

**Medicare Group Q.P.S.C.**

**INTERIM CONDENSED  
FINANCIAL STATEMENTS**

**FOR THE NINE-MONTH PERIOD ENDED  
30 SEPTEMBER 2022**

Medicare Group Q.P.S.C.

INTERIM STATEMENT OF FINANCIAL POSITION

At 30 September 2022

	<i>Notes</i>	<b>30 September 2022 (Unaudited) QR</b>	<b>31 December 2021 (Audited) QR</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	1,024,664,357	1,013,292,628
Investment properties		25,881,077	25,881,077
Right-of-use assets		38,179,431	58,199,927
Investments at fair value through other comprehensive income		<u>80,270,123</u>	<u>66,309,911</u>
		<b>1,168,994,988</b>	<b>1,163,683,543</b>
<b>Current assets</b>			
Inventories		30,260,915	30,167,226
Accounts receivable and prepayments	5	125,754,322	91,413,565
Cash and bank balances	6	<u>17,022,598</u>	<u>52,247,073</u>
		<b>173,037,835</b>	<b>173,827,864</b>
<b>Total assets</b>		<b><u>1,342,032,823</u></b>	<b><u>1,337,511,407</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		281,441,000	281,441,000
Legal reserve		108,094,188	108,094,188
Fair value reserve		28,905,179	14,944,967
Revaluation reserve		549,896,403	552,508,436
Retained earnings		<u>61,256,640</u>	<u>72,964,472</u>
<b>Total equity</b>		<b><u>1,029,593,410</u></b>	<b><u>1,029,953,063</u></b>
<b>Non-current liabilities</b>			
Bank facilities		59,104,026	39,718,752
Lease liabilities		41,185,619	59,639,215
Employees' end of service benefits		<u>78,095,964</u>	<u>75,518,914</u>
		<b>178,385,609</b>	<b>174,876,881</b>
<b>Current liabilities</b>			
Accounts payable and accruals		106,177,672	109,980,186
Bank facilities		25,953,469	20,325,571
Lease liabilities		<u>1,922,663</u>	<u>2,375,706</u>
		<b>134,053,804</b>	<b>132,681,463</b>
<b>Total liabilities</b>		<b><u>312,439,413</u></b>	<b><u>307,558,344</u></b>
<b>Total equity and liabilities</b>		<b><u>1,342,032,823</u></b>	<b><u>1,337,511,407</u></b>

These interim condensed financial statements were approved and signed on behalf of the Board of Directors by the following on 20 October 2022:

Abdulla Bin Thani Bin Abdulla Al-Thani  
Chairman

Khalid Mohammed Al-Emadi  
Chief Executive Officer

The attached notes 1 to 9 form part of these interim condensed financial statements.

Medicare Group Q.P.S.C.

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine-month period ended 30 September 2022

	Notes	<i>For the nine-month period ended 30 September</i>	
		2022	2021
		<i>(Unaudited) QR</i>	<i>(Unaudited) QR</i>
Operating income		<b>359,663,229</b>	355,348,256
Operating costs	7	<b>(224,200,049)</b>	(222,182,443)
<b>Gross profit</b>		<b>135,463,180</b>	133,165,813
Profit from deposits with an Islamic Bank		<b>288,759</b>	210,843
Other income		<b>5,825,074</b>	4,861,344
General and administrative expenses	8	<b>(69,897,042)</b>	(68,215,638)
Depreciation of property and equipment		<b>(11,974,324)</b>	(11,419,815)
Amortisation of right-of-use assets		<b>(2,030,633)</b>	(2,707,936)
Reversal of expected credit losses on receivables		-	56,662
Finance costs		<b>(1,634,629)</b>	(2,365,761)
<b>Net profit for the period</b>		<b>56,040,385</b>	53,585,512
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Net gain from investments at fair value through other comprehensive income		<b>13,960,212</b>	6,160,327
<b>Other comprehensive income for the period</b>		<b>13,960,212</b>	6,160,327
<b>Total comprehensive income for the period</b>		<b>70,000,597</b>	59,745,839
<b>Basic and diluted earnings per share (expressed in Qatari Riyals per share)</b>		<b>0.20</b>	0.19

The attached notes 1 to 9 form part of these interim condensed financial statements.

Medicare Group Q.P.S.C.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2022

	Share capital QR	Legal reserve QR	Fair value reserve QR	Revaluation reserve QR	Retained earnings QR	Total equity QR
Balance at 1 January 2021	281,441,000	100,188,074	11,639,360	555,991,147	78,972,970	1,028,232,551
Net profit for the period	-	-	-	-	53,585,512	53,585,512
Other comprehensive income	-	-	6,160,327	-	-	6,160,327
Total comprehensive income	-	-	6,160,327	-	53,585,512	59,745,839
Dividends	-	-	-	-	(78,803,480)	(78,803,480)
Realised gain on investment at fair value through other comprehensive income recycled to retained earnings	-	-	(133,776)	-	133,776	-
Transfer of depreciation of revalued assets	-	-	-	(2,612,033)	2,612,033	-
Balance at 30 September 2021 (Unaudited)	281,441,000	100,188,074	17,665,911	553,379,114	56,500,811	1,009,174,910
Balance at 1 January 2022	281,441,000	108,094,188	14,944,967	552,508,436	72,964,472	1,029,953,063
Net profit for the period	-	-	-	-	56,040,385	56,040,385
Other comprehensive income	-	-	13,960,212	-	-	13,960,212
Total comprehensive income	-	-	13,960,212	-	56,040,385	70,000,597
Dividends	-	-	-	-	(70,360,250)	(70,360,250)
Transfer of depreciation of revalued assets	-	-	-	(2,612,033)	2,612,033	-
<b>Balance at 30 September 2022 (Unaudited)</b>	<b>281,441,000</b>	<b>108,094,188</b>	<b>28,905,179</b>	<b>549,896,403</b>	<b>61,256,640</b>	<b>1,029,593,410</b>

The attached notes 1 to 9 form part of these interim condensed financial statements.

## Medicare Group Q.P.S.C.

### INTERIM STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2022

	Notes	For the nine-month period ended 30 September	
		2022	2021
		(Unaudited) QR	(Unaudited) QR
<b>OPERATING ACTIVITIES</b>			
Net profit for the period		56,040,385	53,585,512
<i>Adjustments for:</i>			
Depreciation of property and equipment	4	19,010,756	18,204,886
Amortisation of right-of-use assets		2,030,633	2,707,936
Reversal of provision for expected credit losses on receivables		-	(56,662)
Provision for (Reversal of provision for) obsolete and slow - moving inventories		596,273	(436,466)
Provision for employees' end of service benefits		6,873,015	6,741,697
Finance costs		1,634,629	2,365,761
Gain on sale of property and equipment		(26,927)	-
Profit from deposit with an Islamic bank		(288,759)	(210,843)
Dividend income		(2,558,783)	(2,008,695)
		<b>83,311,222</b>	<b>80,893,126</b>
Operating profit before working capital changes			
<i>Working capital changes:</i>			
Inventories		(689,962)	(3,632,358)
Accounts receivable and prepayments		(15,565,037)	4,222,256
Accounts payable and accruals		(3,980,553)	(7,127,764)
		<b>63,075,670</b>	<b>74,355,260</b>
Cash generated from operations			
Employees' end of service benefits paid		(4,295,966)	(3,548,082)
Contribution paid to the social and sports fund		(1,976,528)	(2,137,708)
Finance costs paid		(1,410)	-
		<b>56,801,766</b>	<b>68,669,470</b>
<b>Net cash flows from operating activities</b>			
<b>INVESTING ACTIVITIES</b>			
Additions to property and equipment	4	(30,382,485)	(47,477,671)
Advance payments towards capital projects		(18,775,720)	(3,324,966)
Proceeds from the disposal of investment at fair value through other comprehensive income		-	3,163,776
Profit received from deposit with an Islamic bank		288,759	210,843
Dividend income received		2,558,783	2,008,695
Proceeds from sale of property and equipment		26,927	-
		<b>(46,283,736)</b>	<b>(45,419,323)</b>
<b>Net cash flows used in investing activities</b>			
<b>FINANCING ACTIVITIES</b>			
Cash dividends paid		(68,205,684)	(77,760,622)
Additional bank facilities obtained during the period		45,000,000	38,000,000
Payment of lease liabilities		(2,550,000)	(4,148,000)
Repayment of bank facilities		(19,986,821)	(12,958,664)
		<b>(45,742,505)</b>	<b>(56,867,286)</b>
<b>Net cash flows used in financing activities</b>			
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(35,224,475)</b>	<b>(33,617,139)</b>
Cash and cash equivalents at the beginning of the period		52,247,073	64,154,634
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>17,022,598</b>	<b>30,537,495</b>

The attached notes 1 to 9 form part of these interim condensed financial statements.

# Medicare Group Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 September 2022

### 1 REPORTING ENTITY

Medicare Group Q.P.S.C. (formerly known as “Al Ahli Specialized Hospital Company Q.S.C.”) is a Qatari Public Shareholding Company incorporated on 30 December 1996 under the Commercial Registration number 18895. The Company’s main activity is the operation of a specialized hospital and promoting medical services in the State of Qatar. The Company’s registered office address is at Ahmed Bin Ali Street, Wadi Al Sail, Doha, State of Qatar, P.O. Box 6401. The Company is listed on the Qatar Stock Exchange.

The Company provides medical services through Al Ahli Hospital located in Wadi Al Sail. The Company also operates a medical clinic center in Al Wakrah which has commenced its operations during February 2019.

The interim condensed financial statements of the Company for the nine months ended 30 September 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 20 October 2022.

### 2 BASIS OF PREPARATION

The interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The financial statements are presented in Qatari Riyals (“QR”), which is the Company’s functional and presentation currency. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2021. In addition, results for the nine month period ended 30 September 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

### 3 USES OF JUDGEMENTS AND ESTIMATES

In preparing these interim condensed financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those described in the annual financial statements as at and for the year ended 31 December 2021.

### 4 PROPERTY AND EQUIPMENT

	<i>30 September 2022 (Unaudited) QR</i>	<i>31 December 2021 (Audited) QR</i>
Net book value at 1 January	1,013,292,628	978,037,744
Additions	30,382,485	59,849,979
Depreciation charge for the period/year	(19,010,756)	(24,595,095)
Disposal	(279,291)	(299,918)
Accumulated depreciation relating to disposal	<u>279,291</u>	<u>299,918</u>
Net book value at end of the period/year	<u>1,024,664,357</u>	<u>1,013,292,628</u>

Medicare Group Q.P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 September 2022

**5 ACCOUNTS RECEIVABLE AND PREPAYMENTS**

	<i>30 September 2022 (Unaudited) QR</i>	<i>31 December 2021 (Audited) QR</i>
Trade receivables	148,291,348	137,795,942
Advances to suppliers	30,017,334	11,671,743
Staff receivables	8,329,919	5,748,681
Due from investment securities broker	7,056,121	7,056,121
Prepaid expenses	5,470,314	3,267,908
Refundable deposits	905,568	882,286
Others	<u>2,119,657</u>	<u>1,428,917</u>
	<b>202,190,261</b>	<b>167,851,598</b>
Provision for expected credit losses on trade receivables	<u>(76,435,939)</u>	<u>(76,438,033)</u>
	<u><b>125,754,322</b></u>	<u><b>91,413,565</b></u>

**6 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise of the following:

	<i>30 September 2022 (Unaudited) QR</i>	<i>31 December 2021 (Audited) QR</i>
Cash in hand	161,792	184,244
Cash at bank - current accounts	16,860,806	22,062,829
Cash at bank - short-term deposits	-	30,000,000
	<u><b>17,022,598</b></u>	<u><b>52,247,073</b></u>

**7 OPERATING COSTS**

	<i>For the nine-month period ended 30 September</i>	
	<i>2022 (Unaudited) QR</i>	<i>2021 (Unaudited) QR</i>
Staff costs	122,425,763	122,928,995
Medication and surgical costs	63,824,269	69,641,370
Doctors' charges	24,228,590	18,290,898
Depreciation of medical equipment	7,036,432	6,785,071
Utilities	2,626,048	1,819,676
Food costs	2,534,388	2,580,624
Fuel costs	924,173	572,275
Provision for/(reversal of provision for) slow moving inventories	<u>600,386</u>	<u>(436,466)</u>
	<u><b>224,200,049</b></u>	<u><b>222,182,443</b></u>

## Medicare Group Q.P.S.C.

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 September 2022

#### 8 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the nine-month period ended 30 September</i>	
	<i>2022 (Unaudited) QR</i>	<i>2021 (Unaudited) QR</i>
Staff costs	43,097,593	42,733,061
Maintenance and repairs	6,079,084	5,210,949
Outsourced staff costs	4,248,340	3,780,626
IT development	2,655,645	3,425,492
Security and cleaning	2,651,205	2,437,948
Insurance	2,521,657	2,430,192
Board of Directors' remuneration	2,021,907	1,858,743
Telephone and fax	1,905,729	1,641,984
Legal and professional fees	1,103,532	523,530
Advertisement and promotions	981,195	1,184,903
Bank charges	801,525	1,075,748
Government expenses	502,036	393,888
Printing and stationery	466,667	524,379
Committee remuneration	278,000	258,000
Others	582,927	736,195
	<b>69,897,042</b>	<b>68,215,638</b>

#### 9 COMPARATIVE FIGURES

Certain comparative information for 2021 have been reclassified in order to conform to the presentation of the current period and improve the quality of the information presented. For the nine-month period ended 30 September 2021, the catering revenue and the related expenses amounted to QR 1,302,625 and QR 719,735 respectively were reclassified from other income to operating income and operating costs. Such reclassifications do not affect the previously reported profit or equity.