)	<u>1,981,041</u>	<u>289,887</u>	<u>779,179</u>	<u>32,485</u>	<u>-</u>	<u>3,082,592</u>

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10 Investment in an associate

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	9,677,134	9,692,624
Share of profit/(loss) for the period/year(Note 18)	<u>72,354</u>	<u>(15,490)</u>
Closing balance	<u>9,749,488</u>	<u>9,677,134</u>

The above financial information relating to the Group's investment in an associate has been extracted from unaudited management accounts of the associate prepared as at, and for the period ended 31 March 2022.

11 Financial assets at amortised cost

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Investment in Bonds	<u>13,950,627</u>	<u>-</u>

12 Financial assets at fair value through profit or loss

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Quoted equity investments	10,705,061	9,464,127
Unquoted equity investments and managed funds	482,492	488,158
Bonds and Sukuks	<u>9,979,121</u>	<u>10,204,842</u>
	<u>21,166,674</u>	<u>20,157,127</u>
Movement during the period/year		
Opening balance	20,157,127	19,927,831
Additions	498,233	-
Disposals	(504,151)	(385,766)
Unrealised fair value gains on financial assets at fair value through profit or loss (Note 18)	<u>1,015,465</u>	<u>615,062</u>
Closing balance	<u>21,166,674</u>	<u>20,157,127</u>
	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Non-current assets	11,187,553	9,952,285
Current assets	<u>9,979,121</u>	<u>10,204,842</u>
	<u>21,166,674</u>	<u>20,157,127</u>

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13 Trade and other receivables

	<u>31 March</u> <u>2022</u>	<u>31 December</u> <u>2021</u>
	(Reviewed)	(Audited)
Trade receivables	245,287	271,097
Provision for impaired trade receivables	<u>(17,898)</u>	<u>(17,898)</u>
Interest free loans to employees	227,389	253,199
Deposits/rental advance	1,983	1,135
Advances to suppliers	393,564	398,704
Amounts due from related parties (Note 21)	31,553	39,328
Prepayments	36,056	40,077
Receivable on disposal of business operations	184,619	67,596
Other receivables	3,152,353	3,152,353
	<u>446,006</u>	<u>205,387</u>
	<u>4,473,523</u>	<u>4,157,779</u>

Trade receivables are generally on 30 to 90 days credit terms.

Amounts due from related parties are unsecured, bear no interest and have no fixed repayment terms and are realisable by the Group's management.

14 Share capital

	<u>31 March</u> <u>2022</u>	<u>31 December</u> <u>2021</u>
	(Reviewed)	(Audited)
Authorised		
100,000,000 ordinary shares of 100 fils each (2021: 100,000,000 ordinary shares of 100 fils each)	<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and fully paid-up:		
82,623,450 ordinary shares of 100 fils each (2021: 82,623,450 ordinary shares of 100 fils each)	<u>8,262,345</u>	<u>8,262,345</u>
Treasury shares		
3,709,737 ordinary shares of 100 fils each (2021: 3,709,737 ordinary shares of 100 fils each)	<u>370,975</u>	<u>370,975</u>

Treasury shares

The Company holds 3,709,737 (2021: 3,709,737) (4.49% of the total issued and paid-up share capital) as treasury shares as at 31 March 2022 (2021: 4.49% of the total issued and paid-up share capital).

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15 Murabaha facility

	<u>Last Installment</u>	<u>Note</u>	<u>31 March 2022</u> (Reviewed)	<u>31 December 2021</u> (Audited)
Murabaha facility	31 May 2023	(a)	629,605	767,460
Commodity murabaha	13 April 2022	(b)	<u>4,978,367</u>	<u>4,978,367</u>
Current portion of Murabaha facility			<u>5,607,972</u> <u>(5,557,545)</u>	<u>5,745,827</u> <u>(5,546,182)</u>
Non-current portion of Murabaha facility			<u>50,427</u>	<u>199,645</u>

(a) Murabaha facility represents amount taken from Al Salam Bank towards financing the capital expenditure of the Group to build 10 screens for a new Mall in Juffair. The loan is subject to profit rate of 8% per annum (net profit rate of 2.4% after adjusting Tamkeen subsidy of 5.6%). The principal balance outstanding is repayable in 60 equal installments of principal and profit. The financing is secured against six undated security cheques with another bank, direct assignment of all existing and future rental income from the properties located in Gudaibiya.

(b) Commodity murabaha represents amount taken from Kuwait Finance House (Bahrain) B.S.C. for purchase of CBB Sukuks on margin. The Sukuks purchased are held as collateral to secure the payment and subject to margin call of 80% and liquidation at 70%.

That portion of the Murabaha facility which is repayable within twelve months from the statement of financial position date is disclosed as current portion of the Murabaha facility.

In the opinion of the management, the fair values of the Murabaha facility are not expected to be significantly different from their carrying values.

16 Term loan

	<u>31 March 2022</u> (Reviewed)	<u>31 December 2021</u> (Audited)
Long term loan	9,268,176	-
Liquidity support loan	<u>1,000,000</u>	-
Current portion of term loan	<u>10,268,176</u> <u>(325,052)</u>	-
Non-current portion of term loan	<u>9,943,124</u>	-

That portion of the term loan which is repayable within twelve months from the statement of financial position date is disclosed as current portion of the term loan.

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17 Lease liabilities

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	3,780,978	3,647,608
Lease payments	(172,122)	(370,530)
Rent concessions (Note 19)	(10,204)	(380,659)
Lease modification	(65,375)	-
Additions	181,032	792,385
Finance charges	26,365	92,174
Closing balance	3,740,674	3,780,978
Less: current portion of lease liabilities	(1,035,415)	(1,338,018)
Non-current portion of lease liabilities	<u>2,705,259</u>	<u>2,442,960</u>

Maturity analysis - contractual undiscounted cash flows

	31 March 2022 (Reviewed)	31 December 2021 (Audited)
Less than one year	823,383	1,323,591
One to five years	2,530,377	2,302,735
More than five years	178,810	405,463
Total undiscounted lease liabilities	<u>3,532,570</u>	<u>4,031,789</u>

18 Income/(loss) from investments

	Three months period ended 31 March 2022 (Reviewed)	Three months period ended 31 March 2021 (Reviewed)
Net share of profit/(loss) from investment in an associate (Note 10)	72,354	(72,506)
Interest income from sukuk and bonds	121,278	98,381
Dividend income	101,134	-
Unrealised loss on financial assets at fair value through profit or loss (Note 12)	1,015,465	(169,889)
Profit from fixed deposits and call accounts	11,953	21,691
	<u>1,322,184</u>	<u>(122,323)</u>

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19 Other income

	Three months period ended 31 March 2022 (Reviewed)	Three months period ended 31 March 2021 (Reviewed)
Interest income on long-term receivables	70,928	106,392
Management fee	11,160	4,185
Rent concessions (Note 17)	10,204	93,599
Profit on sale of property, plant and equipment	14	-
Government grant for business continuity support	-	76,000
Miscellaneous income	<u>7,753</u>	<u>2,045</u>
	<u>100,059</u>	<u>282,221</u>

20 Earnings/(loss) per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) attributable to the shareholders by the weighted average number of ordinary shares issued during the period.

	Three months period ended 31 March 2022 (Reviewed)	Three months period ended 31 March 2021 (Reviewed)
Net profit/(loss) attributable to the shareholders	<u>BD909,725</u>	<u>(BD320,354)</u>
Weighted average number of ordinary shares issued	<u>78,913,700</u>	<u>78,913,700</u>
Basic earnings/(loss) per share	<u>12fils</u>	<u>(4fils)</u>

The Group does not have any potentially dilutive ordinary shares hence the diluted loss and basic loss per share are identical.

21 Transactions and balances with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, major shareholders, directors and executive management of the Group.

Related parties consist of the joint ventures, associates, the Directors of the Group companies, their close family members and businesses under their control. Key management personnel consist of persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Group's transactions with related parties are authorised by the management.

Trading transactions, where customers or suppliers are controlled or significantly influenced by the directors of the Group, are conducted on an arm's length basis or on normal commercial terms. Further, there are no loans due to or from any of the directors of the Group.

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21 Transactions and balances with related parties (continued)

A summary of related party balances as at 31 March/December is as follows:

	Related party relationship	Amount due from	Amount due to
		31 March 2022 (Reviewed)	31 December 2021 (Audited)
Qatar Bahrain International Cinema W.L.L.	Joint Venture	36,056	39,314
Vox Cineco Cinema Company W.L.L.	Associate company Common	-	-
Various entities*	Directorship	-	763
		<u>36,056</u>	<u>40,077</u>
			<u>19,609</u>
			<u>59,255</u>

* These include balances with several related party companies whose individual balances are not material.

A summary of material transactions with related parties is as follows:

	Three months period ended 31 March 2022 (Reviewed)	Three months period ended 31 March 2021 (Reviewed)
<u>Qatar Bahrain International Cinema Co. W.L.L.</u>		
Salaries	30,264	2,958
Other expenses	44,646	83
Management Fees	48,360	4,185
<u>Vox Cineco Cinema Company W.L.L.</u>		
Direct expenses	-	-
Other expenses	-	-

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21 Transactions and balances with related parties (continued)

	Three months period ended 31 March 2022 (Reviewed)	Three months period ended 31 March 2021 (Reviewed)
<u>Directors' remuneration and sitting fee</u>		
Directors' remuneration and sitting fee	24,000	-
<u>Entities under common directorship</u>		
Direct expenses	6,715	-
Other expenses	15,173	9,865
Rent expense for corporate office	19,846	21,757

22 Segmental reporting

The primary segment information is presented in respect of the Group's business segments which are in accordance with the Group's management and internal reporting structure.

The Group's operations in Bahrain are organised under the following major business segments:

- Theatre operations
- Restaurants and concession counters
- Others, includes corporate office assets and vehicles

For the period ended 31 March 2022 (reviewed)

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenue				
Total external sales	370,109	311,041	368,005	1,049,155
Less: total variable costs	<u>(183,276)</u>	<u>(101,722)</u>	-	<u>(284,998)</u>
Segment results	<u>186,833</u>	<u>209,319</u>	<u>368,005</u>	<u>764,157</u>
Less: fixed costs				<u>(788,693)</u>
Operating loss				<u>(24,536)</u>
Other income				100,059
Income from investments, net				1,322,184
General and administrative expenses				<u>(450,104)</u>
Finance costs				<u>(37,878)</u>
Net profit for the period				<u>909,725</u>

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22 Segmental reporting (continued)

For the period ended 31 March 2021 (reviewed)

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenue				
Total external sales	3,342	10,261	249,738	263,341
Less: total variable costs	<u>(1,504)</u>	<u>(4,139)</u>	<u>-</u>	<u>(5,643)</u>
Segment results	<u>1,838</u>	<u>6,122</u>	<u>249,738</u>	<u>257,698</u>
Less: fixed costs				<u>(456,612)</u>
Operating loss				<u>(198,914)</u>
Other income				282,221
Loss from investments, net				(122,323)
General and administrative expenses				(209,871)
Finance costs				<u>(71,467)</u>
Net loss for the period				<u>(320,354)</u>

23 Capital commitments

Capital expenditure contracted for various projects at the condensed consolidated interim statement of financial position date but not recognised in these condensed consolidated interim financial statements amounted to BD191,840 (31 December 2021:BD105,379).

24 Dividends

Declared and paid

A dividend of BD1,183,706 for the year ended 31 December 2021 at 15fils per share (2021: BDNil for the year ended 31 December 2020), was approved by the shareholders in the Annual General Meeting of the shareholders.

25 Interim results

The interim net profit for the three months period ended 31 March 2022 may not represent a proportionate share of the annual net profit or loss due to the nature of the Group's activities and potential seasonal changes, timing of the receipt of dividend and investment income.

26 Subsequent events

There were no significant events subsequent to 31 March 2022 and occurring before the date of the report that are expected to have a significant impact on this condensed interim financial information.