

MEDICARE GROUP Q.S.C.

DOHA – QATAR


**UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE PERIOD ENDED
30 SEPTEMBER 2018**



MEDICARE GROUP Q.S.C.
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 Sep 2018

	Notes	30-Sep-2018 (Un-Audited) QR.	31-Dec-2017 (Audited) QR.
ASSETS			
Non-current assets			
Property and equipment	1	904,310,029	909,271,180
Financial Investments at fair value through Other Comprehensive Income	2	47,436,888	45,618,518
		951,746,917	954,889,698
Current assets			
Inventories	3	24,339,163	27,543,018
Accounts receivable and prepayments	4	93,517,839	99,082,484
Cash and bank balances	5	55,599,939	102,119,126
		173,456,941	228,744,628
TOTAL ASSETS		1,125,203,858	1,183,634,326
EQUITY AND LIABILITIES			
EQUITY			
Share capital		281,441,000	281,441,000
Legal reserve		75,366,231	75,366,231
Fair value reserve		(6,852,737)	(11,861,482)
Revaluation surplus		530,550,754	534,148,663
Retained earnings		54,684,323	122,654,883
Total equity		935,189,571	1,001,749,295
Non-current liabilities			
Interest Bearing Loans		20,320,228	19,707,755
Employees' end of service benefits		58,361,378	52,691,648
		78,681,606	72,399,403
Current liabilities			
Accounts payable and Accruals	6	95,602,307	94,132,067
Interest Bearing Loans		14,848,824	14,472,011
Retention payable		881,550	881,550
		111,332,681	109,485,628
Total liabilities		190,014,287	181,885,031
Total Equity and Liabilities		1,125,203,858	1,183,634,326


 Abdulla Bin Thani Bin Abdulla Al-Thani
 Chairman


 Khalid Mohammed Al-Emadi
 Chief Executive Officer

MEDICARE GROUP Q.S.C.

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30 Sep 2018

		30-Sep-2018	30-Sep-2017
		(Un-Audited)	(Un-Audited)
	Notes	QR.	QR.
		<u> </u>	<u> </u>
Operating income		357,483,801	340,408,362
Operating costs	7	<u>(217,091,864)</u>	<u>(198,859,477)</u>
Gross Profit		<u>140,391,937</u>	<u>141,548,885</u>
Income from deposits with Islamic banks		594,822	379,449
Other income	8	6,333,585	7,675,923
General and administrative expenses	9	(81,854,583)	(91,934,244)
Depreciation expenses		(23,518,980)	(20,148,541)
Finance cost		<u>(1,194,396)</u>	<u>(1,266,732)</u>
Net Profit for the period		<u>40,752,385</u>	<u>36,254,740</u>
Other comprehensive (loss)/income for the period		<u>5,264,291</u>	<u>(9,041,639)</u>
Total Comprehensive Income for the period		<u>46,016,676</u>	<u>27,213,101</u>
Basic And Diluted Earnings Per Share		1.45	1.29
(expressed in Qatari Riyals per share)			

Medicare Group Q.S.C.
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
for the period ended 30 Sep 2018

	Share capital QR.	Legal Reserve QR.	Fair value Reserve QR.	Revaluation Surplus QR.	Retained Earnings QR.	Total Equity QR.
Balance as at 1 January 2018	281,441,000	75,366,231	(11,861,482)	534,148,663	122,654,883	1,001,749,295
Net Profit for the period	-	-	-	-	40,752,385	40,752,385
Net change in fair value reserve (Investments at fair value through other comprehensive income)	-	-	5,264,291	-	-	5,264,291
Total comprehensive income	-	-	5,264,291	-	40,752,385	46,016,676
Transfer of income on sale of investments at fair value through other comprehensive income	-	-	(255,546)	-	255,546	-
Transfer to Legal Reserve	-	-	-	-	-	-
Transfer of depreciation of revalued assets	-	-	-	(3,597,909)	3,597,909	-
Contribution to social and sports fund	-	-	-	-	-	-
Cash dividend paid to share holders	-	-	-	-	(112,576,400)	(112,576,400)
Balance as at 30 Sep 2018	281,441,000	75,366,231	(6,852,737)	530,550,754	54,684,323	935,189,571
Balance as at 1 January 2017	281,441,000	67,366,036	(3,296,998)	541,344,487	129,889,656	1,016,744,181
Net Profit for the period	-	-	-	-	80,001,947	80,001,947
Net change in fair value reserve (Investments at fair value through other comprehensive income)	-	-	(8,564,484)	-	-	(8,564,484)
Total comprehensive (loss)/income	-	-	(8,564,484)	-	80,001,947	71,437,463
Transfer to Legal Reserve	-	8,000,195	-	-	(8,000,195)	-
Transfer of depreciation of revalued assets	-	-	-	(7,195,824)	7,195,824	-
Contribution to social and sports fund	-	-	-	-	(2,000,049)	(2,000,049)
Cash dividend paid to share holders	-	-	-	-	(84,432,300)	(84,432,300)
Balance as at 31 Dec 2017	281,441,000	75,366,231	(11,861,482)	534,148,663	122,654,883	1,001,749,295

MEDICARE GROUP Q.S.C.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
for the period ended 30 Sep 2018

	Notes	30-Sep-18 (Un-Audited)	31-Dec-17 (Audited)
		QR.	QR.
OPERATING ACTIVITIES			
Profit for the period/year		40,752,385	80,001,947
Adjustments for:			
Depreciation of property and equipment		23,518,980	28,191,141
Provision for employees' end of service benefits		8,746,412	8,740,355
Impairment allowance for bad and doubtful debts		13,241,745	16,000,000
Provision for obsolete and slow moving inventories		3,415,245	166,450
Income from deposits with an Islamic bank		(594,822)	(893,412)
Dividend Income	8	(2,818,990)	(2,656,477)
Operating profit before working capital changes		86,260,955	129,550,004
Working capital changes:			
Inventories		(211,387)	1,938,582
Accounts receivable and prepayments		(7,677,100)	37,739,409
Accounts payable and accruals		746,398	5,492,144
Retention payable		-	54,408
Cash from operating activities		79,118,866	174,774,547
Paid contribution to social and sports fund		(2,000,049)	(1,628,792)
Employees' end of service benefits paid		(3,076,683)	(4,328,758)
Net cash flows from operating activities		74,042,134	168,816,997
INVESTING ACTIVITIES			
Purchase of property and equipment	1	(18,557,829)	(60,969,391)
Net movement in term deposits		10,065,748	14,997,262
Income from deposits with an Islamic bank		594,822	456,971
Purchase of financial investments at fair value		-	(3,765,357)
Dividend income received		2,818,990	2,656,477
Sale of financial investments at fair value		3,445,919	-
Net cash flows used in investing activities		(1,632,350)	(46,624,038)
FINANCING ACTIVITIES			
Net movement of interest bearing loans		989,286	(19,008,642)
Dividend paid		(109,852,509)	(82,932,568)
Net cash flows used in financing activities		(108,863,223)	(101,941,210)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(36,453,439)	20,251,749
Cash and cash equivalents at 1 January		52,053,378	31,801,629
CASH AND CASH EQUIVALENTS AT PERIOD ENDED	5	15,599,939	52,053,378

MEDICARE GROUP Q.S.C.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended 30 Sep 2018

1.PROPERTY AND EQUIPMENT

	<i>Land QR</i>	<i>Buildings QR</i>	<i>Office Equipment QR</i>	<i>Medical equipment QR</i>	<i>Equipment and tools QR</i>	<i>Vehicles QR</i>	<i>Furniture & Fixtures QR</i>	<i>Capital work in progress QR</i>	<i>Total QR</i>
Cost or valuation:									
At 1 January 2018	310,808,217	554,632,106	34,405,420	177,028,445	36,307,224	1,639,359	9,202,022	52,205,503	1,176,228,296
Additions during the period	-	444,540	2,488,948	4,436,852	293,276	279,300	1,203,376	9,411,537	18,557,829
Disposals	-	-	-	-	-	(134,500)	-	-	(134,500)
At 30 Sep 2018	<u>310,808,217</u>	<u>555,076,646</u>	<u>36,894,368</u>	<u>181,465,297</u>	<u>36,600,500</u>	<u>1,784,159</u>	<u>10,405,398</u>	<u>61,617,040</u>	<u>1,194,651,625</u>
Accumulated depreciation:									
At 1 January 2018	-	81,792,055	25,590,250	116,552,918	33,068,905	1,427,644	8,525,344	-	266,957,116
Charge for the period	-	11,247,577	2,153,806	8,718,334	1,053,174	96,390	249,699	-	23,518,980
Disposal	-	-	-	-	-	(134,500)	-	-	(134,500)
At 30 Sep 2018	<u>-</u>	<u>93,039,632</u>	<u>27,744,056</u>	<u>125,271,252</u>	<u>34,122,079</u>	<u>1,389,534</u>	<u>8,775,043</u>	<u>-</u>	<u>290,341,596</u>
Net Book Value:									
At 30 Sep 2018	<u>310,808,217</u>	<u>462,037,014</u>	<u>9,150,312</u>	<u>56,194,045</u>	<u>2,478,421</u>	<u>394,625</u>	<u>1,630,355</u>	<u>61,617,040</u>	<u>904,310,029</u>

MEDICARE GROUP Q.S.C.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended 30 Sep 2018

1. PROPERTY AND EQUIPMENT (CONTINUED)

	<i>Land QR</i>	<i>Buildings QR</i>	<i>Office Equipment QR</i>	<i>Medical equipment QR</i>	<i>Equipment and tools QR</i>	<i>Vehicles QR</i>	<i>Furniture & Fixtures QR</i>	<i>Capital work in progress QR</i>	<i>Total QR</i>
Cost or valuation:									
At 1 January 2017	310,808,217	553,206,106	28,098,176	137,743,266	35,062,462	1,740,359	8,623,434	40,077,885	1,115,359,905
Additions during the year	-	1,426,000	6,307,244	39,285,179	1,244,762	-	578,588	12,127,618	60,969,391
Disposal during the year	-	-	-	-	-	(101,000)	-	-	(101,000)
At 31 December 2017	<u>310,808,217</u>	<u>554,632,106</u>	<u>34,405,420</u>	<u>177,028,445</u>	<u>36,307,224</u>	<u>1,639,359</u>	<u>9,202,022</u>	<u>52,205,503</u>	<u>1,176,228,296</u>
Accumulated depreciation:									
At 1 January 2017	-	66,822,065	23,539,165	107,403,298	31,361,443	1,418,744	8,322,260	-	238,866,975
Charge for the year	-	14,969,990	2,051,085	9,149,620	1,707,462	109,900	203,084	-	28,191,141
Disposal	-	-	-	-	-	(101,000)	-	-	(101,000)
At 31 December 2017	<u>-</u>	<u>81,792,055</u>	<u>25,590,250</u>	<u>116,552,918</u>	<u>33,068,905</u>	<u>1,427,644</u>	<u>8,525,344</u>	<u>-</u>	<u>266,957,116</u>
Net book value:									
At 31 December 2017	<u>310,808,217</u>	<u>472,840,051</u>	<u>8,815,170</u>	<u>60,475,527</u>	<u>3,238,319</u>	<u>211,715</u>	<u>676,678</u>	<u>52,205,503</u>	<u>909,271,180</u>

MEDICARE GROUP Q.S.C.
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended 30 Sep 2018

	30-Sep-2018 (Un-Audited) QR.	31-Dec-2017 (Audited) QR.
2. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		
<i>Investments in equity securities</i>		
Quoted	47,436,888	45,618,518
Investments:		
At cost	54,289,625	57,480,000
Fair value adjustment	(6,852,737)	(11,861,482)
	47,436,888	45,618,518
3. INVENTORIES		
Main store-medical and other supplies	21,434,989	20,148,825
Pharmaceutical inventory	10,583,676	11,658,450
	32,018,665	31,807,275
Less: Provision for obsolete and slow moving inventories	(7,679,502)	(4,264,257)
	24,339,163	27,543,018
4. ACCOUNTS RECEIVABLES AND PREPAYMENTS		
Gross trade accounts receivable	145,967,607	158,910,937
Advance to Suppliers	15,839,532	6,992,179
Due from broker	3,996,665	550,398
Refundable deposits	1,283,665	1,251,164
Prepaid expenses	9,125,289	3,210,871
Staff receivables	1,554,326	1,070,428
Others	3,399,821	2,192,211
	181,166,905	174,178,188
Less: Allowance for impairment of trade receivables	(87,649,066)	(75,095,704)
	93,517,839	99,082,484
5. CASH AND CASH EQUIVALENTS		
Cash on hand	333,012	404,360
Cash at bank	15,266,927	21,649,018
Short term deposits	40,000,000	80,065,748
Total Cash & bank balances	55,599,939	102,119,126
Less: Deposits with original maturity dates more than 90 days	(40,000,000)	(50,065,748)
Cash and cash equivalents	15,599,939	52,053,378
6. ACCOUNTS PAYABLE AND ACCRUALS		
Trade accounts payables	28,084,198	28,801,308
Accrued expenses	43,658,904	42,598,920
Dividends payable	21,676,584	18,879,924
Payable to staff	2,005,173	1,683,725
Payable to retirement & pension authority	172,059	168,141
Income Received in Advance	5,389	-
Provision for contribution to social & sports fund	-	2,000,049
	95,602,307	94,132,067

MEDICARE GROUP Q.S.C.
NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended 30 Sep 2018

	30-Sep-2018	30-Sep-2017
	(Un-Audited)	(Un-Audited)
	QR.	QR.
7. OPERATING COSTS		
Staff costs	138,278,248	129,507,438
Medications and surgical costs (inventories recognized as cost of sales)	55,053,574	53,539,306
Community doctors expenses	8,659,718	8,409,862
Rent-Building	5,400,000	-
Provision for obsolete and slow moving inventories	3,415,245	1,960,373
Food Cost	2,289,515	1,817,527
Utilities	2,288,084	2,267,802
Fuel expenses	970,003	686,101
Other Direct costs	737,477	671,068
	217,091,864	198,859,477
8. OTHER INCOME		
Rental income	1,954,118	2,210,809
Dividend income	2,818,990	2,656,477
Gain on foreign currency exchange	156,388	589,445
Catering Income	370,994	611,963
Miscellaneous income	1,033,095	1,607,229
	6,333,585	7,675,923
9. GENERAL AND ADMINISTRATIVE EXPENSES		
Staff costs	43,055,176	40,925,444
Impairment allowance for bad & doubtful debts	13,241,745	24,411,585
Maintenance & Repairs	5,331,989	4,722,098
Outsourced staff cost	3,905,205	3,681,697
Telephone & postage	2,663,046	2,225,074
Cleaning	2,333,460	1,932,286
Advertisement and promotion	2,138,236	1,920,007
Insurance	2,129,573	1,563,356
Board of Directors' Remuneration	1,317,681	1,709,363
IT Development	1,240,376	1,176,459
Legal and professional fees	1,048,197	3,819,980
Printing and stationary	767,888	1,109,731
Bank charges	676,561	809,169
Government expenses	632,629	733,459
Charity	546,238	166,006
Medical Waste	458,603	360,396
Others	259,415	615,509
Recruitment costs	108,565	52,625
	81,854,583	91,934,244