

Bahrain Cinema Company B.S.C.

Condensed consolidated interim financial
information for the quarter and nine
months period ended 30 September 2022
(Reviewed)

Bahrain Cinema Company B.S.C.
Condensed consolidated interim financial information for the quarter and nine months period
ended 30 September 2022
(Reviewed)

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Bahrain Cinema Company B.S.C.
Administration and contact details as at 30 September 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 Emirates NBD 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 subsidiaries (collectively referred as "the Group") as at 30 September 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 quarter and nine 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 30 September 2022, and of its consolidated financial performance and its consolidated cash flows for the quarter and nine months period ended in accordance with International Financial Reporting Standard IAS 34 - "*Interim financial reporting*".




Manama, Kingdom of Bahrain
8 November 2022



Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of financial position as at 30 September 2022
(Reviewed)
(Expressed in Bahrain Dinars)

	Notes	30 September 2022 (Reviewed)	31 December 2021 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	5,138,663	3,716,409
Capital work-in progress	6	170,088	1,969,736
Investment properties	7	22,327,054	22,314,085
Right-of-use assets	8	2,635,312	3,082,592
Investment in an associate	9	10,105,245	9,677,134
Non-current portion of receivable on disposal of business operations		3,152,351	3,152,351
Financial assets at amortised cost	10	13,950,627	-
Financial assets at fair value through profit or loss	11	<u>9,871,452</u>	<u>9,952,285</u>
		<u>67,350,792</u>	<u>53,864,592</u>
Current assets			
Inventories		153,461	153,968
Financial assets at fair value through profit or loss	11	9,485,616	10,204,842
Trade and other receivables	12	4,441,396	4,157,779
Cash and bank balances		<u>320,285</u>	<u>3,966,736</u>
		<u>14,400,758</u>	<u>18,483,325</u>
Total assets		<u>81,751,550</u>	<u>72,347,917</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	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		319,454	305,695
Retained earnings		41,275,275	41,956,873
Treasury shares	13	<u>(370,975)</u>	<u>(370,975)</u>
		<u>59,086,156</u>	<u>59,753,995</u>
Non-current liabilities			
Non-current portion of Murabaha facility	14	-	199,645
Non-current portion of term loans	15	9,486,307	-
Non-current portion of lease liabilities	16	2,314,092	2,442,960
Employees' terminal and other benefits		<u>1,472,962</u>	<u>1,437,264</u>
		<u>13,273,361</u>	<u>4,079,869</u>
Current liabilities			
Current portion of Murabaha facility	14	5,324,222	5,546,182
Current portion of term loans	15	326,136	-
Current portion of lease liabilities	16	697,291	1,338,018
Trade and other payables		1,631,278	1,629,853
Bank overdrafts		<u>1,413,106</u>	<u>-</u>
		<u>9,392,033</u>	<u>8,514,053</u>
Total equity and liabilities		<u>81,751,550</u>	<u>72,347,917</u>

These 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 Atbastaki
Managing Director

Bahrain Cinema Company B.S.C.

Condensed consolidated interim statement of profit or loss and other comprehensive income for the quarter and nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

	Notes	Quarter ended 30 September 2022 (Reviewed)	Quarter ended 30 September 2021 (Reviewed)	Nine months ended 30 September 2022 (Reviewed)	Nine months ended 30 September 2021 (Reviewed)
Operating income	21	1,646,889	780,596	4,064,260	1,389,060
Operating costs	21	<u>(1,537,765)</u>	<u>(741,476)</u>	<u>(3,731,026)</u>	<u>(1,819,050)</u>
Operating gross profit/(loss) for the period		<u>109,124</u>	<u>39,120</u>	<u>333,234</u>	<u>(429,990)</u>
Income from investments - net	17	486,612	269,836	1,057,014	1,018,510
Other income	18	<u>132,271</u>	<u>202,896</u>	<u>465,114</u>	<u>699,547</u>
		<u>618,883</u>	<u>472,732</u>	<u>1,522,128</u>	<u>1,718,057</u>
General and administrative expenses		<u>(443,464)</u>	<u>(466,996)</u>	<u>(1,184,772)</u>	<u>(779,809)</u>
Finance costs		<u>(12,113)</u>	<u>(68,816)</u>	<u>(147,723)</u>	<u>(207,424)</u>
		<u>(455,577)</u>	<u>(535,812)</u>	<u>(1,332,495)</u>	<u>(987,233)</u>
Net profit/(loss) and other comprehensive income/ (loss) for the period		<u>272,430</u>	<u>(23,960)</u>	<u>522,867</u>	<u>300,834</u>
Basic earning/(loss) per share	19	<u>3fils</u>	<u>(0.29)fils</u>	<u>7fils</u>	<u>4fils</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 nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

	<u>Share capital</u>	<u>Share premium</u>	<u>Revaluation reserve</u>	<u>Statutory reserve</u>	<u>Charity reserve</u>	<u>Retained earnings</u>	<u>Treasury shares</u>	<u>Total</u>
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 profit and other comprehensive income for the period	-	-	-	-	-	300,834	-	300,834
At 30 September 2021 - reviewed	<u>8,262,345</u>	<u>911,442</u>	<u>4,557,442</u>	<u>4,131,173</u>	<u>310,695</u>	<u>41,214,517</u>	<u>(370,975)</u>	<u>59,016,639</u>
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 2021 (Note 23)	-	-	-	-	-	(1,183,706)	-	(1,183,706)
Charity paid	-	-	-	-	(7,000)	-	-	(7,000)
Transfer to charity reserve	-	-	-	-	20,759	(20,759)	-	-
Net profit and other comprehensive income for the period	-	-	-	-	-	522,867	-	522,867
At 30 September 2022 - reviewed	<u>8,262,345</u>	<u>911,442</u>	<u>4,557,442</u>	<u>4,131,173</u>	<u>319,454</u>	<u>41,275,275</u>	<u>(370,975)</u>	<u>59,086,156</u>

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

		Nine months period ended 30 September 2022 (Reviewed)	Nine months period ended 30 September 2021 (Reviewed)
	Notes		
Operating activities			
Net profit for the period		522,867	300,834
Adjustments for:			
Depreciation	5	483,173	496,392
Amortisation of right-of-use assets	8	551,615	426,771
Profit on sale of property, plant and equipment	18	(14)	-
Capital work-in-progress written off		-	62,252
Net share of (profit) / loss from investment in an associate	9	(428,111)	72,732
Dividend income	17	(521,795)	(316,610)
Unrealised losses/(gains) on financial assets at fair value through profit or loss	17	574,624	(302,107)
Profit from fixed deposits	17	(15,980)	(60,296)
Liabilities no longer payable written off	18	(101,563)	-
Loss on lease termination		79,340	-
Rent concessions	18	(17,406)	(235,732)
Interest income from trading of bonds and sukuks	17	(665,752)	(412,229)
Interest income on long term receivables	18	(212,784)	(319,176)
Finance costs		147,723	207,424
Changes in operating assets and liabilities:			
Inventories		507	(18,615)
Trade and other receivables		(283,619)	(751,382)
Employees terminal benefits		35,698	(10,305)
Trade and other payables		(337,219)	454,190
Net cash used in operating activities		(188,696)	(405,857)
Investing activities			
Purchase of property, plant and equipment	5	(105,779)	(17,984)
Addition in capital work-in-progress		-	(198,157)
Additions to investment properties	7	(12,969)	-
Proceeds from sale of property, plant and equipment		14	-
Interest income on long term receivable		212,784	319,176
Profit from fixed deposit received	17	15,980	60,296
Proceeds from sale of financial assets at fair value through profit or loss		723,772	396,889
Interest income from bonds and sukuks	17	665,752	412,229
Purchase of financial assets at amortised cost	10	(13,950,627)	-
Purchase of financial assets at fair value through profit or loss	11	(498,337)	-
Dividend income received	17	521,795	316,610
Net cash (used in) / provided by investing activities		(12,427,615)	1,289,059

Bahrain Cinema Company B.S.C.**Condensed consolidated interim statement of cash flows for the nine months period ended 30 September 2022 (Reviewed) (continued)**
(Expressed in Bahrain Dinars)

	Nine months period ended 30 September 2022 (Reviewed)	Nine months period ended 30 September 2021 (Reviewed)
Financing activities		
Repayment of Murabaha facility	(1,034,162)	(388,963)
Lease liabilities paid	(495,655)	(119,056)
Proceeds from term loan	10,425,000	-
Charity paid	(7,000)	-
Dividends paid	(1,183,706)	(61,312)
Finance costs paid	<u>(147,723)</u>	<u>(137,905)</u>
Net cash provided by / (used in) financing activities	<u>7,556,754</u>	<u>(707,236)</u>
Net (decrease) / increase in cash and cash equivalents	(5,059,557)	175,966
Cash and cash equivalents, beginning of the period	<u>3,966,736</u>	<u>708,244</u>
Cash and cash equivalents, end of the period	<u>(1,092,821)</u>	<u>884,210</u>
Comprising:		
Cash and bank balances	320,285	3,953,641
Bank overdrafts	<u>(1,413,106)</u>	<u>(3,069,431)</u>
	<u>1,092,821</u>	<u>884,210</u>

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

1 Organisation and activities

Bahrain Cinema Company B.S.C. ("the Company") and its subsidiaries (collectively referred as "the Group"), the Company 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, 1192-28 and 1192-29.

The consolidated condensed interim financial information, set out on pages 4 to 21, were approved and authorised for issue by the Board of Directors on 8 November 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.

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, 30 September 2022.

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

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 interim condensed consolidated financial information has been prepared in accordance with International Accounting Standard 34 “*Interim financial reporting*”. The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the annual audited consolidated financial statements of the Group for the year ended 31 December 2021. The interim condensed consolidated financial information should be read in conjunction with the 2021 annual audited consolidated financial statements.

These consolidated 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 Group’s future accounting year with earlier adoption.

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 Group'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 30 September 2022. They have not been adopted in preparing the condensed consolidated financial statements for the period ended 30 September 2022 and will or may have an effect on the entity's future condensed consolidated 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 4	Extension of the temporary exemption from applying IFRS 9	1 January 2023
IFRS 17	Amendments to IFRS 17	1 January 2023

Early adoption of amendments or standards in 2022

The Group did not early-adopt any new or amended standards in 2022. There would have been no change in the operational results of the Group for the period ended 30 September 2022 had the Group early adopted any of the above standards applicable to the Group.

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.

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

5 Property, plant and equipment

	Freehold land and buildings	Building on leasehold land/leasehold improvements	Fixtures, furniture and office equipment	Motor vehicles	Total
<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	-	-	105,779	-	105,779
Transfer from capital work-in-progress (Note 6)	-	-	1,799,648	-	1,799,648
Disposals	-	-	(245)	-	(245)
At 30 September 2022 (Reviewed)	821,716	1,303,015	12,249,506	197,037	14,571,274
<i>Accumulated depreciation and impairment</i>					
At 31 December 2020 (Audited)	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 (Audited)	216,799	1,273,812	7,268,754	190,318	8,949,683
Charge for the period	30,815	833	447,830	3,695	483,173
On disposals	-	-	(245)	-	(245)
At 30 September 2022 (Reviewed)	247,614	1,274,645	7,716,339	194,013	9,432,611
<i>Net book value</i>					
At 30 September 2022 (Reviewed)	574,102	28,370	4,533,167	3,024	5,138,663
At 31 December 2021 (Audited)	604,917	29,203	3,075,570	6,719	3,716,409

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

6 Capital work-in-progress

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	1,969,736	1,610,429
Additions	-	445,059
Transfer to property, plant and equipment (Note 5)	(1,799,648)	-
Written-off	-	(85,752)
Closing balance	<u>170,088</u>	<u>1,969,736</u>

7 Investment properties

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	22,314,085	21,910,000
Additions	12,969	1,277
Unrealised fair value gain for the period/year	-	402,808
Closing balance	<u>22,327,054</u>	<u>22,314,085</u>

8 Right-of-use assets

	Theatres	Restaurants	Leisure and amusement	Office building	Others	Total
Cost						
At 31 December 2020 (Audited)	4,508,800	627,758	-	289,557	20,456	5,446,571
Additions	-	-	792,385	-	-	792,385
At 31 December 2021 (Audited)	4,508,800	627,758	792,385	289,557	20,456	6,238,956
Additions	-	186,636	-	131,825	-	318,461
Lease termination	(371,882)	-	-	-	-	(371,882)
Modifications	5,452	-	(70,827)	-	-	(65,375)
At 30 September 2022 (Reviewed)	<u>4,142,370</u>	<u>814,394</u>	<u>721,558</u>	<u>421,382</u>	<u>20,456</u>	<u>6,120,160</u>
Amortisation and impairment						
At 31 December 2020 (Audited)	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 (Audited)	2,527,759	337,871	13,206	257,072	20,456	3,156,364
On lease termination	(223,131)	-	-	-	-	(223,131)
Charge for the period	237,805	142,500	108,054	63,256	-	551,615
At 30 September 2022 (Reviewed)	<u>2,542,433</u>	<u>480,371</u>	<u>121,260</u>	<u>320,328</u>	<u>20,456</u>	<u>3,484,848</u>
Carrying Value						
30 September 2022 (Reviewed)	<u>1,599,937</u>	<u>334,023</u>	<u>600,298</u>	<u>101,054</u>	<u>-</u>	<u>2,635,312</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>

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

(Expressed in Bahrain Dinars)

9 Investment in an associate

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	9,677,134	9,692,624
Share of profit/(loss) for the period/year (Note 17)	<u>428,111</u>	<u>(15,490)</u>
Closing balance	<u>10,105,245</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 30 September 2022.

10 Financial assets at amortised cost

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

11 Financial assets at fair value through profit or loss

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Quoted equity investments	9,541,006	9,464,127
Unquoted equity investments and managed funds	330,446	488,158
Bonds and Sukuks	<u>9,485,616</u>	<u>10,204,842</u>
	<u>19,357,068</u>	<u>20,157,127</u>
Movement during the period/year		
Opening balance	20,157,127	19,927,831
Additions	498,337	-
Disposals	(723,772)	(385,766)
Unrealised fair value (losses) / gains on financial assets at fair value through profit or loss (Note 17)	<u>(574,624)</u>	<u>615,062</u>
Closing balance	<u>19,357,068</u>	<u>20,157,127</u>
	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Non-current assets	9,871,452	9,952,285
Current assets	<u>9,485,616</u>	<u>10,204,842</u>
	<u>19,357,068</u>	<u>20,157,127</u>

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12 Trade and other receivables

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Trade receivables	247,689	271,097
Provision for impaired trade receivables	<u>(17,898)</u>	<u>(17,898)</u>
	229,791	253,199
Interest free loans to employees	20,174	1,135
Deposits/rental advance	335,764	398,704
Advances to suppliers	55,779	39,328
Amounts due from related parties (Note 20)	30,756	40,077
Prepayments	49,330	67,596
Receivable on disposal of business operations	3,152,353	3,152,353
Other receivables	<u>567,449</u>	<u>205,387</u>
	<u>4,441,396</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.

13 Share capital

	30 September 2022 (Reviewed)	31 December 2021 (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		
3,709,750 ordinary shares of 100 fils each (2021: 3,709,750 ordinary shares of 100 fils each)	<u>370,975</u>	<u>370,975</u>

Treasury shares

The Company holds 3,709,750 (2021: 3,709,750) (4.49% of the total issued and paid-up share capital) as treasury shares as at 30 September 2022 (2021: 4.49% of the total issued and paid-up share capital).

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14 Murabaha facility

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Murabaha facility	345,855	767,460
Commodity murabaha	<u>4,978,367</u>	<u>4,978,367</u>
	5,324,222	5,745,827
Current portion of Murabaha facility	<u>(5,324,222)</u>	<u>(5,546,182)</u>
Non-current portion of Murabaha facility	<u>-</u>	<u>199,645</u>

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.

15 Term loans

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Long term loan	8,974,787	-
Liquidity support loan	<u>837,656</u>	<u>-</u>
	9,812,443	-
Current portion of term loans	<u>(326,136)</u>	<u>-</u>
Non-current portion of term loans	<u>9,486,307</u>	<u>-</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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16 Lease liabilities

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Opening balance	3,780,978	3,647,608
Lease payments	(558,631)	(370,530)
Rent concessions (Note 18)	(17,406)	(380,659)
Lease modification	(65,375)	-
Additions	318,461	792,385
Reclassified to accruals and other payables	(440,207)	-
Lease termination	(69,413)	-
Finance charges	62,976	92,174
Closing balance	3,011,383	3,780,978
Less: current portion of lease liabilities	(697,291)	(1,338,018)
Non-current portion of lease liabilities	<u>2,314,092</u>	<u>2,442,960</u>

Maturity analysis - contractual undiscounted cash flows

	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Less than one year	784,008	1,323,591
One to five years	2,288,229	2,302,735
More than five years	44,703	405,463
Total undiscounted lease liabilities	<u>3,116,940</u>	<u>4,031,789</u>

17 Income from investments

	Quarter ended 30 September 2022 (Reviewed)	Quarter ended 30 September 2021 (Reviewed)	Nine months period ended 30 September 2022 (Reviewed)	Nine months period ended 30 September 2021 (Reviewed)
Net share of profit/(loss) from investment in associate (Note 9)	220,041	68,780	428,111	(72,732)
Dividend income	84,145	35,687	521,795	316,610
Net unrealised fair value (losses)/ gain on financial assets at fair value through profit or loss (Note 11)	(128,032)	15,158	(574,624)	302,107
Profit from fixed deposits	553	19,266	15,980	60,296
Interest income from sukuks and bonds	<u>309,905</u>	<u>130,945</u>	<u>665,752</u>	<u>412,229</u>
	<u>486,612</u>	<u>269,836</u>	<u>1,057,014</u>	<u>1,018,510</u>

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18 Other income

	Quarter ended 30 September 2022 (Reviewed)	Quarter ended 30 September 2021 (Reviewed)	Nine months period ended 30 September 2022 (Reviewed)	Nine months period ended 30 September 2021 (Reviewed)
Interest income on long-term receivables	70,928	106,392	212,784	319,176
Management fee	11,160	3,720	33,480	11,160
Profit on sale of property, plant and equipment	-	-	14	-
Liabilities no longer payable written-off	-	-	101,563	-
Rent concessions (Note 16)	-	53,002	17,406	235,732
Government grant	-	33,350	-	125,850
Miscellaneous income	<u>50,183</u>	<u>6,432</u>	<u>99,867</u>	<u>7,629</u>
	<u>132,271</u>	<u>202,896</u>	<u>465,114</u>	<u>699,547</u>

19 Earnings / (loss) per share

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

	Quarter period ended 30 September 2022 (Reviewed)	Quarter period ended 30 September 2021 (Reviewed)	Nine months period ended 30 September 2022 (Reviewed)	Nine months period ended 30 September 2021 (Reviewed)
Net profit/(loss) attributable to the shareholders (reviewed)	<u>272,430</u>	<u>(23,960)</u>	<u>522,867</u>	<u>300,834</u>
Weighted average number of ordinary shares issued	<u>78,913,700</u>	<u>78,913,700</u>	<u>78,913,700</u>	<u>78,913,700</u>
Basic/diluted earnings/(loss) per share	<u>3fils</u>	<u>(0.29)fils</u>	<u>7fils</u>	<u>4fils</u>

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

20 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.

Bahrain Cinema Company B.S.C.

Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

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20 Transactions and balances with related parties (continued)

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.

A summary of related party balances as at 30 September and 31 December is as follows:

	Related party relationship	Amount due from		Amount due to	
		30 September 2022 (Reviewed)	31 December 2021 (Audited)	30 September 2022 (Reviewed)	31 December 2021 (Audited)
Qatar Bahrain International Cinema W.L.L.	Joint Venture	30,756	39,314	-	-
Vox Cineco Cinema Company W.L.L.	Associate Company	-	-	6,246	6,246
Various entities*	Common Directorship	-	763	8,155	53,009
		<u>30,756</u>	<u>40,077</u>	<u>14,401</u>	<u>59,225</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:

	Nine months period ended 30 September 2022 (Reviewed)	Nine months period ended 30 September 2021 (Reviewed)
<u>Qatar Bahrain International Cinema Co. W.L.L.</u>		
Salaries	1,125	29,514
Other expenses	35,047	29,957
Management Fees	33,480	31,620
<u>Vox Cineco Cinema Company W.L.L.</u>		
Other expenses	-	284
<u>Saar Cinema Complex</u>		
Other expenses	-	270

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Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2022

(Reviewed)

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20 Transactions and balances with related parties (continued)

	Nine months period ended <u>30 September 2022</u> (Reviewed)	Nine months period ended <u>30 September 2021</u> (Reviewed)
<u>Directors remuneration and sitting fee</u>		
Directors' sitting fee	63,645	-
<u>Entities under common directorship</u>		
Direct expenses	23,843	8,656
Other expenses	86,095	68,440
Rent expense for corporate office	61,704	83,085

21 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 30 September 2022 (reviewed)

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenue				
Total external sales	1,441,869	1,353,894	1,268,497	4,064,260
Less: total variable costs	<u>(710,808)</u>	<u>(404,277)</u>	-	<u>(1,115,085)</u>
Segment results	<u>731,061</u>	<u>949,617</u>	<u>1,268,497</u>	<u>2,949,175</u>
Less: fixed costs				<u>(2,615,941)</u>
Operating profit				333,234
Other income				465,114
Income from investments, net				1,057,014
General and administrative expenses				(1,184,772)
Finance costs				<u>(147,723)</u>
Net profit for the period				<u>522,867</u>

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Selected explanatory notes to the condensed consolidated interim financial information for the quarter and nine months period ended 30 September 2021

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21 Segmental reporting (continued)

For the period ended 30 September 2021 (reviewed)

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenue				
Total external sales	363,997	255,697	769,366	1,389,060
Less: total variable costs	<u>(176,422)</u>	<u>(65,279)</u>	<u>-</u>	<u>(241,701)</u>
Segment results	<u>187,575</u>	<u>190,418</u>	<u>769,366</u>	<u>1,147,359</u>
Less: fixed costs				<u>(1,577,349)</u>
Operating loss				(429,990)
Other income				699,547
Income from investments, net				1,018,510
General and administrative expenses				(779,809)
Finance costs				<u>(207,424)</u>
Net profit for the period				<u>300,834</u>

22 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 BD133,100 (31 December 2021:BD105,379).

23 Dividends**Declared and paid**

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

24 Interim results

The interim net profit for the nine months period ended 30 September 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.

25 Subsequent events

There were no significant events subsequent to 30 September 2022 and occurring before the date of signing of the condensed consolidated interim financial statements that would have a significant impact on these condensed consolidated interim financial statements.