

Bahrain Cinema Company B.S.C.

Condensed consolidated interim financial
information for the three months period
ended 31 March 2024 (Reviewed)

**Bahrain Cinema Company B.S.C.
Condensed consolidated interim financial information
for the three months period ended 31 March 2024
(Reviewed)**

Index	Page
1. Administration and contact details	2
2. Review report by the independent auditor	3
3. Condensed consolidated interim statement of financial position	4
4. Condensed consolidated interim statement of profit or loss and other comprehensive income	5
5. Condensed consolidated interim statement of changes in shareholders' equity	6
6. Condensed consolidated interim statement of cash flows	7-8
7. Selected explanatory notes to the condensed interim financial information	9-21

Bahrain Cinema Company B.S.C.
Administration and contact details as at 31 March 2024

Commercial registration no	1192 obtained on 11 August 1968 (Also refer Note 1)
Directors	Dr Esam Abdulla Yusuf Fakhro - Chairman Ali Yusuf Ali Ubaydli - Vice-Chairman Ahmed AbdulRahman Rashed Albastaki - Managing Director Fareed Yusuf Khalil Almoayyed Jehad Yusuf Abdulla Amin Jalal Mohamed Yusuf Jalal Mohamed Ebrahim Khalil Kanoo Shawqi Ali Yusuf Fakhro
Chief Executive Officer	Ahmed AbdulRahman Rashed Albastaki
Audit committee	Shawqi Ali Yusuf Fakhro - Chairman Fareed Yusuf Khalil Almoayyed Jalal Mohamed Yusuf Jalal
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 Al Baraka Banking Group Kuwait Finance House Al Salam Bank
Auditors	BDO 17 th Floor, Diplomatic Commercial Office Tower PO Box 787 Diplomatic Area 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 2024, 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 2024, 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*”.



Manama, Kingdom of Bahrain
8 May 2024



Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of financial position as at 31 March 2024
(Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>31 March 2024</u> (Reviewed)	<u>31 December 2023</u> (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,228,392	2,367,563
Investment properties	6	23,056,200	23,055,000
Right-of-use assets	7	1,332,448	1,331,967
Investment in an associate	8	10,007,777	10,103,983
Financial assets at amortised cost	9	14,009,104	14,000,624
Financial assets at fair value through profit or loss	10	<u>10,337,476</u>	<u>9,992,857</u>
		<u>60,971,397</u>	<u>60,851,994</u>
Current assets			
Inventories		133,266	123,047
Financial assets at fair value through profit or loss	10	9,273,779	9,328,532
Trade and other receivables	11	1,445,003	1,615,220
Cash and bank balances		<u>180,423</u>	<u>308,980</u>
		<u>11,032,471</u>	<u>11,375,779</u>
Total assets		<u>72,003,868</u>	<u>72,227,773</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	8,262,345	8,262,345
Share premium		893,923	893,923
Revaluation reserve		4,557,442	4,557,442
Statutory reserve		4,131,173	4,131,173
Charity reserve		249,416	275,766
Retained earnings		37,688,802	38,803,877
Treasury shares	12	<u>(380,666)</u>	<u>(380,666)</u>
		<u>55,402,435</u>	<u>56,543,860</u>
Non-current liabilities			
Non-current portion of term loan	14	6,103,758	6,558,986
Non-current portion of lease liabilities	15	1,048,397	1,181,254
Employees' terminal and other benefits		<u>444,996</u>	<u>425,362</u>
		<u>7,597,151</u>	<u>8,165,602</u>
Current liabilities			
Murabaha facility	13	4,978,367	4,978,367
Current portion of term loan	14	341,700	339,573
Current portion of lease liabilities	15	562,997	415,409
Trade and other payables		2,636,015	1,784,962
Bank overdrafts		<u>485,203</u>	<u>-</u>
		<u>9,004,282</u>	<u>7,518,311</u>
Total equity and liabilities		<u>72,003,868</u>	<u>72,227,773</u>

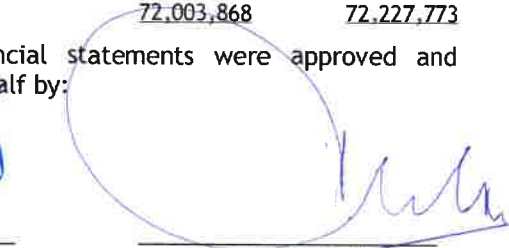
The reviewed condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on its behalf by:



Dr Esam Abdulla Fakhro
Chairman



Ali Yusuf Ali Ubaydli
Vice- Chairman



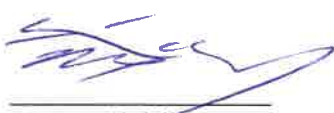
Ahmed A. Rashed Albastaki
Managing Director

See Auditor's Report dated 8/5/24
Signed by BDO, CR No. 10201-04
Partner: Samson Kattuvattil
Reg. No. 239
Signature: 

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 2024
(Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	<u>Three months period ended 31 March 2024 (Reviewed)</u>	<u>Three months period ended 31 March 2023 (Reviewed)</u>
Operating income	20	886,886	1,111,089
Operating costs		<u>(970,882)</u>	<u>(1,217,564)</u>
Operating gross loss for the period		<u>(83,996)</u>	<u>(106,475)</u>
Income from investments, net	16	428,680	391,742
Other income	17	<u>67,364</u>	<u>235,131</u>
		<u>496,044</u>	<u>626,873</u>
General and administrative expenses		(319,829)	(360,824)
Finance costs		<u>(25,124)</u>	<u>(57,317)</u>
		<u>(344,953)</u>	<u>(418,141)</u>
Net profit and other comprehensive income for the period		<u>67,095</u>	<u>102,257</u>
Basic earnings per share	18	<u>1fils</u>	<u>1fils</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 2024
(Reviewed)
(Expressed in Bahrain Dinars)

	Share capital	Share premium	Revaluation reserve	Statutory reserve	Charity reserve	Retained earnings	Treasury shares	Total
At 31 December 2022 - Audited	8,262,345	911,442	4,557,442	4,131,173	312,007	41,902,340	(370,975)	59,705,774
Dividend paid for the year 2022	-	-	-	-	-	(1,183,623)	-	(1,183,623)
Charity paid	-	-	-	-	(60,000)	-	-	(60,000)
Net profit and other comprehensive profit for the year	-	-	-	-	-	102,257	-	102,257
At 31 March 2023 - reviewed	<u>8,262,345</u>	<u>911,442</u>	<u>4,557,442</u>	<u>4,131,173</u>	<u>252,007</u>	<u>40,820,974</u>	<u>(370,975)</u>	<u>58,564,408</u>
At 31 December 2023 - Audited	8,262,345	893,923	4,557,442	4,131,173	275,766	38,803,877	(380,666)	56,543,860
Dividend paid for the year 2023	-	-	-	-	-	(1,182,170)	-	(1,182,170)
Charity paid	-	-	-	-	(26,350)	-	-	(26,350)
Net profit and other comprehensive income for the period	-	-	-	-	-	67,095	-	67,095
At 31 March 2024 - reviewed	<u>8,262,345</u>	<u>893,923</u>	<u>4,557,442</u>	<u>4,131,173</u>	<u>249,416</u>	<u>37,688,802</u>	<u>(380,666)</u>	<u>55,402,435</u>

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of cash flows
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	Three months period ended <u>31 March 2024</u> (Reviewed)	Three months period ended <u>31 March 2023</u> (Reviewed)
Operating activities			
Net profit for the period		67,095	102,257
Adjustments for:			
Depreciation	5	144,571	206,364
Amortisation of cost to right-of-use assets	7	158,833	244,746
Profit on a sale of property, plant and equipment	17	(2,099)	-
Net share of loss from investment in an associate	8	96,206	57,648
Dividend income	16	(24,168)	(130,338)
Unrealised gains on financial assets at fair value through profit or loss	10	(289,866)	(113,659)
Interest income from sukuks and bonds	16	(202,372)	(197,476)
Interest income - discount amortisation	16	(8,480)	(7,917)
Interest income on long term receivables	17	-	(35,463)
Interest income on loan to a related party	17	(17,775)	(16,897)
Finance costs		25,124	57,317
Changes in operating assets and liabilities:			
Inventories		(10,219)	3,535
Trade and other receivables		170,217	(446,550)
Employees terminal and other benefits		19,634	24,494
Trade and other payables		<u>(331,117)</u>	<u>(393,593)</u>
Net cash used in operating activities		<u>(204,416)</u>	<u>(645,532)</u>
Investing activities			
Purchase of property, plant and equipment	5	(5,400)	(29,362)
Additions to investment properties	6	(1,200)	(2,527)
Proceeds from sale of property, plant and equipment		2,099	-
Interest income on long term receivable	17	-	35,463
Interest income on loan to a related party	17	17,775	16,897
Interest income from bonds and sukuks	16	202,372	197,476
Dividend income received	16	<u>24,168</u>	<u>130,338</u>
Net cash provided by investing activities		<u>239,814</u>	<u>348,285</u>

Bahrain Cinema Company B.S.C.
Condensed consolidated interim statement of cash flows
for the three months period ended 31 March 2024 (continued) (Reviewed)
(Expressed in Bahrain Dinars)

	<u>Notes</u>	Three months period ended <u>31 March 2024</u> (Reviewed)	Three months period ended <u>31 March 2023</u> (Reviewed)
Financing activities			
Amount repaid against Murabaha facility		-	(149,288)
Lease liabilities paid		(144,583)	(204,652)
Repayment of term loan during the period		(453,101)	(452,803)
Charity paid		(26,350)	(60,000)
Dividends paid	22	-	(1,183,623)
Finance costs paid		<u>(25,124)</u>	<u>(57,317)</u>
Net cash used in financing activities		<u>(649,158)</u>	<u>(2,107,683)</u>
Net decrease in cash and cash equivalents		(613,760)	(2,404,930)
Cash and cash equivalents, beginning of the period		<u>308,980</u>	<u>(683,133)</u>
Cash and cash equivalents, end of the period		<u>(304,780)</u>	<u>(3,088,063)</u>
Comprising:			
Cash and bank balances		180,423	165,674
Bank overdrafts		<u>(485,203)</u>	<u>(3,253,737)</u>
		<u>(304,780)</u>	<u>(3,088,063)</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 2024 (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”), 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 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 May 2024.

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 2024</u>	<u>Effective ownership interest 2023</u>
Red Dragon Company S.P.C. *	Kingdom of Saudi Arabia	Restaurant operations and Go-karting business	100%	100%

* The Company has not yet started its operations.

Joint ventures

<u>Name of joint ventures</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Effective ownership interest 2024</u>	<u>Effective ownership interest 2024</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%

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)

2 Structure of the Group (continued)

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 2024</u>	<u>Effective ownership interest 2023</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 consolidated interim financial information has been presented in accordance with International Accounting Standard 34 - “*Interim financial reporting*”. The condensed consolidated interim financial information should therefore be read in conjunction with the annual consolidated audited financial statements of the Group for the year ended 31 December 2023. The condensed consolidated interim financial information has been presented in Bahrain Dinars (BD) which is also the functional currency of the Group.

These condensed consolidated interim financial information, have been prepared using going concern assumption under the historical cost convention except for the following:

- financial instruments - financial assets at fair value through profit or loss
- associate

These assets have been measured at their fair market values except for associate which has been accounted under equity method at the condensed consolidated interim statement of financial position date.

Improvements/amendments to IFRS Accounting Standards

Improvements/amendments to IFRS Accounting Standards contained numerous amendments to IFRS Accounting Standards that the IASB considers non-urgent but necessary. ‘Improvements to IFRS Accounting Standards’ 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 Accounting Standards. The amendments are effective for the Company’s future accounting period with earlier adoption.

3 Basis of preparation (continued)

Standards, amendments and interpretations issued and effective in 2024 but not relevant

The following new amendments to existing standards and interpretations to published standards are mandatory for accounting year beginning on or after 1 January 2024 or subsequent periods, but are 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>
IAS 1	Presentation of financial statements	1 January 2024
IAS 7	Statement of Cash Flows	1 January 2024
IFRS 7	Financial Instruments: Disclosures	1 January 2024
IFRS 16	Leases	1 January 2024

Standards, amendments and interpretations issued but not yet effective in 2024

The following new/amended interpretations have been issued, but are not mandatory and hence, have not been adopted in preparing the condensed consolidated interim financial information for the three months period ended 31 March 2024. In all cases, the Group 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 21	The Effects of Changes in Foreign Exchange Rates	1 January 2025

Early adoption of amendments or standards in 2024

The Group did not early-adopt any new or amended standards in 2024. There would have been no change in the operational results of the Group for the three months period ended 31 March 2024 had the Group early adopted any of the above standards applicable to the Group.

4 Material accounting policy information

The accounting policies used in the preparation of the condensed consolidated 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 2023, 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 three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)

5 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 2022 (Audited)	821,716	1,303,015	12,308,009	197,037	14,629,777
Additions	-	-	47,351	-	47,351
Disposals	-	-	-	(17,590)	(17,590)
At 31 December 2023 (Audited)	821,716	1,303,015	12,355,360	179,447	14,659,538
Additions	-	-	5,400	-	5,400
Disposals	-	-	-	(4,400)	(4,400)
At 31 March 2024 (Reviewed)	<u>821,716</u>	<u>1,303,015</u>	<u>12,360,760</u>	<u>175,047</u>	<u>14,660,538</u>
<i>Accumulated depreciation and impairment</i>					
At 31 December 2022 (Audited)	257,885	1,275,067	7,899,456	195,175	9,627,583
Charge for the year	41,086	1,118	1,002,828	1,831	1,046,863
Impairment	-	-	1,635,119	-	1,635,119
On disposals	-	-	-	(17,590)	(17,590)
At 31 December 2023 (Audited)	298,971	1,276,185	10,537,403	179,416	12,291,975
Charge for the period	10,271	-	134,300	-	144,571
On disposals	-	-	-	(4,400)	(4,400)
At 31 March 2024 (Reviewed)	<u>309,242</u>	<u>1,276,185</u>	<u>10,671,703</u>	<u>175,016</u>	<u>12,432,146</u>
<i>Net book value</i>					
At 31 March 2024 (Reviewed)	<u>512,474</u>	<u>26,830</u>	<u>1,689,057</u>	<u>31</u>	<u>2,228,392</u>
At 31 December 2023 (Audited)	<u>522,745</u>	<u>26,830</u>	<u>1,817,957</u>	<u>31</u>	<u>2,367,563</u>

6 Investment properties

	<u>31 March 2024 (Reviewed)</u>	<u>31 December 2023 (Audited)</u>
Opening balance	23,055,000	23,078,000
Additions	1,200	17,149
Unrealised fair value loss for the period/year	-	(40,149)
Closing balance	<u>23,056,200</u>	<u>23,055,000</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 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

7 Right-of-use assets

	<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 2022 (Audited)	4,142,370	814,394	721,558	131,825	20,456	5,830,603
Additions	303,161	74,148	-	-	-	377,309
Retirement	(303,161)	-	-	-	-	(303,161)
Lease termination	-	(247,398)	(707,624)	-	-	(955,022)
Modifications	23,235	-	18,097	-	-	41,332
At 31 December 2023 (Audited)	4,165,605	641,144	32,031	131,825	20,456	4,991,061
Additions	159,176	126,608	-	75,999	-	361,783
Modification	(195,131)	(7,338)	-	-	-	(202,469)
At 31 March 2024 (Reviewed)	<u>4,129,650</u>	<u>760,414</u>	<u>32,031</u>	<u>207,824</u>	<u>20,456</u>	<u>5,150,375</u>
Amortisation and impairment						
At 31 December 2022 (Audited)	2,621,708	533,871	157,277	47,251	20,456	3,380,563
On lease retirement	(303,161)	-	-	-	-	(303,161)
On lease termination	-	(127,689)	(273,938)	-	-	(401,627)
Charge for the year	627,977	140,737	148,692	65,913	-	983,319
At 31 December 2023 (Audited)	2,946,524	546,919	32,031	113,164	20,456	3,659,094
Charge for the period	104,973	34,860	-	19,000	-	158,833
At 31 March 2024 (Reviewed)	<u>3,051,497</u>	<u>581,779</u>	<u>32,031</u>	<u>132,164</u>	<u>20,456</u>	<u>3,817,927</u>
Carrying Value						
31 March 2024 (Reviewed)	<u>1,078,153</u>	<u>178,635</u>	<u>-</u>	<u>75,660</u>	<u>-</u>	<u>1,332,448</u>
31 December 2023 (Audited)	<u>1,219,081</u>	<u>94,225</u>	<u>-</u>	<u>18,661</u>	<u>-</u>	<u>1,331,967</u>

8 Investment in an associate

	<u>31 March 2024 (Reviewed)</u>	<u>31 December 2023 (Audited)</u>
Opening balance	10,103,983	10,099,872
Share of (loss)/profit for the period/year (Note 16)	<u>(96,206)</u>	<u>4,111</u>
Closing balance	<u>10,007,777</u>	<u>10,103,983</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 2024.

Bahrain Cinema Company B.S.C.

**Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

9 Financial assets at amortised cost

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Investment in Bonds	<u>14,009,104</u>	<u>14,000,624</u>
Movement during the period/year		
Opening balance	14,000,624	13,968,954
Interest income - discount amortization	<u>8,480</u>	<u>31,670</u>
Closing balance	<u>14,009,104</u>	<u>14,000,624</u>

Amortised cost investments represent investment in Bonds amounting BD13.96m (USD37.5m), carrying interest rate of 6% per annum, having a maturity on 19 September 2044.

Financial assets at amortised cost are denominated in the following currency:

Currency	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
United States Dollar	<u>14,009,104</u>	<u>14,000,624</u>

10 Financial assets at fair value through profit or loss

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Quoted equity investments	9,883,800	9,727,684
Unquoted equity investments and managed funds	453,676	265,173
Bonds and Sukuks	<u>9,273,779</u>	<u>9,328,532</u>
	<u>19,611,255</u>	<u>19,321,389</u>

Movement during the period/year

Opening balance	19,321,389	19,466,702
Additions	-	374,055
Disposals	-	(1,042,429)
Unrealised fair gains on financial assets at fair value through profit or loss (Note 16)	<u>289,866</u>	<u>523,061</u>
Closing balance	<u>19,611,255</u>	<u>19,321,389</u>

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Non-current assets	10,337,476	9,992,857
Current assets	<u>9,273,779</u>	<u>9,328,532</u>
	<u>19,611,255</u>	<u>19,321,389</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 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

11 Trade and other receivables

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Trade receivables	117,726	137,605
Provision for impaired trade receivables	<u>(17,898)</u>	<u>(17,898)</u>
	99,828	119,707
Loan to a related party (Note 19)	626,130	614,770
Interest on bonds and sukuku	174,543	341,172
Receivable from fund manager	248,092	248,092
Deposits/rental advance	180,619	180,119
Prepayments	78,386	65,390
Amounts due from a related party (Note 19)	18,750	24,319
Interest free loans to employees	11,646	17,176
Other receivables	<u>7,009</u>	<u>4,475</u>
	<u>1,445,003</u>	<u>1,615,220</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.

Loan to related party is unsecured, bears interest and is repayable on demand.

12 Share capital

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Authorised		
100,000,000 ordinary shares of 100 fils each (2023: 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 (2023: 82,623,450 ordinary shares of 100 fils each)	<u>8,262,345</u>	<u>8,262,345</u>
Treasury shares		
3,806,649 ordinary shares of 100 fils each (2023: 3,806,649 ordinary shares of 100 fils each)	<u>380,666</u>	<u>380,666</u>

Treasury shares

The Company holds 3,806,649 (2023: 3,806,649) (4.61% of the total issued and paid-up share capital) as treasury shares as at 31 March 2024 (2023: 4.61% of the total issued and paid-up share capital).

Bahrain Cinema Company B.S.C.

**Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

13 Murabaha facility

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Commodity Murabaha	<u>4,978,367</u>	<u>4,978,367</u>
Current portion of Murabaha facility	<u>4,978,367</u> <u>(4,978,367)</u>	<u>4,978,367</u> <u>(4,978,367)</u>
Non-current portion of Murabaha facility	<u>-</u>	<u>-</u>

Commodity murabaha represents amount taken from Kuwait Finance House (Bahrain) 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.

14 Term loan

		31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Long term loan	(a)	6,104,615	6,473,616
Liquidity support loan	(b)	<u>340,843</u>	<u>424,943</u>
Current portion of term loan		6,445,458 <u>(341,700)</u>	6,898,559 <u>(339,573)</u>
Non-current portion of term loan		<u>6,103,758</u>	<u>6,558,986</u>

(a) Long term loan represents amount taken from Ahli United Bank for purchase of bonds. The Bonds purchased are held as collateral to secure the payment. This loan carries interest at the rate of SOFR plus 1.5% per annum.

(b) Liquidity support loan represents amount taken from National Bank of Bahrain for working capital support. The loan is subject to fixed profit rate of 2.5% per annum. The outstanding is repayable in 12 equal installments of BD28,862.

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

Bahrain Cinema Company B.S.C.

**Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

15 Lease liabilities

	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Opening balance	1,596,663	2,837,200
Lease payments	(157,983)	(1,054,879)
Liabilities no longer payable written-off	-	(131,084)
Lease modification	(202,469)	41,332
Additions	361,783	377,309
Lease termination	-	(556,827)
Finance charges	<u>13,400</u>	<u>83,612</u>
Closing balance	1,611,394	1,596,663
Less: current portion of lease liabilities	<u>(562,997)</u>	<u>(415,409)</u>
Non-current portion of lease liabilities	<u>1,048,397</u>	<u>1,181,254</u>
Maturity analysis - contractual undiscounted cash flows		
	31 March 2024 <u>(Reviewed)</u>	31 December 2023 <u>(Audited)</u>
Less than one year	542,478	455,876
One to five years	<u>1,108,339</u>	<u>1,238,926</u>
Total undiscounted lease liabilities	<u>1,650,817</u>	<u>1,694,802</u>

16 Income from investments, net

	Three months period ended 31 March 2024 <u>(Reviewed)</u>	Three months period ended 31 March 2023 <u>(Reviewed)</u>
Net share of loss from investment in associate (Note 8)	(96,206)	(57,648)
Dividend income	24,168	130,338
Unrealised fair value gain on financial assets at fair value through profit or loss (Note 10)	289,866	113,659
Interest income - discount amortization	8,480	7,917
Interest income from sukuks and bonds	<u>202,372</u>	<u>197,476</u>
	<u>428,680</u>	<u>391,742</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 2024 (Reviewed)
(Expressed in Bahrain Dinars)

17 Other income

	Three months period ended 31 March 2024 (Reviewed)	Three months period ended 31 March 2023 (Reviewed)
Interest income on loan to a related party	17,775	16,897
Management fee	12,152	11,400
Profit on a sale of property, plant and equipment	2,099	-
Interest income on long-term receivables	-	35,463
Support services	-	124,670
Miscellaneous income	<u>35,338</u>	<u>46,701</u>
	<u>67,364</u>	<u>235,131</u>

18 Earnings per share

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

	Three months period ended 31 March 2024 (Reviewed)	Three months period ended 31 March 2023 (Reviewed)
Net profit attributable to the shareholders (reviewed)	<u>67,095</u>	<u>102,257</u>
Weighted average number of ordinary shares issued	<u>78,878,665</u>	<u>78,913,700</u>
Basic/diluted earnings per share	<u>1fil</u>	<u>1fil</u>

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

19 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.

Bahrain Cinema Company B.S.C.
Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)

19 Transactions and balances with related parties (continued)

A summary of related party balances as at 31 March 2024 and 31 December 2023 is as follows:

	Related party relationship	Amount due from		Amount due to	
		31 March 2024 (Reviewed)	31 December 2023 (Audited)	31 March 2024 (Reviewed)	31 December 2023 (Audited)
Qatar Bahrain International Cinema W.L.L.	Joint Venture	18,750	24,319	-	-
Vox Cineco Cinema Company W.L.L.	Associate Company Common	-	-	-	6,247
Various entities*	Directorship	-	-	38,136	52,657
		<u>18,750</u>	<u>24,319</u>	<u>38,136</u>	<u>58,904</u>

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

	Nature of relationship	31 March 2024 (Reviewed)	31 December 2023 (Audited)
<i>Loan to a related party (Note 11)</i>			
Vox Cineco Cinemas Company W.L.L.	Associate	<u>626,130</u>	<u>614,770</u>

Loan to related party is unsecured, bears interest at 11.77% and is repayable on demand.

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

	Three months period ended 31 March 2024 (Reviewed)	Three months period ended 31 March 2023 (Reviewed)
<u>Qatar Bahrain International Cinema Co. W.L.L.</u>		
Salaries	2,147	816
Other expenses	17,234	19,306
Management Fees	9,500	11,400
<u>Directors' remuneration and sitting fee</u>		
Directors' remuneration and sitting fee	29,500	20,625
<u>Entities under common directorship</u>		
Direct expenses	3,387	8,197
Other expenses	14,930	52,179
Rent expense for corporate office	20,921	20,316
Interest income on loan to a related party	17,775	-

Bahrain Cinema Company B.S.C.

**Selected explanatory notes to the condensed consolidated interim financial information
for the three months period ended 31 March 2024 (Reviewed)
(Expressed in Bahrain Dinars)**

20 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 rental income, corporate office assets and vehicles

For the period ended 31 March 2024 (reviewed)

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenue				
Total external sales	253,293	290,841	342,752	886,886
Less: total variable costs	<u>(123,726)</u>	<u>(100,211)</u>	<u>-</u>	<u>(223,937)</u>
Segment results	<u>129,567</u>	<u>190,630</u>	<u>342,752</u>	662,949
Less: fixed costs				<u>(746,945)</u>
Operating loss				(83,996)
Other income				67,364
Income from investments, net				428,680
General and administrative expenses				<u>(319,829)</u>
Finance costs				<u>(25,124)</u>
Net profit for the period				<u>67,095</u>

For the period ended 31 March 2023 (reviewed)

	<u>Theatre operations</u>	<u>Restaurants and concession counters</u>	<u>Others</u>	<u>Total</u>
Revenue				
Total external sales	365,167	346,865	399,057	1,111,089
Less: total variable costs	<u>(182,064)</u>	<u>(119,840)</u>	<u>-</u>	<u>(301,904)</u>
Segment results	<u>183,103</u>	<u>227,025</u>	<u>399,057</u>	809,185
Less: fixed costs				<u>(915,660)</u>
Operating loss				(106,475)
Other income				235,131
Income from investments, net				391,742
General and administrative expenses				<u>(360,824)</u>
Finance costs				<u>(57,317)</u>
Net profit for the period				<u>102,257</u>

21 Capital commitments

As at 31 March 2024, the Group do not have any capital commitments arising in the ordinary course of business (2023: BDNil).

22 Dividends

Declared and paid

A dividend of BD1,182,170 for the year ended 31 December 2023 at 15fils per share (2023: A dividend of BD1,183,623 for the year ended 31 December 2022 at 15fils per share), was approved by the shareholders in the Annual General Meeting of the shareholders.

23 Interim results

The interim net profit for the three months period ended 31 March 2024 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.

24 Subsequent events

There were no significant events subsequent to 31 March 2024 and occurring before the date of the report that are expected to have a significant impact on this condensed consolidated interim financial information.