

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

**FINANCIAL STATEMENTS**

**AS AT AND FOR THE YEAR ENDED**

**31 DECEMBER 2025**

# Medicare Group Q.P.S.C.

## NOTES TO THE FINANCIAL STATEMENTS

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As at and for the year ended 31 December 2025

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## Independent auditor's report

**To the Shareholders of Medicare Group Q.P.S.C.**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Medicare Group Q.P.S.C. (the 'Company'), which comprise the statement of financial position as at 31 December 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



# Independent auditor's report (continued)

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

### Key Audit Matter (continued)

#### Revenue recognition

See Note 18 to the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The Company recognized revenue of QR 502,601,326 for the year ended 31 December 2025 (2024: QR 523,491,870). The Company's revenue is derived from a high volume of transactions across multiple service lines, including patient services and pharmacy sales, and involves arrangements with third-party payers such as insurance companies.</p> <p>Revenue recognition is considered as a key audit matter due to significance of the amounts, volume of transactions, complex IT system and there is a risk that revenue may be misstated due to management's override of controls.</p>	<p>Our audit procedures in this area included, among other things:</p> <ul style="list-style-type: none"><li>- Evaluating the appropriateness of the Company's revenue recognition policies and assessing their compliance with IFRS 15, Revenue from contracts with customers.</li><li>- Testing the design and operating effectiveness of the internal controls, including the general information technology controls and application controls surrounding the revenue recognition process.</li><li>- Performing substantive testing of revenue transactions on a sample basis, including inspection of patient service records, billing summaries, approved tariffs and other supporting documents.</li><li>- Performing correlation analysis between revenue, trade receivables and cash receipts to assess whether the movements were consistent with the recorded revenue for the year.</li><li>- Performing cut-off testing at year-end to assess whether revenue was recognized in the appropriate accounting period.</li><li>- Testing a sample of journal entries selected based on predefined high-risk criteria and inspecting the underlying supporting documents.</li><li>- Evaluating the adequacy of revenue related disclosures in the financial statements.</li></ul>

### Other Matter

The financial statements of the Company as at and for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those financial statements on 24 February 2025.

### Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the financial statements. We have performed assurance engagements on the internal controls over financial reporting and the Company's compliance with the provisions of the Qatar Financial Markets Authority's Governance Code for Listed Companies that forms part of the other information and provided separate assurance practitioner's conclusion thereon that is included within the other information.



# Independent auditor's report (continued)

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

### Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



# Independent auditor's report (continued)

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

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal Requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

- (i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- (ii) The Company has maintained proper accounting records and its financial statements are in agreement therewith.
- (iii) We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Company.
- (iv) Furthermore, the physical count of the Company's inventories was carried out in accordance with established principles.
- (v) We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Company's financial position or performance as at and for the year ended 31 December 2025.

17 February 2026  
Doha  
State of Qatar

Gopal Balasubramaniam  
KPMG  
Qatar Auditors' Registry Number 251  
Licensed by QFMA: External  
Auditors' License No. 120153



# Medicare Group Q.P.S.C.

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 QR	2024 QR
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	5	1,075,037,550	1,041,449,857
Investment properties	6	26,242,000	26,244,000
Equity investments at fair value through other comprehensive income	7	76,765,285	73,401,634
<b>Total non-current assets</b>		<b>1,178,044,835</b>	<b>1,141,095,491</b>
<b>Current assets</b>			
Inventories	8	27,023,381	31,253,873
Accounts receivable and prepayments	9	114,623,486	118,059,384
Cash and bank balances	10	64,451,917	108,792,159
<b>Total current assets</b>		<b>206,098,784</b>	<b>258,105,416</b>
<b>Total assets</b>		<b>1,384,143,619</b>	<b>1,399,200,907</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	11	281,441,000	281,441,000
Legal reserve	12	136,187,577	128,586,417
Fair value reserve	7	25,400,341	22,036,690
Revaluation reserve		518,218,065	521,092,396
Retained earnings		69,640,230	55,981,067
<b>Total equity</b>		<b>1,030,887,213</b>	<b>1,009,137,570</b>
<b>Non-current liabilities</b>			
Borrowings	15	121,428,584	151,394,292
Employees' end of service benefits	16	78,458,175	75,226,502
<b>Total non-current liabilities</b>		<b>199,886,759</b>	<b>226,620,794</b>
<b>Current liabilities</b>			
Borrowings	15	28,571,424	33,896,444
Accounts payable and accruals	17	124,798,223	129,546,099
<b>Total current liabilities</b>		<b>153,369,647</b>	<b>163,442,543</b>
<b>Total liabilities</b>		<b>353,256,406</b>	<b>390,063,337</b>
<b>Total equity and liabilities</b>		<b>1,384,143,619</b>	<b>1,399,200,907</b>

These financial statements were approved and signed on behalf of the Board of Directors by the following on 17 February 2026:

  
 Abdulla Bin Thani Bin Abdulla Al-Thani  
 Chairman

  
 Khalid Mohammed Al-Emadi  
 Chief Executive Officer



The attached notes 1 to 30 form part of these financial statements.

# Medicare Group Q.P.S.C.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 QR	2024 QR
<b>Continuing operations</b>			
Revenue	18	502,601,326	523,491,870
Cost of revenue	19 & 5	(326,281,328)	(326,808,239)
<b>Gross profit</b>		<b>176,319,998</b>	<b>196,683,631</b>
Income from deposit with the Islamic banks		3,211,258	3,687,728
Other income	20	10,064,611	7,873,882
General and administrative expenses	21	(98,160,298)	(98,790,425)
Depreciation of property and equipment	5	(15,421,969)	(15,275,988)
Fair value loss on investment properties	6	(2,000)	(26,000)
<b>Net profit for the year from continuing operations</b>		<b>76,011,600</b>	<b>94,152,828</b>
<b>Discontinued operations</b>			
Loss from discontinued operations	28	-	(34,095,908)
<b>Profit for the year</b>		<b>76,011,600</b>	<b>60,056,920</b>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Net change in fair value of equity investments at fair value through other comprehensive income	7	3,363,651	38,811
<b>Other comprehensive income for the year</b>		<b>3,363,651</b>	<b>38,811</b>
<b>Total comprehensive income for the year</b>		<b>79,375,251</b>	<b>60,095,731</b>
<b>Basic and diluted earnings per share</b>			
(expressed in Qatari riyals per share)	22	<b>0.270</b>	<b>0.213</b>



The attached notes 1 to 30 form part of these financial statements.

# Medicare Group Q.P.S.C.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital QR	Legal reserve QR	Fair value reserve QR	Revaluation reserve QR	Retained earnings QR	Total equity QR
Balance at 1 January 2024	281,441,000	122,580,725	21,997,879	523,897,804	62,542,874	1,012,460,282
<i>Total comprehensive income for the year:</i>						
Net profit for the year	-	-	-	-	60,056,920	60,056,920
Other comprehensive income	-	-	38,811	-	-	38,811
Total comprehensive income	-	-	38,811	-	60,056,920	60,095,731
<i>Other movements:</i>						
Transfer to legal reserve	-	6,005,692	-	-	(6,005,692)	-
Transfer of depreciation of revalued assets	-	-	-	(2,805,408)	2,805,408	-
Contribution to social and sports fund (Note 13)	-	-	-	-	(1,501,423)	(1,501,423)
<i>Transactions with owners of the Company:</i>						
Dividends (Note 14)	-	-	-	-	(61,917,020)	(61,917,020)
Balance at 31 December 2024	<u>281,441,000</u>	<u>128,586,417</u>	<u>22,036,690</u>	<u>521,092,396</u>	<u>55,981,067</u>	<u>1,009,137,570</u>
Balance at 1 January 2025	281,441,000	128,586,417	22,036,690	521,092,396	55,981,067	1,009,137,570
<i>Total comprehensive income for the year:</i>						
Net profit for the year	-	-	-	-	76,011,600	76,011,600
Other comprehensive income	-	-	3,363,651	-	-	3,363,651
Total comprehensive income	-	-	3,363,651	-	76,011,600	79,375,251
<i>Other movements:</i>						
Transfer to legal reserve	-	7,601,160	-	-	(7,601,160)	-
Transfer of depreciation of revalued assets	-	-	-	(2,874,331)	2,874,331	-
Contribution to social and sports fund (Note 13)	-	-	-	-	(1,900,290)	(1,900,290)
<i>Transactions with owners of the Company:</i>						
Dividends (Note 14)	-	-	-	-	(55,725,318)	(55,725,318)
<b>Balance at 31 December 2025</b>	<u><b>281,441,000</b></u>	<u><b>136,187,577</b></u>	<u><b>25,400,341</b></u>	<u><b>518,218,065</b></u>	<u><b>69,640,230</b></u>	<u><b>1,030,887,213</b></u>



The attached notes 1 to 30 form part of these financial statements.

# Medicare Group Q.P.S.C.

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 <i>QR</i>	2024 <i>QR</i>
<b>Cash flows from operating activities</b>			
Profit for the year		76,011,600	60,056,920
<i>Adjustments for:</i>			
Depreciation of property and equipment	5	26,399,027	25,825,546
Fair value loss on investment properties	6	2,000	26,000
Amortisation of right-of-use assets		-	783,168
Provision for obsolete and slow-moving inventories	8	1,126,274	316,140
Provision for employees' end of service benefits	16	9,628,593	11,915,153
Income from deposit with the Islamic banks		(3,211,258)	(3,687,728)
Dividend income	20	(3,359,747)	(4,096,124)
Rental income from investment properties	6	(948,000)	(990,000)
Impairment loss on discontinued operations		-	36,242,212
Gain on termination of lease	28	-	(5,568,712)
Loss on disposal of property and equipment		24,715	-
Finance costs	28	-	535,258
Operating profit before working capital changes		105,673,204	121,357,833
<i>Changes in:</i>			
Inventories		3,104,218	(2,303,012)
Accounts receivable and prepayments		(663,727)	(8,309,012)
Accounts payable and accruals		(5,055,363)	7,815,170
Cash generated from operations		103,058,332	118,560,979
Contribution paid to social and sports fund		(1,501,423)	(1,642,514)
Employees' end of service benefits paid		(6,396,920)	(7,848,015)
<b>Net cash flow from operating activities</b>		<b>95,159,989</b>	<b>109,070,450</b>
<b>Cash flows from investing activities</b>			
Acquisition of property and equipment	5	(60,011,435)	(54,870,410)
Investment in short term deposits		28,000,000	(88,000,000)
Movement in advance payments towards capital projects		2,272,249	3,405,588
Income received from deposits with the Islamic banks		5,038,634	1,352,284
Dividend income received	20	3,359,747	4,096,124
Rental income received from investment properties		948,000	990,000
<b>Net cash flow used in investing activities</b>		<b>(20,392,805)</b>	<b>(133,026,414)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	15	-	200,000,000
Repayment of borrowings	15	(35,290,728)	(104,346,974)
Cash dividends paid	14	(55,816,698)	(62,204,540)
Payment of lease liabilities		-	(1,200,000)
<b>Net cash flow (used in) / from financing activities</b>		<b>(91,107,426)</b>	<b>32,248,486</b>
Net (decrease) / increase in cash and cash equivalents		(16,340,242)	8,292,522
Cash and cash equivalents at 1 January		20,792,159	12,499,637
<b>Cash and cash equivalents at 31 December</b>	10	<b>4,451,917</b>	<b>20,792,159</b>



The attached notes 1 to 30 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

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

The financial statements of the Company for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 17 February 2026.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB).

**2.2 Basis of measurement**

The 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.

**2.3 Functional and presentation currency**

The financial statements are presented in Qatari Riyals (“QR”), which is the Company’s functional and presentational currency.

**2.4 Use of assumptions and estimation uncertainties**

In preparing these financial statements, management has made assumptions and estimation uncertainties that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about critical assumptions and estimation uncertainties in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

*Going concern*

The Company’s management has made an assessment of the Company’s ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

*Useful lives of property and equipment*

The Company’s management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**2 BASIS OF PREPARATION (CONTINUED)**

**2.4 Use of estimates and judgements (continued)**

*Fair value of properties carried under the revaluation model and investment properties*

Fair value is the price that would be received upon the sale of an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company carries its investment property at fair value, with changes in fair value being recognised in the statement of profit or loss. For investment property, a valuation methodology based on a discounted cash flow (DCF) model was used. In addition, the properties that are used for its business operations are measured under the revaluation model of IAS 16, with changes in fair value being recognised in OCI. These assets are revalued on periodic basis by either engaging a real estate valuation expert or internally to value the properties at the date of statement of financial position. The third-party valuers utilise methods and techniques generally recognised as standard within the industry.

These techniques include the sales comparison, discounted cash flows or the capitalization of future cash streams of the underlying asset using the prevailing capitalization rate for similar properties or similar geographies. The valuation experts use their judgement in identifying the appropriate valuation technique for valuing the asset, identifying comparable assets, and determining the unobservable valuation inputs used in the valuation models including the depreciated replacement cost per square meter of built-up area and the market price per square foot of land. Management assessment of the change in fair value in the current year is disclosed in Note 6.

*Net realisable value of inventories*

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence. Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the statement of profit or loss and other comprehensive income.

*Allowance for expected credit losses of trade and other receivables*

The ‘expected credit loss’ (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. It is expected that under the new impairment model credit losses will be recognised earlier. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the statement of profit or loss and other comprehensive income.

**3 NEW ACCOUNTING STANDARDS OR AMENDMENTS FOR 2025 AND FORTHCOMING REQUIREMENTS**

**3.1 New standards, amendments and interpretations**

The Company has applied the following new and revised IFRS Accounting Standards that have been issued and are effective for annual reporting period beginning on 1 January 2025:

<b>Effective date</b>	<b>New standards or amendments</b>
1 January 2025	Lack of Exchangeability – Amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i>

The adoption of this amendment had no material impact on the Company’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**3 NEW ACCOUNTING STANDARDS OR AMENDMENTS FOR 2025 AND FORTHCOMING REQUIREMENTS (CONTINUED)**

**3.2 New and amended standards and an interpretation to a standard not yet effective, but available for early adoption**

A number of new standards, amendments and interpretations to standards are effective for annual reporting periods beginning after 1 January 2025 and earlier application is permitted; however, the Company has not early adopted any of the following new standards and amendments in preparing these financial statements.

Effective date	New standards or amendments
1 January 2026	Classification and Measurement of Financial Instruments – Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>
	<i>Annual improvements to IFRS Accounting Standards – Volume 11</i>
	<i>Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7</i>
1 January 2027	IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>
	IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>
	IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i>
To be determined	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures</i>

The above new standards and amendments are not expected to have a significant impact on Company’s financial statements, except IFRS 18 - *Presentation and Disclosure in Financial Statements*.

**IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, will be effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

**4 MATERIAL ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to both years presented in these financial statements.

**Revenue recognition**

Revenue represents income earned from providing healthcare services to patients and from the sale of medications through the Company’s pharmacy. Revenue is recognised in accordance with IFRS 15 – Revenue from Contracts with Customers, based on the transfer of control of goods or services to the customer. A contract with a customer is established when a patient registers for treatment or purchases medications, at which point the Company obtains enforceable rights and obligations. The transaction price is determined based on the consideration the Company expects to be entitled to, taking into account tariff agreements with insurers, discounts and rebates.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES**

**Revenue recognition (continued)**

*Revenue from patient services*

Revenue is recognised over time, as patients simultaneously receive and consume the benefits of the Company's services throughout the course of treatment. Revenue is recognised based on the extent of services provided up to the reporting date, including a patient room, meals, nursing care, doctors' consultation and physician services, therapy services, drugs, supplies, and so forth. Fees are recorded net of insurance discounts. The Company assesses its revenue arrangements to determine whether it acts as principal or agent and has concluded that it acts as principal in all patient service arrangements, as it controls the service before it is transferred to the patient.

*Sale of medication*

Revenue from the sale of medications is recognised at the point in time when control of the goods is transferred to the customer, which occurs upon delivery from the Company's pharmacy or respective patient service departments. Revenue is recorded net of applicable discounts. Payments for pharmacy sales are collected immediately for cash customers, while credit sales are billed to insurers or corporate customers in accordance with agreed tariffs after agreed discounts.

All revenues are generated in the State of Qatar.

**Other income**

*Income from deposits with the Islamic banks*

Profit is accrued on a time apportioned basis, by reference to the principal outstanding and the effective profit rate applicable.

*Rental income*

Rental income is recognised on a straight-line basis over the term of the lease and presented as part of revenue due to its operating nature. The Company does not transfer substantially all the risks and rewards incidental to ownership of the asset leased out and accordingly these lease contracts are classified as operating leases.

*Dividend income*

Dividend income is recognised in statement of profit or loss on the date on which the Company's right to receive payment is established.

**Property and equipment**

Land and buildings held for use in the Company's operations are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the reporting date. Management will perform the revaluation of Land and buildings in every 5 years interval. The revaluation reserve related to the revaluation of land and building are disclosed within statement of changes in equity.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity under revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the property and equipment revaluation reserve relating to a previous revaluation of that asset.

All other property and equipment are carried at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property and equipment revaluation reserve is transferred directly to retained earnings. In addition, part of the reserve relating to the depreciation of buildings is transferred over the period for which the asset is used by the Company. The amount of the reserve transferred is the difference between the depreciation charge based on the revalued carrying amount of the asset and the depreciation charge based on the asset's original cost.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**Property and equipment (continued)**

The transfer from revaluation reserve to retained earnings, whether on disposal or on a systematic basis over the life of the asset, is not made through statement of profit or loss.

Depreciation is charged on straight line basis on all property and equipment at rates calculated to write off the cost of each asset over its estimated useful life. Land and capital work in progress are not depreciated. The rates of depreciation are based upon the following estimated useful lives:

Buildings	50 years
Leasehold improvements	20 years
Office equipment	1-7 years
Medical equipment	1-10 years
Equipment & tools	1-7 years
Vehicles	7 years
Furniture and fixtures	1-10 years

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Land and capital work-in-progress are not depreciated. Depreciation method, residual value and useful lives of property and equipment are reviewed at each reporting date and adjusted if appropriate.

An item of property and equipment and any significant part is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is recognized.

**Capital work-in-progress**

Capital work-in-progress is stated at cost. Such costs include staff cost and borrowing costs for long term projects if the recognition criteria are met. When the asset is ready for its intended use, it is transferred from capital work-in-progress to the appropriate category under property and equipment and depreciated in accordance with the Company's policies.

**Investment property**

Land and buildings are considered as investment property only when they are being held to earn rentals or for capital appreciation or both.

Investment property are measured initially at cost, including transaction costs that are directly attributable to construction of the asset. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment property are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property are included in the statement of profit or loss statement in the year in which they arise.

Investment property are derecognised when either they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**Inventories**

Inventories consists of medical and general supplies that are used in the Company's operations. Inventories are stated at the lower of cost or net realisable value. Costs are those expenses incurred in bringing each product to its present location and condition. Cost is determined on weighted average method. Net realisable value is based on estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision is made for obsolete, slow-moving and damaged inventories based on management's judgment.

**Financial instruments**

*Recognition and initial measurement*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset, unless it is a trade receivable without a significant financing component, or a financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. An trade receivable without a significant financing component is initially measured at the transaction price.

*Classification and subsequent measurement of financial assets*

*Classification on initial recognition*

On initial recognition, a financial asset is classified at:

- Amortised cost – if it meets both of the following conditions and is not designated as at FVTPL:
  - it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
  - its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- Fair Value Through Other Comprehensive Income (FVOCI) - if it meets both of the following conditions and is not designated as at FVTPL:
  - it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
  - its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
- Fair Value Through Profit or Loss (FVTPL) – All financial assets not classified as measured at amortised cost or FVOCI as described above.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

*Financial assets – Business model assessment*

The Company makes an assessment of the objective of the business model in which a financial asset is held at a instrument level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives. These include whether management's strategy focuses on earning contractual cash flows or realising cash flows through the sale;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.
- Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**Financial instruments (continued)**

*Classification and subsequent measurement of financial assets (continued)*

*Financial assets – Assessment whether contractual cash flows are Solely Payments of Principal and Interest*

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non-recourse features).

*Financial assets - Subsequent measurement and gains and losses*

- Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- Equity investments at Fair Value Through Other Comprehensive Income (FVOCI) - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never derecognised to profit or loss.

Fair value reserve represent the cumulative net changes in the fair value of equity investments and are disclosed within statement of changes in equity.

*Financial liabilities - Classification, subsequent measurement*

Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**Derecognition**

*Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

*Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**Impairment**

*Non-derivative financial assets*

The Company recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowance either at an amount equal to:

- lifetime ECLs, which are those ECLs that result from all possible default events over the expected life of a financial instruments; or
- 12-month ECLs, which includes the portion of ECLs that results from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

For the financial assets, except for the cash at bank, the Company applied the simplified approach to measuring ECLs which recognises the lifetime ECLs of these assets that reflect an increased credit risk. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Loss allowances on bank balances are always measured at an amount equal to 12-month ECLs. The Company considers bank balances to have a low risk level when their credit risk rating is equivalent to the globally understood definition of "investment grade".

*Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

**Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty; or
- a breach of contract such as a default or being more than 365 days past due; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganization;

**Write-off**

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**Impairment (continued)**

*Impairment of non-financial assets*

At each reporting date, management reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, balances with banks and deposits with original maturities of 90 days or less.

**Share capital**

Ordinary shares are classified as equity.

**Employees' end of service benefits and pension**

The Company provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period, calculated under the provisions of the Qatar Labor Law and the employees' contracts and is payable upon resignation or termination of the employee. The expected costs of these benefits are accrued over the period of employment.

Under Law No. 14 of 2014 on Retirement and Pension, the Company is required to make contributions to a Government fund scheme for Qatari employees calculated as a percentage of the Qatari employees' salaries. The Company's obligations are limited to these contributions, which are expensed when due.

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are derecognised from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount and the consideration paid, is recognised in the statement of profit or loss and other comprehensive income as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**4 MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**Borrowing costs**

Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization on that asset shall be determined as the actual borrowing costs incurred on that borrowing during the year, less any investment income on the temporary investment of those borrowings. To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization shall be determined by applying a capitalizable rate to the expenditures on that asset.

The capitalization rate shall be the weighted average of the borrowing costs applicable to borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during the year shall not exceed the amount of borrowing costs incurred during that year.

Capitalization of borrowing costs commences when the activities necessary to prepare the asset for intended use are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the asset is available for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized. Borrowing costs include finance income charges and other costs incurred in connection with the borrowing of funds to the extent that they are regarded as an adjustment to finance income costs.

All other borrowing costs are expensed as incurred in the year in which they occur.

**Contribution to social and sports fund**

According to Qatari Law No. 13 for the year 2008 and the related clarifications issued in January 2010, the Company is required to contribute 2.5% of annual net profits of the Company to the State Social and Sports Fund.

**Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, whose operating results are reviewed regularly by the Company's top management (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

**Contingencies**

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

**Earnings per share**

Basic earnings per share is calculated by dividing profit of loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by adjusting the earnings and number of shares for the effect of any dilutive instruments.

**Income tax**

The Company is exempt from income tax based on the provisions of the Qatar Income Tax Law No. 24 of 2018.

Medicare Group Q.P.S.C.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**5 PROPERTY AND EQUIPMENT**

	<i>Land QR</i>	<i>Buildings QR</i>	<i>Leasehold improvements QR</i>	<i>Office equipment QR</i>	<i>Medical equipment QR</i>	<i>Equipment and tools QR</i>	<i>Vehicles QR</i>	<i>Furniture and fixtures QR</i>	<i>Capital work in progress QR</i>	<i>Total QR</i>
<b>Cost or valuation:</b>										
At 1 January 2025	421,390,000	462,162,643	-	53,262,808	219,766,465	35,363,964	1,396,850	29,979,236	244,046,305	1,467,368,271
Additions	-	1,321,044	-	2,009,699	27,838,814	1,098,153	212,000	910,597	26,621,128	60,011,435
Transfers	-	12,602,327	-	-	-	-	-	-	(12,602,327)	-
Disposals	-	-	-	(35,935)	(3,008,346)	(490,474)	(174,000)	(13,787)	-	(3,722,542)
At 31 December 2025	<u>421,390,000</u>	<u>476,086,014</u>	<u>-</u>	<u>55,236,572</u>	<u>244,596,933</u>	<u>35,971,643</u>	<u>1,434,850</u>	<u>30,876,046</u>	<u>258,065,106</u>	<u>1,523,657,164</u>
<b>Accumulated depreciation:</b>										
At 1 January 2025	-	149,822,798	-	42,993,262	178,808,880	31,620,411	1,062,130	21,610,933	-	425,918,414
Charge for the year	-	9,728,321	-	2,551,859	10,976,623	948,262	124,242	2,069,720	-	26,399,027
Disposals	-	-	-	(35,709)	(2,988,709)	(490,474)	(174,000)	(8,935)	-	(3,697,827)
At 31 December 2025	<u>-</u>	<u>159,551,119</u>	<u>-</u>	<u>45,509,412</u>	<u>186,796,794</u>	<u>32,078,199</u>	<u>1,012,372</u>	<u>23,671,718</u>	<u>-</u>	<u>448,619,614</u>
<b>Net carrying value:</b>										
At 31 December 2025	<u>421,390,000</u>	<u>316,534,895</u>	<u>-</u>	<u>9,727,160</u>	<u>57,800,139</u>	<u>3,893,444</u>	<u>422,478</u>	<u>7,204,328</u>	<u>258,065,106</u>	<u>1,075,037,550</u>

Depreciation charges are allocated as follows:

	<i>2025 QR</i>	<i>2024 QR</i>
Depreciation charges presented in the Statement of Profit or Loss	15,421,969	15,275,988
Discontinued operations	-	1,206,499
Depreciation charges included in the cost of revenue (Note 19)	<u>10,977,058</u>	<u>9,343,059</u>
Total	<u>26,399,027</u>	<u>25,825,546</u>

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

### NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

#### 5 PROPERTY AND EQUIPMENT (CONTINUED)

	<i>Land QR</i>	<i>Buildings QR</i>	<i>Leasehold improvements QR</i>	<i>Office equipment QR</i>	<i>Medical equipment QR</i>	<i>Equipment And Tools QR</i>	<i>Vehicles QR</i>	<i>Furniture and fixtures QR</i>	<i>Capital work in progress QR</i>	<i>Total QR</i>
Cost or valuation:										
At 1 January 2024	421,390,000	459,680,391	49,123,733	49,821,736	210,858,963	33,838,695	1,341,550	25,575,133	209,991,393	1,461,621,594
Additions	-	2,482,252	-	3,441,072	8,907,502	1,525,269	55,300	4,404,103	34,054,912	54,870,410
Discontinued operations (Note 28 (i))	-	-	(49,123,733)	-	-	-	-	-	-	(49,123,733)
At 31 December 2024	<u>421,390,000</u>	<u>462,162,643</u>	<u>-</u>	<u>53,262,808</u>	<u>219,766,465</u>	<u>35,363,964</u>	<u>1,396,850</u>	<u>29,979,236</u>	<u>244,046,305</u>	<u>1,467,368,271</u>
Accumulated depreciation:										
At 1 January 2024	-	140,163,398	12,069,438	40,089,003	169,195,078	30,823,085	929,448	19,704,939	-	412,974,389
Charge for the year	-	9,659,400	812,083	2,904,259	9,613,802	797,326	132,682	1,905,994	-	25,825,546
Discontinued operations (Note 28 (i))	-	-	(12,881,521)	-	-	-	-	-	-	(12,881,521)
At 31 December 2024	<u>-</u>	<u>149,822,798</u>	<u>-</u>	<u>42,993,262</u>	<u>178,808,880</u>	<u>31,620,411</u>	<u>1,062,130</u>	<u>21,610,933</u>	<u>-</u>	<u>425,918,414</u>
Net carrying value:										
At 31 December 2024	<u>421,390,000</u>	<u>312,339,845</u>	<u>-</u>	<u>10,269,546</u>	<u>40,957,585</u>	<u>3,743,553</u>	<u>334,720</u>	<u>8,368,303</u>	<u>244,046,305</u>	<u>1,041,449,857</u>

#### *Revaluation of land and buildings*

The Company measures land and buildings at revalued amounts with gains in fair value being recognised in OCI and losses in the statement of profit or loss to the extent that it exceeds the balance held in the property and equipment revaluation reserve relating to a previous revaluation of those assets. As at 31 December 2025, 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 were 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 assets, 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 employees accommodations.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**5 PROPERTY AND EQUIPMENT (CONTINUED)**

The key valuation assumptions used are as follows:

<b>Significant unobservable valuation input:</b>	<b>Range:</b>
Price per square foot of land	QR 600 – QR 1,250
Depreciated replacement cost per square meter of Hospital building	QR 2,500 – QR 9,500
Depreciated replacement cost per square meter of Multi purpose building	QR 2,250 – QR 6,500
Depreciated replacement cost per square meter of Employees accommodation	QR 2,200 – QR 4,000

Significant increases (decreases) in estimated price per square foot in isolation would result in a significantly higher (lower) fair value on a linear basis.

*Capitalized borrowing costs*

The Company commenced the construction of the Hospital's expansion in 2018. A portion of the expansion project is under construction and expected to be completed in 2026 and the remaining in 2028. The project is financed through bank borrowings (Note 15). The amount of borrowing costs capitalized during the year ended 31 December 2025 amounted to QR 7,442,030 (2024: QR 10,287,715).

**6 INVESTMENT PROPERTIES**

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
At 1 January	26,244,000	26,270,000
Fair value loss	<u>(2,000)</u>	<u>(26,000)</u>
At 31 December	<b><u>26,242,000</u></b>	<b><u>26,244,000</u></b>

The Company's investment properties consists of land and buildings which are located in the State of Qatar and leased out to a third party. Rental income earned from this investment properties amounted to QR 948,000 for the year ended 31 December 2025 (2024: QR 990,000).

**Measurement of fair value**

Fair value of the investment properties is determined primarily based on valuations carried out by professionally qualified third-party valuation company that are member of a professional valuers' associations and have the appropriate qualifications and experience in valuing these types of investment properties. The valuation was mainly determined using the market comparable approach and discounted cash flow (DCF) method (Level 3 of the fair value hierarchy) in accordance with RIGS valuation standards, adopting the IFRS basis of fair value and using established principles and valuation techniques.

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.

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.

Key unobservable inputs

	<b>2025</b>	<b>2024</b>
Rent income per villa / per month	QR 9,000 – QR 10,500	QR 9,000 - QR 11,000
Discounted rate	5% - 6%	5% - 6.5%

Significant increases (decreases) in rent income and discount rate in isolation would result in a significantly higher (lower) fair value on a linear basis and nonlinear basis respectively.

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

### NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

#### 7 EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity investments at fair value through other comprehensive income comprise amounts invested in equity shares of companies listed on the Qatar Stock Exchange, intended to be held for the long term for strategic purposes.

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
Investments in quoted securities	<u><b>76,765,285</b></u>	<u>73,401,634</u>

The break-up of the cost and fair value of investments in equity securities is as follows:

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
Cost of the investment	51,364,944	51,364,944
Fair value adjustment	<u>25,400,341</u>	<u>22,036,690</u>
	<u><b>76,765,285</b></u>	<u>73,401,634</u>

Movements in equity investments at fair value through other comprehensive income during the year are as follows:

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
At 1 January	73,401,634	73,362,823
Change in fair value, net	<u>3,363,651</u>	<u>38,811</u>
At 31 December	<u><b>76,765,285</b></u>	<u>73,401,634</u>

Movements in cumulative changes in fair values arising from equity investments at fair value through other comprehensive income are as follows:

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
At 1 January	22,036,690	21,997,879
Net gain on fair valuation of investments	<u>3,363,651</u>	<u>38,811</u>
At 31 December	<u><b>25,400,341</b></u>	<u>22,036,690</u>

#### 8 INVENTORIES

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
Medical and other supplies	16,753,129	19,267,207
Pharmaceutical inventories	<u>10,834,976</u>	<u>14,006,873</u>
	27,588,105	33,274,080
Provision for obsolete and slow-moving inventories	<u>(564,724)</u>	<u>(2,020,207)</u>
	<u><b>27,023,381</b></u>	<u>31,253,873</u>

The movement in the provision for obsolete and slow-moving inventories is as follows:

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
At 1 January	2,020,207	1,704,067
Written off during the year	(2,581,757)	-
Provision made during the year (Note 19)	1,126,274	320,542
Provision reversed during the year – discontinued operations	<u>-</u>	<u>(4,402)</u>
At 31 December	<u><b>564,724</b></u>	<u>2,020,207</u>

Inventories recognised as expense in the cost of revenue for the year amounted to QR 93,641,071 (2024: QR 95,357,106) which is included in the statement of profit or loss and other comprehensive income.

# Medicare Group Q.P.S.C.

## NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

### 9 ACCOUNTS RECEIVABLE AND PREPAYMENTS

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Trade receivables	166,470,734	162,393,986
Advances to suppliers	16,784,347	24,682,754
Staff receivables	729,666	345,331
Prepaid expenses	3,360,253	3,078,422
Accrued profit on deposit with the Islamic bank	702,546	2,529,922
Refundable deposits	711,398	909,030
Others	1,640,984	555,378
	<u>190,399,928</u>	<u>194,494,823</u>
Allowance for impairment on receivables	<u>(75,776,442)</u>	<u>(76,435,439)</u>
	<b><u>114,623,486</u></b>	<b><u>118,059,384</u></b>

The movement in allowance for impairment on receivables are as follows:

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
At 1 January	76,435,439	76,435,439
Written off during the year	<u>(658,997)</u>	<u>-</u>
At 31 December	<b><u>75,776,442</u></b>	<b><u>76,435,439</u></b>

### 10 CASH AND BANK BALANCES

Cash and cash equivalents in the statement of financial position and statement of cash flows comprise the following items:

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Cash on hand	207,729	710,274
Cash at banks	4,244,188	20,081,885
Cash at banks - short-term deposits (1)	<u>60,000,000</u>	<u>88,000,000</u>
<b>Cash and bank balances as in statement of financial position</b>	<u>64,451,917</u>	<u>108,792,159</u>
Less: Short term deposit with original maturity more than 90 days	<u>(60,000,000)</u>	<u>(88,000,000)</u>
<b>Cash and cash equivalents as in statement of cash flow</b>	<b><u>4,451,917</u></b>	<b><u>20,792,159</u></b>

(1) Short term deposits held as at 31 December 2025 carried a profit rate of 4.4% and 4.1% per annum (2024: 5.75% and 5.5%).

### 11 SHARE CAPITAL

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
<i>Authorised, issued and fully paid:</i>		
281,441,000 (2024: 281,441,000) ordinary shares of QR 1 (2024: QR 1) each	<b><u>281,441,000</u></b>	<b><u>281,441,000</u></b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

### 12 LEGAL RESERVE

In accordance with the requirements of the Qatar Commercial Companies' Law No. 11 of 2015 (as amended by Law No.8 of 2021) and the Company's Articles of Association, a minimum of 10% of the profit for the year should be transferred to a legal reserve each year until this reserve is equal to 50% of the paid up share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company's Articles of Association.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**13 CONTRIBUTION TO SOCIAL AND SPORTS FUND**

In accordance with Qatari Law No. 13 of 2008 and the related clarifications issued in January 2010, the Company is required to contribute 2.5% of its annual net profit to the state social and sports fund. During the year, the Company appropriated an amount of QR 1,900,290 (2024: QR 1,501,423) representing 2.5% of the net profit generated from operations.

**14 DIVIDENDS**

At the Board Meeting held on 17 February 2026, a dividend in respect of the profit for the year ended 31 December 2025 of QR 0.22 per share amounting to a total dividend of QR 61,917,020 has been proposed. These financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2026.

At the Annual General Meeting held on 16 April 2025, the shareholders of the Company approved a cash dividend of QR 0.198 per share relating to the year ended 31 December 2024. The total cash dividend amounted to QR 55,725,318 (2024: QR 61,917,020) and during the year an amount of QR 55,816,698 (2024: QR 62,204,540) was distributed.

**15 BORROWINGS**

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Bank facility - 1 (i)	-	6,719,307
Bank facility - 2 (ii)	150,000,008	178,571,429
	<u>150,000,008</u>	<u>185,290,736</u>

Presented in the statement of financial position as follows:

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Current	28,571,424	33,896,444
Non-current	121,428,584	151,394,292
	<u>150,000,008</u>	<u>185,290,736</u>

The reconciliation of movement of loan balances are as below;

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
At 1 January	185,290,736	89,637,710
Drawdowns during the year	-	200,000,000
Repayments during the year	(35,290,728)	(104,346,974)
At 31 December	<u>150,000,008</u>	<u>185,290,736</u>

(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 432,415 each. The bank facility carries an average annual profit rate of 4.60%. This loan has been fully settled on 17 December 2025.

(ii) The bank facility - 2 represents a 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 instalments of average QR 2,773,645 each and matures on 31 March 2031. The bank facility carries an average business review and investment re-evaluation fee of 4.08% per annum. The Company is subject to covenants relating to this term loan which mainly comprise of maintaining certain net debt/EBITDA ratio and debt service coverage ratio. The Company complied with the covenants at the end of the reporting period. The company also expects to comply with the covenants for at least 12 months after the reporting date.

(iii) All the borrowing cost incurred by the company is pertaining to the projects and same is capitalized in "capital work in progress" under property and equipment.

# Medicare Group Q.P.S.C.

## NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

### 16 EMPLOYEES' END OF SERVICE BENEFITS

Movements in the provision recognised in the statement of financial position are as follows:

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
At 1 January	88,808,832	81,220,694
Provided during the year	9,628,593	11,915,153
Employees' end of service benefits paid	<u>(3,994,250)</u>	<u>(4,327,015)</u>
Provision as at 31 December	<b>94,443,175</b>	88,808,832
Less: Balances paid in advance	<u>(15,985,000)</u>	<u>(13,582,330)</u>
At 31 December	<b><u>78,458,175</u></b>	<b><u>75,226,502</u></b>

### 17 ACCOUNTS PAYABLE AND ACCRUALS

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
Trade payables	56,461,497	49,727,065
Accrued expenses	36,944,680	48,393,338
Unclaimed dividends payable	28,118,429	28,209,809
Payable for contribution to social and sports fund (Note 13)	1,900,290	1,501,423
Unearned other income	1,154,137	1,428,545
Staff payable	116,476	117,676
Retention payable	47,980	80,480
Payable to Retirement and Pension Authority	-	55,874
Credit card payable	54,734	31,889
	<b><u>124,798,223</u></b>	<b><u>129,546,099</u></b>

### 18 REVENUE

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
<b>Disaggregation of revenue</b>		
<i>Major product / service lines with customers</i>		
Revenue from patient services	418,856,665	439,852,484
Sale of medications	<u>83,744,661</u>	<u>83,639,386</u>
	<b><u>502,601,326</u></b>	<b><u>523,491,870</u></b>

Revenue from patient services is recognized over time, whereas revenue from sale of medications is recognized at point in time.

### 19 COST OF REVENUE

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
Staff costs	171,415,592	173,137,112
Medications and surgical costs	93,641,071	95,357,106
Doctors' charges	37,318,532	39,148,872
Depreciation of medical equipment (Note 5)	10,977,058	9,343,059
Utilities	7,039,602	4,803,508
Food costs	3,371,544	3,316,950
Fuel costs	1,391,655	1,381,090
Provision for obsolete and slow-moving inventories (Note 8)	<u>1,126,274</u>	<u>320,542</u>
	<b><u>326,281,328</u></b>	<b><u>326,808,239</u></b>

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

### NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

#### 20 OTHER INCOME

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Rental income	2,552,700	2,617,600
Dividend income from investment in FVOCI	3,359,747	4,096,124
Advertisement income	1,358,185	382,025
Miscellaneous income	2,793,979	778,133
	<u><b>10,064,611</b></u>	<u><b>7,873,882</b></u>

#### 21 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Staff costs	57,578,844	60,970,038
Maintenance and repairs	8,078,443	7,585,331
Outsourced staff costs	5,935,541	5,736,861
IT development	6,144,165	5,118,028
Security and cleaning	5,144,595	5,007,002
Advertisement and promotion	2,251,871	2,652,423
Insurance expenses	2,747,160	2,640,521
Telephone and fax	1,775,897	1,887,007
Board of Directors' remuneration (Note 25)	2,759,900	1,813,088
Legal and professional fees	1,449,845	1,380,035
Bank charges	1,199,472	1,192,458
Printing and stationeries	693,768	805,142
Governmental expenses	374,237	487,153
Medical waste	350,911	358,302
Charity	148,080	156,157
Committee remuneration	39,997	55,000
Others	1,487,572	945,879
	<u><b>98,160,298</b></u>	<u><b>98,790,425</b></u>

#### 22 BASIC AND DILUTED EARNINGS PER SHARE

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

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Profit attributable to ordinary shareholders of the Company	<u>76,011,600</u>	<u>60,056,920</u>
Weighted average number of ordinary shares outstanding during the year	<u>281,441,000</u>	<u>281,441,000</u>
Basic and diluted earnings per share	<u><b>0.270</b></u>	<u><b>0.213</b></u>

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

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**23 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>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Bank guarantees	<u>203,000</u>	<u>203,000</u>

**b) Legal claims**

As at 31 December 2025, various legal claims were initiated by patients against the Company in the form of compensation claims and other miscellaneous claims. The Company’s management exercises its judgement in assessing whether it would be made liable to settle any cases based on its understanding of the specifics of the case. Moreover, the Company has a insurance policy in place to cover all 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 companies. 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 31 December 2025 amounted to QR 28,797,819 (2024: QR 47,399,184). This relates primarily to contracts entered for the development of buildings and acquisition of medical equipment.

**24 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 financial statements.

**25 RELATED PARTY DISCLOSURES**

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.

All the related party transactions are with affiliated entities and are as follows:

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Finance income	<u>41,511</u>	<u>87,615</u>
Rental income	<u>243,600</u>	<u>243,600</u>
Bank charges	<u>(134,973)</u>	<u>(131,871)</u>
Finance costs (including borrowing cost)	<u>(131,651)</u>	<u>(496,749)</u>
Insurance expenses	<u>(13,626,746)</u>	<u>(12,610,562)</u>

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**25 RELATED PARTY DISCLOSURES (CONTINUED)**

All the related party balances are with affiliated entities and are as follows:

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Bank balances	<u>1,611,556</u>	12,063,990
Receivables	<u>3,125,808</u>	<u>1,046,744</u>
Trade payables	<u>(4,357,503)</u>	<u>-</u>
Bank facilities	<u>-</u>	<u>(6,719,307)</u>
Credit card payable	<u>(47,120)</u>	<u>(38,578)</u>

**Compensation of directors and other key management personnel**

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

	<i>2025</i> <i>QR</i>	<i>2024</i> <i>QR</i>
Board of Directors' remuneration (Note 21)	2,759,900	1,813,088
Key management staff salaries and benefits	<u>5,006,750</u>	<u>4,919,487</u>
	<u>7,766,650</u>	<u>6,732,575</u>

**26 FINANCIAL RISK MANAGEMENT**

**Objectives and policies**

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors has overall responsibility for establishing and overseeing the Company's risk management framework. The main risks arising from the Company's financial instruments are market risk, credit risk, and liquidity risk.

**Market risk**

Market risk is the risk that changes in market prices, such as finance cost rates, foreign currency exchange rates and equity prices will affect the Company's profit or the value of its holdings of financial instruments. The objective of market risk management is to manage and control the market risk exposure within acceptable parameters, while optimising return.

*Financing cost rate risk*

The Company's exposure to the risk of changes in market finance cost rates primarily relates to the Company's financial assets and liabilities with floating finance cost rates. As at 31 December 2025, the Company do not have financial assets and liabilities that are based on a floating cost rate.

*Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in currency exchange rates. Management is of the opinion that the Company's exposure to currency risk is minimal as there are no significant assets and liabilities that are denominated in foreign currencies as of the reporting date.

*Equity price risk*

The following table demonstrates the sensitivity of the fair value reserve to reasonably possible changes in quoted equity share prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**26 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**Market risk (continued)**

*Equity price risk (continued)*

	<i>Changes in equity prices</i>	<i>Effect on equity 2025 QR</i>	<i>Effect on equity 2024 QR</i>
Equity investments at fair value through other comprehensive income	+10%	<u>7,676,529</u>	<u>7,340,163</u>

**Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is as indicated by the carrying amount of its assets which consist principally of bank balances and accounts and other receivables.

With respect to credit risk arising from the other financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments are as follows:

	<i>2025 QR</i>	<i>2024 QR</i>
Trade receivables	166,470,734	162,393,986
Balances with banks	64,244,188	108,081,885
Accrued profit on deposit with the Islamic bank	702,546	2,529,922
Refundable deposits	711,398	909,030
Other receivables	1,640,984	555,378
	<u>233,769,850</u>	<u>274,470,201</u>

*Trade receivables*

An impairment analysis is performed at reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

	<i>Current – 60 days QR</i>	<i>61 - 120 days QR</i>	<i>Over 120 days QR</i>	<i>Total QR</i>
<b>31 December 2025</b>				
Estimated total gross carrying amount	47,122,678	396,420	118,951,636	166,470,734
Expected credit loss	<u>(142,295)</u>	<u>(81,417)</u>	<u>(75,552,730)</u>	<u>(75,776,442)</u>
	<u>46,980,383</u>	<u>315,003</u>	<u>43,398,906</u>	<u>90,694,292</u>
Weighted average loss rate	<u>0.30%</u>	<u>20.54%</u>	<u>63.52%</u>	<u>45.52%</u>
<b>31 December 2024</b>				
Estimated total gross carrying amount	47,321,701	736,765	114,335,520	162,393,986
Expected credit loss	<u>(94,636)</u>	<u>(157,671)</u>	<u>(76,183,132)</u>	<u>(76,435,439)</u>
	<u>47,227,065</u>	<u>579,094</u>	<u>38,152,388</u>	<u>85,958,547</u>
Weighted average loss rate	<u>0.20%</u>	<u>21.40%</u>	<u>66.63%</u>	<u>47.07%</u>

During the current and comparative reporting date, no trade receivables were credit impaired.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**26 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**Credit risk (continued)**

*Balances with banks*

The Company's balances with banks are held with credit worthy and reputable banks in Qatar with a high credit rating. The Company considers that its balances with banks have low credit risks based on external credit ratings of the counterparties.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of the Company's own reserves and bank facilities. The Company's terms of revenue require amounts to be paid within 21 to 30 days from the invoiced date.

The table below summarizes the maturities of the Company's undiscounted financial liabilities at the reporting date, based on contractual payment dates and current market finance cost rates.

<i>31 December 2025</i>	<i>On demand QR</i>	<i>Less than 3 months QR</i>	<i>3 to 12 months QR</i>	<i>More than 1 year QR</i>	<i>Total QR</i>
Trade payables	-	45,847,979	10,613,518	-	56,461,497
Borrowings	-	8,508,333	25,196,601	131,297,689	165,002,623
Unclaimed dividends payable	28,118,429	-	-	-	28,118,429
Payable for contribution to social and sports fund	-	1,900,290	-	-	1,900,290
<b>Total</b>	<b>28,118,429</b>	<b>56,256,602</b>	<b>35,810,119</b>	<b>131,297,689</b>	<b>251,482,839</b>
<i>31 December 2024</i>	<i>On demand QR</i>	<i>Less than 3 months QR</i>	<i>3 to 12 months QR</i>	<i>More than 1 year QR</i>	<i>Total QR</i>
Trade payables	-	38,403,739	11,323,326	-	49,727,065
Borrowings	-	10,762,713	30,833,084	169,451,880	211,047,677
Unclaimed dividends payable	28,209,809	-	-	-	28,209,809
Payable for contribution to social and sports fund	-	1,501,423	-	-	1,501,423
<b>Total</b>	<b>28,209,809</b>	<b>50,667,875</b>	<b>42,156,410</b>	<b>169,451,880</b>	<b>290,485,974</b>

**Capital management**

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholders' value. The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 2024. Capital comprises share capital and retained earnings and is measured at QR 351,081,230 as at 31 December 2025 (2024: QR 337,422,067).

# Medicare Group Q.P.S.C.

## NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

### 27 FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below is a comparison of the carrying amounts and fair value of the Company's financial instruments as at 31 December 2025 and 2024:

	<i>Carrying amounts</i>		<i>Fair values</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
<b>Financial assets</b>				
Bank balances	4,244,188	20,081,885	4,244,188	20,081,885
Short term deposits	60,000,000	88,000,000	60,000,000	88,000,000
Trade and other receivables	94,478,886	90,298,208	94,478,886	90,298,208
Equity investments at fair value through other comprehensive income	76,765,285	73,401,634	76,765,285	73,401,634
<b>Financial liabilities</b>				
Trade and other payables	86,699,406	79,724,216	86,699,406	79,724,216
Borrowings	150,000,008	185,290,736	150,000,008	185,290,736

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. The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of bank balances, trade and other receivables, and trade and other payables approximate their fair values largely due to the short-term maturities of these instruments.
- The fair value of quoted investments is based on price quoted at the end of the reporting period.

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 which use inputs which have a significant effect on the recorded fair values are not based on observable market data.

As at 31 December 2025 and 31 December 2024, the Company held the following classes of financial instruments measured at fair value:

	<i>2025</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
<b>Financial assets</b>				
Equity instruments at fair value through other comprehensive income	76,765,285	76,765,285	-	-
	<u>76,765,285</u>	<u>76,765,285</u>	<u>-</u>	<u>-</u>
<b>Non-financial assets</b>				
Revalued land and building	737,924,895	-	-	737,924,895
Investment properties	26,242,000	-	-	26,242,000
	<u>764,166,895</u>	<u>-</u>	<u>-</u>	<u>764,166,895</u>
	<i>2024</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
<b>Financial assets</b>				
Equity instruments at fair value through other comprehensive income	73,401,634	73,401,634	-	-
	<u>73,401,634</u>	<u>73,401,634</u>	<u>-</u>	<u>-</u>

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

### NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

#### 27 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

*Non-financial assets*

Revalued land and building	733,729,845	-	-	733,729,845
Investment properties	26,244,000	-	-	26,244,000
	<u>759,973,845</u>	<u>-</u>	<u>-</u>	<u>759,973,845</u>

There were no transfers between Level 1 and Level 2 measurements during the year, and no transfers into or out of Level 3 fair value measurements during the year.

*Reconciliation of Level 3 fair values*

The following table shows a reconciliation from the opening balances to closing balances for Level 3 fair values:

	<b>2025</b>	<b>2024</b>
	<b>QR</b>	<b>QR</b>
At 1 January	759,973,845	767,176,993
Additions	13,923,371	2,482,252
Fair value loss	(2,000)	(26,000)
Depreciation charge for the year	<u>(9,728,321)</u>	<u>(9,659,400)</u>
At 31 December	<u><b>764,166,895</b></u>	<u><b>759,973,845</b></u>

#### 28 DISCONTINUED OPERATIONS

On 30 April 2024, the Company ceased the operations of Wakra Clinic and was classified as 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 statement of profit or loss and other comprehensive income.

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

	<b>2024</b>
	<b>QR</b>
Revenue	34,198
Cost of revenue	<u>(750,930)</u>
<b>Gross loss</b>	<b>(716,732)</b>
General and administrative expenses	(451,493)
Depreciation of property and equipment	(935,757)
Amortisation of right-of-use assets	(783,168)
Finance costs	<u>(535,258)</u>
<b>Results from operating activities</b>	<b>(3,422,408)</b>
Impairment of non-financial assets (i)	(36,242,212)
Gain on termination of lease (ii)	<u>5,568,712</u>
<b>Loss for the year from discontinued operations</b>	<u><b>(34,095,908)</b></u>
Basic and diluted earnings (loss) per share	<u><b>(0.121)</b></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 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.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

**29 COMPARATIVE INFORMATION**

Certain comparative information for the previous year have been reclassified and re-arranged and regrouped, where necessary, in order to conform to the current year's presentation. Such reclassification does not affect the reported profit or equity.

The comparative information has been reclassified to show the net balance of employees' end-of-service benefits liabilities after deducting the employees' end-of-service benefits paid in advance.

Impact on the statement of financial position as at 31 December 2024 is as follows,

	<i>Balances previously reported</i>	<i>Reclassification impact</i>	<i>Balance after reclassification</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>
Accounts receivables and prepayment	131,641,714	(13,582,330)	118,059,384
<b>Total current assets</b>	<b>271,687,746</b>	<b>(13,582,330)</b>	<b>258,105,416</b>
<b>Total assets</b>	<b>1,412,783,237</b>	<b>(13,582,330)</b>	<b>1,399,200,907</b>
Employees end of service benefits	88,808,832	(13,582,330)	75,226,502
<b>Total non-current liabilities</b>	<b>240,203,124</b>	<b>(13,582,330)</b>	<b>226,620,794</b>
<b>Total liabilities</b>	<b>403,645,667</b>	<b>(13,582,330)</b>	<b>390,063,337</b>
<b>Total equity and liabilities</b>	<b>1,412,783,237</b>	<b>(13,582,330)</b>	<b>1,399,200,907</b>

**30 SUBSEQUENT EVENTS**

There were no significant events after the reporting date, which have a bearing on the understanding of these financial statements.