

Medicare Group Q.P.S.C.

**INTERIM CONDENSED
FINANCIAL STATEMENTS**

**FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2024**

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF MEDICARE GROUP Q.P.S.C.

Introduction

We have reviewed the accompanying interim condensed financial statements of Medicare Group Q.P.S.C. (the "Company"), as at 30 June 2024, comprising of the interim condensed statement of financial position as at 30 June 2024, and the related interim condensed statement of profit or loss and other comprehensive income, the interim condensed statement of changes in equity and the interim condensed statement of cash flows for the six month period then ended, and the explanatory notes.

The Board of Directors of the Company is responsible for the preparation and presentation of these interim condensed financial statements in accordance with IAS 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements 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 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.



Ziad Nader
of Ernst & Young
Auditor's Registration No. 258

Date: 21 July 2024
Doha

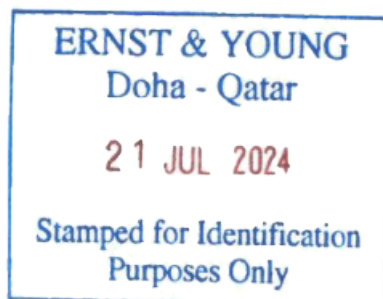


Medicare Group Q.P.S.C.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

	Notes	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
ASSETS			
Non-current assets			
Property and equipment	5	1,025,157,412	1,048,647,205
Investment properties		26,270,000	26,270,000
Right-of-use asset	6	-	35,242,551
Investments at fair value through other comprehensive income		68,149,098	73,362,823
		<u>1,119,576,510</u>	<u>1,183,522,579</u>
Current assets			
Inventories		29,947,969	29,267,001
Accounts receivable and prepayments	7	130,583,258	120,881,846
Cash and bank balances	8	90,714,803	12,499,637
		<u>251,246,030</u>	<u>162,648,484</u>
Discontinued operations assets	21	419,787	-
		<u>251,665,817</u>	<u>162,648,484</u>
Total assets		<u>1,371,242,327</u>	<u>1,346,171,063</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		281,441,000	281,441,000
Legal reserve		122,580,725	122,580,725
Fair value reserve		16,784,154	21,997,879
Revaluation reserve		522,528,546	523,897,804
Retained earnings		13,278,917	62,542,874
Total equity		<u>956,613,342</u>	<u>1,012,460,282</u>
Non-current liabilities			
Bank facilities	9	168,288,919	62,322,772
Lease liability	6	-	38,671,765
Employees' end of service benefits		84,376,195	81,220,694
		<u>252,665,114</u>	<u>182,215,231</u>
Current liabilities			
Accounts payable and accruals	10	125,907,845	122,159,540
Bank facilities	9	36,024,928	27,314,938
Lease liability	6	-	2,021,072
		<u>161,932,773</u>	<u>151,495,550</u>
Discontinued operations liabilities	21	31,098	-
		<u>161,963,871</u>	<u>151,495,550</u>
Total liabilities		<u>414,628,985</u>	<u>333,710,781</u>
Total equity and liabilities		<u>1,371,242,327</u>	<u>1,346,171,063</u>



The interim condensed financial statements of the Company for the six months ended 30 June 2024 were authorized for issue in accordance with a resolution of the Board of Directors on 21 July 2024.

Abdulla Bin Thani Bin Abdulla Al Thani
Chairman

Khalid Mohammed Al-Emadi
Chief Executive Officer

The attached notes 1 to 21 form part of these interim condensed financial statements.

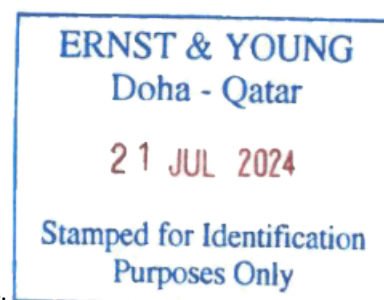
Medicare Group Q.P.S.C.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

For the six-month period ended 30 June 2024

		<i>For the six-month period ended 30 June</i>	
		<i>2024</i>	<i>2023</i>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
		<i>QR</i>	<i>QR</i>
	<i>Notes</i>		
Continuing operations			
Operating income	12	258,889,967	246,759,826
Operating costs	13	(162,566,264)	(154,881,983)
Gross profit		96,323,703	91,877,843
Income from deposit with Islamic banks		1,439,393	422,709
Other income	14	4,686,621	4,448,600
General and administrative expenses	15	(49,602,066)	(48,009,584)
Depreciation of property and equipment		(7,467,938)	(6,832,982)
Finance costs		-	(12,345)
Net profit for the period from continuing operations		45,379,713	41,894,241
Discontinued operations			
Loss from discontinued operations	21	(34,095,908)	(5,550,256)
Profit for the period		11,283,805	36,343,985
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Net loss from investments at fair value through other comprehensive income		(5,213,725)	(2,691,398)
Other comprehensive loss for the period		(5,213,725)	(2,691,398)
Total comprehensive income for the period		6,070,080	33,652,587
Basic and diluted earnings per share (expressed in Qatari Riyals per share)	16	0.040	0.129

The attached notes 1 to 21 form part of these interim condensed financial statements.

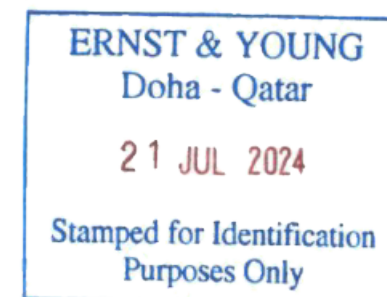


Medicare Group Q.P.S.C.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2024

	<i>Share capital QR</i>	<i>Legal reserve QR</i>	<i>Fair value reserve QR</i>	<i>Revaluation reserve QR</i>	<i>Retained earnings QR</i>	<i>Total equity QR</i>
Balance at 1 January 2023	281,441,000	116,010,669	18,365,451	549,025,726	75,356,136	1,040,198,982
Net profit for the period	-	-	-	-	36,343,985	36,343,985
Other comprehensive loss	-	-	(2,691,398)	-	-	(2,691,398)
Total comprehensive income	-	-	(2,691,398)	-	36,343,985	33,652,587
Dividends (Note 11)	-	-	-	-	(73,878,263)	(73,878,263)
Transfer of depreciation of revalued assets	-	-	-	(1,741,355)	1,741,355	-
Balance at 30 June 2023 (Reviewed)	<u>281,441,000</u>	<u>116,010,669</u>	<u>15,674,053</u>	<u>547,284,371</u>	<u>39,563,213</u>	<u>999,973,306</u>
Balance at 1 January 2024	281,441,000	122,580,725	21,997,879	523,897,804	62,542,874	1,012,460,282
Net profit for the period	-	-	-	-	11,283,805	11,283,805
Other comprehensive loss	-	-	(5,213,725)	-	-	(5,213,725)
Total comprehensive income	-	-	(5,213,725)	-	11,283,805	6,070,080
Dividends (Note 11)	-	-	-	-	(61,917,020)	(61,917,020)
Transfer of depreciation of revalued assets	-	-	-	(1,369,258)	1,369,258	-
Balance at 30 June 2024 (Reviewed)	<u>281,441,000</u>	<u>122,580,725</u>	<u>16,784,154</u>	<u>522,528,546</u>	<u>13,278,917</u>	<u>956,613,342</u>



The attached notes 1 to 21 form part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2024

		For the six-month period ended 30 June	
		2024 (Reviewed) QR	2023 (Reviewed) QR
	Notes		
OPERATING ACTIVITIES			
Net profit for the period from continuing activities		45,379,713	41,894,241
Net loss for the period from discontinued activities		(34,095,908)	(5,550,256)
Profit for the period		11,283,805	36,343,985
<i>Adjustments for:</i>			
Depreciation of property and equipment		13,123,589	12,747,106
Amortisation of right-of-use assets		783,168	1,174,752
Provision for obsolete and slow-moving inventories		186,587	-
Provision for employees' end of service benefits		6,138,171	4,482,906
Finance costs		535,258	854,065
Impairment loss on discontinued operations		36,242,212	-
Gain on termination of lease		(5,568,712)	
Income from deposit with Islamic banks		(1,439,393)	(422,709)
Dividend income	14	(2,939,413)	(2,704,852)
Operating profit before working capital changes		58,345,272	52,475,253
<i>Working capital changes:</i>			
Inventories		(867,555)	2,024,707
Accounts receivable and prepayments		(2,992,232)	(11,252,165)
Accounts payable and accruals		5,694,047	(761,034)
Cash generated from operations		60,179,532	42,486,761
Employees' end of service benefits paid		(2,982,670)	(3,290,831)
Contribution paid to the social and sports fund		(1,642,514)	(1,979,120)
Finance costs paid		-	(12,345)
Net cash flows from operating activities		55,554,348	37,204,465
INVESTING ACTIVITIES			
Additions to property and equipment		(25,876,008)	(22,079,018)
Short term deposits		(78,000,000)	-
Advance payments towards capital projects		(5,860,428)	(4,605,548)
Profit received from deposit with Islamic bank		543,672	422,709
Dividend income received	14	2,939,413	2,704,852
Net cash flows used in investing activities		(106,253,351)	(23,557,005)
FINANCING ACTIVITIES			
Cash dividends paid		(62,189,150)	(72,604,709)
Bank facilities obtained		200,000,000	44,936,779
Payment of lease liabilities		(1,200,000)	(1,200,000)
Repayment of bank facilities		(85,323,863)	(14,684,872)
Net cash flows from/ (used in) financing activities		51,286,987	(43,552,802)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS			
		587,984	(29,905,342)
Cash and cash equivalents at the beginning of the period		12,499,637	42,150,235
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD			
		13,087,621	12,244,893

The attached notes 1 to 21 form part of these interim condensed financial statements.

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 centre in Al Wakrah which has commenced its operations during February 2019. The operation of medical clinic in Wakra was discontinued with effect from 30 April 2024.

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 Riyal (“QR”), which is the Company’s functional and presentation currency.

The interim condensed financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income, investment properties, and land and buildings which are carried at fair value.

The interim condensed financial statements do not include all information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2023. In addition, results for the six-month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

3 USES OF JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed financial statements in conformity with the International Financial Reporting Standards requires management to make judgment, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments, estimates and assumptions also affect the revenue, expenses and provisions as well as fair value changes. Actual results may differ from these estimates.

In preparing these interim condensed financial statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual consolidated financial statements as at and for the year ended 31 December 2023.

4 SIGNIFICANT ACCOUNTING POLICIES

New and amended standards and interpretations

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those applied by the Company in the preparation of the financial statements as at and for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed financial statements of the Company.

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

5 PROPERTY AND EQUIPMENT

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
Net book value at the beginning of the period/ year	1,048,647,205	1,032,712,543
Additions	25,876,008	63,552,075
Revaluation	-	(21,550,911)
Discontinued operations (Note 21 (i))	(36,242,212)	-
Depreciation charge for the period/year	(13,123,589)	(26,066,502)
Net book value at end of the period/year	<u>1,025,157,412</u>	<u>1,048,647,205</u>

6 RIGHT-OF-USE ASSET AND LEASE LIABILITY

Set out below are the carrying amounts of right-of-use asset recognized and the movements during the period/year:

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
At 1 January	35,242,551	37,592,055
Amortisation charge for the period/year	(783,168)	(2,349,504)
Discontinued operations (Note 21 (ii))	(34,459,383)	-
Balance at end of the period/year	<u>-</u>	<u>35,242,551</u>

Set out below are the carrying amounts of lease liability and the movements during the period/year:

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
At 1 January	40,692,837	42,634,791
Finance costs for the period/year	535,258	1,658,046
Payments made during the period/year	(1,200,000)	(3,600,000)
Discontinued operations (Note 21 (ii))	(40,028,095)	-
Balance at end of the period/year	<u>-</u>	<u>40,692,837</u>

Lease liability is presented in the interim condensed statement of financial position as follows:

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
Current portion	-	2,021,072
Non-current portion	-	38,671,765
	<u>-</u>	<u>40,692,837</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

7 ACCOUNTS RECEIVABLE AND PREPAYMENTS

	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Trade receivables	157,975,085	155,712,751
Advances to suppliers	29,743,064	24,391,860
Staff receivables	10,378,529	10,225,659
Prepaid expenses	5,023,813	3,901,971
Refundable deposits	1,697,600	2,206,100
Others	2,200,606	878,944
	207,018,697	197,317,285
Provision for expected credit losses on trade receivables	(76,435,439)	(76,435,439)
	130,583,258	120,881,846

The movement in the provision for expected credit losses on trade receivables are as follows:

	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
At 1 January	76,435,439	76,435,439
Write-offs	-	-
	76,435,439	76,435,439

8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Cash in hand	452,041	412,333
Cash at bank	12,262,762	12,087,304
Cash at bank - short-term deposits (Note i)	78,000,000	-
	90,714,803	12,499,637
Short term deposit with maturity of more than 90 days	(78,000,000)	-
Cash on hand and at bank attributable to discontinued operations (Note 21)	372,818	-
	13,087,621	12,499,637

Note i:

Deposit held carried a profit rate of 5.75% at 30 June 2024.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

9 BANK FACILITIES

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
Bank facility - 1 (i)	11,456,704	15,600,204
Bank facility - 2 (ii)	-	74,037,506
Bank facility - 3 (iii)	192,857,143	-
	<u>204,313,847</u>	<u>89,637,710</u>

Presented in the interim condensed statement of financial position as follows:

	30 June 2024 (Reviewed) QR	31 December 2023 (Audited) QR
Current portion	36,024,928	27,314,938
Non-current portion	168,288,919	62,322,772
	<u>204,313,847</u>	<u>89,637,710</u>

Notes:

- (i) The bank facility -1 represents an Islamic Finance (Musawama) facility obtained from a bank in the State of Qatar to finance the extension and renovations of Al Ahli Hospital buildings. In 2020, the Company has drawn down QR 16 million from the facility, to be repayable in 60 monthly instalments of QR 363,500 each and matures on 27 February 2025. In 2021, the Company has drawn down QR 23 million from the facility, to be repayable in 60 monthly instalments of QR 435,601 each and matures on 17 March 2026. The bank facility carries an annual profit rate of 5.75%.
- (ii) The bank facility -2 represents an Islamic finance (Murahaba commodity) facility of QR 100 million obtained from a bank in the State of Qatar for renovations of Al Ahli Hospital buildings. The facility was repaid in the current period.
- (iii) The bank facility -3 represents a cost-free finance facility of QR 200 million obtained from a bank in the state of Qatar to repay an existing finance facility and for the expansion of Al-Ahli Hospital buildings. The bank facility is repayable in 84 monthly installments of average QR 2,853,741 each and matures on 31 March 2031. The bank facility carries a business review and investment re-evaluation fee of 5.60% per annum.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

10 ACCOUNTS PAYABLE AND ACCRUALS

	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Trade payables	56,769,554	45,480,522
Accrued expenses	40,269,943	44,956,744
Dividends payable	28,225,199	28,497,329
Advances from customers	340,491	430,092
Staff payable	123,241	584,126
Retention payable	132,715	132,715
Payable to Retirement and Pension Authority	46,702	388,760
Provision for contribution to social and sports fund	-	1,642,514
Credit card payable	-	46,738
	125,907,845	122,159,540

11 DIVIDENDS

At the Annual General Meeting held on 1 April 2024, the shareholders of the Company approved a cash dividend of QR 0.22 per share totalling QR 61,917,020, relating to the year 2023 (30 June 2023: QR 73,878,263).

12 OPERATING INCOME

	<i>For the six-month period ended 30 June</i>	
<i>Type of revenue</i>	<i>30 June 2024 (Reviewed) QR</i>	<i>30 June 2023 (Reviewed) QR</i>
Revenue from patient services	220,150,115	211,884,561
Sale of medications	38,739,852	34,875,265
	258,889,967	246,759,826

Revenue from outpatient services, sale of medications and other operating income are recognized at point in time. Revenue from inpatient services is recognized over time

13 OPERATING COSTS

	<i>For the six-month period ended 30 June</i>	
	<i>2024 (Reviewed) QR</i>	<i>2023 (Reviewed) QR</i>
Staff costs	87,083,593	84,532,893
Medication and surgical costs	48,002,446	44,323,977
Doctors' charges	18,804,121	18,041,572
Depreciation of medical equipment	4,449,152	4,102,704
Food costs	1,755,454	1,705,201
Utilities	1,495,373	1,351,932
Fuel costs	789,538	823,704
Provision for obsolete inventories	186,587	-
	162,566,264	154,881,983

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

14 OTHER INCOME

	<i>For the six-month period ended 30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR</i>	<i>QR</i>
Dividend income	2,939,413	2,704,852
Rental income	1,262,850	1,303,889
Miscellaneous income	484,358	439,859
	4,686,621	4,448,600

15 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR</i>	<i>QR</i>
Staff costs	30,618,681	27,837,820
Maintenance and repairs	3,862,156	4,951,805
Outsourced staff costs	2,956,197	2,880,207
IT development	2,497,899	2,184,267
Security and cleaning	2,420,416	1,831,760
Insurance	1,761,045	1,742,666
Legal and professional fees	954,180	1,300,827
Telephone and fax	1,012,895	1,216,981
Advertisement and promotions	1,213,712	842,952
Board of Directors' remuneration	149,332	1,199,344
Bank charges	605,607	534,420
Printing and stationery	416,470	302,009
Government expenses	317,448	238,003
Others	816,028	946,523
	49,602,066	48,009,584

16 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period as follows:

	<i>For the six-month period ended 30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR</i>	<i>QR</i>
Net profit for the period	11,283,805	36,343,985
Weighted average number of ordinary shares outstanding during the period	281,441,000	281,441,000
Basic and diluted earnings per share	0.040	0.129

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

17 CONTINGENCIES AND COMMITMENTS**a) Contingent liabilities**

The Company had the following contingent liabilities from which it is anticipated that no material liabilities will arise:

	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Bank guarantees	<u>203,000</u>	<u>203,000</u>

b) Legal claims

As at 30 June 2024, various legal claims were initiated by patients and other third parties against the Company in the form of malpractice compensation claims and other miscellaneous claims. The Company's management exercises its judgement in assessing whether it would be made liable to settle any malpractice cases based on its understanding of the specifics of the case. Moreover, the Company has a malpractice insurance policy in place to cover all malpractice claims made as part of which the Company would be liable to settle the deductible amount (as per the insurance policy) whereas the remaining claim is covered by the insurance Company. The liability to settle the deductible amounts of the claim is expected to be insignificant.

c) Capital commitments

The capital commitments of the Company as at 30 June 2024 amounted to QR 68,297,713 (31 December 2023: QR 58,499,895). This relates primarily to contracts entered for the development of buildings and acquisition of medical equipment.

18 RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Transactions with related parties included in the interim condensed statement of profit or loss are as follows:

	<i>For the six-month period ended 30 June</i>	
	<i>2024 (Reviewed) QR</i>	<i>2023 (Reviewed) QR</i>
Rental income	<u>121,800</u>	<u>120,000</u>
Finance income	<u>59,068</u>	<u>53,033</u>
Bank charges	<u>(67,933)</u>	<u>(17,604)</u>
Finance costs (including borrowing costs)	<u>(447,106)</u>	<u>(581,524)</u>
Insurance expenses	<u>(6,627,985)</u>	<u>(5,889,972)</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

18 RELATED PARTY TRANSACTIONS (CONTINUED)

Balances with related parties included in the interim condensed statement of financial position are as follows:

	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Bank balances	<u>4,738,836</u>	<u>7,975,868</u>
Receivables	<u>1,776,107</u>	<u>1,268,793</u>
Profit receivable from deposits with an Islamic Bank	<u>194,479</u>	<u>194,479</u>
Bank facilities	<u>(11,456,704)</u>	<u>(15,600,204)</u>
Trade payables	<u>(2,269,987)</u>	<u>-</u>
Credit card payable	<u>(14,192)</u>	<u>(30,527)</u>

Compensation of directors and other key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	<i>For the six-month period ended 30 June</i>	
	<i>2024 (Reviewed) QR</i>	<i>2023 (Reviewed) QR</i>
Board of Directors' remuneration	<u>195,215</u>	<u>1,199,344</u>
Total key management personnel benefits	<u>2,391,888</u>	<u>2,341,868</u>
	<u>2,587,103</u>	<u>3,541,212</u>

19 FAIR VALUE OF FINANCIAL INSTRUMENTS**Fair value**

Set out below is a comparison of the carrying amounts and fair value of the Company's financial instruments as at 30 June 2024 and 31 December 2023:

	<i>Carrying amounts</i>		<i>Fair values</i>	
	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Financial assets				
Bank balances	<u>90,632,306</u>	<u>12,082,304</u>	<u>90,632,306</u>	<u>12,082,304</u>
Trade and other receivables	<u>95,863,350</u>	<u>92,588,015</u>	<u>95,863,350</u>	<u>92,588,015</u>
Investments at fair value through other comprehensive income	<u>68,149,098</u>	<u>73,362,823</u>	<u>68,149,098</u>	<u>73,362,823</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 30 June 2024

19 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value (continued)**

	<i>Carrying amounts</i>		<i>Fair values</i>	
	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>	<i>30 June 2024 (Reviewed) QR</i>	<i>31 December 2023 (Audited) QR</i>
Financial liabilities				
Trade and other payables	85,297,411	76,772,704	85,297,411	76,772,704
Lease liability	-	40,692,837	-	40,692,837
Bank facilities	204,313,847	89,637,710	204,313,847	89,637,710

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques that use inputs that have a significant effect on the recorded fair values are not based on observable market data.

As at 30 June 2024 and 31 December 2023, the Company held the following classes of financial instruments measured at fair value:

	<i>30 June 2024 (Reviewed) QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
Financial assets				
Financial assets at fair value through other comprehensive income	68,149,098	68,149,098	-	-
	<u>68,149,098</u>	<u>68,149,098</u>	<u>-</u>	<u>-</u>
Non-financial assets				
Revalued land and building	737,116,184	-	-	737,116,184
Investment properties	26,270,000	-	-	26,270,000
	<u>763,386,184</u>	<u>-</u>	<u>-</u>	<u>763,386,184</u>

19 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy (continued)**

	<i>31 December 2023 (Audited) QR</i>	<i>Level 1 QR</i>	<i>Level 2 QR</i>	<i>Level 3 QR</i>
Financial assets				
Financial assets at fair value through other comprehensive income	<u>73,362,823</u>	<u>73,362,823</u>	<u>-</u>	<u>-</u>
	<u>73,362,823</u>	<u>73,362,823</u>	<u>-</u>	<u>-</u>
Non-financial assets				
Revalued land and building	740,906,993	-	-	740,906,993
Investment properties	<u>26,270,000</u>	<u>-</u>	<u>-</u>	<u>26,270,000</u>
	<u>767,176,993</u>	<u>-</u>	<u>-</u>	<u>767,176,993</u>

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six-month period ended 30 June 2024.

Revaluation of land and buildings

The Company measures land and buildings at revalued amounts with gains in fair value being recognised in other comprehensive income and losses in the statement of profit or loss. As at 30 June 2024, the land and buildings are stated at revalued amount categorized under Level 3 based on the appraisal report carried out on 31 December 2023 by an independent valuation specialist.

Management believes that there are no events or changes in circumstances indicating a significant change in fair value of the land from the last appraisal made. Land was valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. Whereas the buildings were valued using the depreciable replacement cost method. The depreciable replacement cost represents the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The value of the property is adjusted to reflect obsolescence factors such as the physical condition, the remaining economic life, the comparative running costs and the comparative efficiency and functionality of the actual asset. The revalued land and buildings consist of Hospital premises and employee accommodations. The fair valuation of properties falls under level 3 of the fair value hierarchy.

The key valuation assumptions used are as follows:

<i>Type</i>	<i>Valuation technique</i>	<i>Significant unobservable inputs</i>	<i>Range used</i>	<i>The estimated value of the property would increase (decrease) if</i>
Land	Market comparison approach	Price per square foot in QR	QR 600 – QR 1,250 per SQFT	If the price per SQFT increased (decreased)
Building	Depreciable replacement cost approach	Depreciable replacement cost per square meter	QR 2,200 – QR 9,500 per SQM	If the price per SQM increased (decreased)

Valuation of investment properties

Fair value of the investment properties is determined using a discounted cash flow (DCF) method and the market comparable approach. Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market derived discount rate is applied to establish the present value of the income stream associated with the asset.

19 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy (continued)***Valuation of investment properties (continued)*

As at 31 December 2023, the estimated fair value using both methods are within a similar range and the management eventually decided to use the DCF method. As at 30 June 2024, the valuation of investment properties is equal to the carrying value.

The fair value measurement for all of the investment properties has been categorised as level 3 fair value based on the inputs to the valuation technique used.

20 SEGMENT INFORMATION**a) Segment information**

Segment reporting prescribes the “management approach” to segment reporting which requires the presentation and disclosure of segment information based on the internal reports that are regularly reviewed by the Company’s Chief Operating Decision Maker in order to assess each segment’s performance and to allocate resources to them. The Company has only one line of business which is providing health care services and operates only in the State of Qatar. At present, the Company’s revenue is reviewed by one line of business and the expenses and results are reviewed and therefore no operating segment disclosure is provided in these interim condensed financial statements.

b) Seasonality of results

No significant income of seasonal nature was recorded in the interim condensed statement of comprehensive income for the six months period ended 30 June 2024 and 30 June 2023.

21 DISCONTINUED OPERATIONS

On 30 April 2024, the Company ceased the operations of Wakra Clinic and was classified as asset held for sale and discontinued operations. As a result, revenues and expenses, and gains and losses relating to the discontinuation of this operation have been removed from the results of continuing operations and are presented as a single line item on the face of the interim condensed statement of profit or loss and other comprehensive income and comparative information has been reclassified to be consistent with this presentation.

The results of Wakra Clinic for the period are presented below:

	30 June 2024 (Reviewed) QR	30 June 2023 (Reviewed) QR
Operating income	34,198	229,307
Operating costs	(750,930)	(1,988,296)
Gross loss	(716,732)	(1,758,989)
General and administrative expenses	(451,493)	(369,476)
Depreciation of property and equipment	(935,757)	(1,405,319)
Amortisation of right-of-use assets	(783,168)	(1,174,752)
Finance costs	(535,258)	(841,720)
Loss for the period from discontinued operations	(3,422,408)	(5,550,256)
Discontinued operations:		
Impairment of non-financial assets (i)	(36,242,212)	-
Gain on termination of lease (ii)	5,568,712	-
Loss for the period	(34,095,908)	(5,550,256)

21 DISCONTINUED OPERATIONS (CONTINUED)

	<i>30 June 2024</i> <i>(Reviewed)</i> <i>QR</i>
Assets	
Trade receivables	36,133
Deposits and other receivables	<u>10,836</u>
	<u>46,969</u>
Cash on hand	3,274
Cash at bank	<u>369,544</u>
	<u>372,818</u>
Total assets	<u><u>419,787</u></u>
Liabilities	
Accrued expenses	<u>31,098</u>
Total liabilities	<u><u>31,098</u></u>

i. Impairment of non financial assets

Immediately before the classification of Wakra Clinic as discontinued operations, the recoverable amount was estimated for leasehold improvements under property and equipment and impairment loss were identified. Following the classification, a write-down of QR 36,242,212 was recognised on 1 May 2024 to reduce the carrying amount of the assets in the disposal group to their fair value less costs to sell. This was recognised in discontinued operations in the interim condensed statement of profit or loss and other comprehensive income.

ii. Gain on termination of lease

Immediately after the classification of Wakra Clinic as discontinued operations, the lease contract for the Clinic was terminated and entire amount of QR 34,459,383 of right of use asset and lease liability of QR 40,028,095 were derecognised. Accordingly, a gain of termination of lease of QR 5,568,712 was recognised.