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**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Condensed consolidated interim financial information and independent  
auditors' review report for the six month period ended 30 June 2013**

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

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**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

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<i>Contents</i>	<i>Page</i>
Independent auditors' report on review of condensed consolidated interim financial information	1 - 2
Condensed consolidated statement of financial position	3
Condensed consolidated statement of profit or loss	4
Condensed consolidated statement of comprehensive income	5
Condensed consolidated statement of changes in equity	6
Condensed consolidated statement of cash flows	7
Notes to the condensed consolidated interim financial information	8 - 14



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## **Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information**

**The Board of Directors**  
**Al-Mowasat Healthcare Company K.S.C. (Closed)**  
**State of Kuwait**

### *Introduction*

We have reviewed the accompanying 30 June 2013 condensed consolidated interim financial information of Al-Mowasat Healthcare Company K.S.C. (Closed) ("the Company") and its subsidiaries (together referred to as "the Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2013, the condensed consolidated statements of profit or loss and comprehensive income for the three and six month periods ended 30 June 2013, the condensed consolidated statements of changes in equity and cash flows for the six month period ended 30 June 2013, and notes to the condensed consolidated interim financial information. The Company's management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2013 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

*Report on Review of Other Legal and Regulatory Requirements*

Furthermore, based on our review, the condensed consolidated interim financial information is in agreement with the accounting records. We further report that nothing has come to our attention indicating any contravention during the six month period ended 30 June 2013, of the Companies Law No. 25 of 2012, as amended, or of the Company's memorandum and articles of association, that might have had material effect on the Group's activities or on its consolidated financial position.



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**Kuwait: 6 August 2013**




Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait

Condensed consolidated statement of financial position  
as at 30 June 2013

	Note	30 June 2013 KD	31 December 2012 KD (Audited)	30 June 2012 KD
<b>Assets</b>				
Property and equipment		22,790,204	23,246,291	23,281,200
Intangible assets		138,829	148,555	155,555
Equity-accounted investee		18,750	18,750	18,750
Available-for-sale investments	4	1,243,531	1,208,885	1,421,909
Other assets		10,494	10,494	10,494
<b>Non-current assets</b>		<u>24,201,808</u>	<u>24,632,975</u>	<u>24,887,908</u>
Inventories		839,710	657,230	821,171
Trade and other receivables		15,428,799	13,478,815	14,339,713
Cash and bank balances		617,116	550,713	821,666
<b>Current assets</b>		<u>16,885,625</u>	<u>14,686,758</u>	<u>15,982,550</u>
<b>Total assets</b>		<u>41,087,433</u>	<u>39,319,733</u>	<u>40,870,458</u>
<b>Equity</b>				
Share capital		9,680,000	9,680,000	9,680,000
Share premium		2,022,875	2,022,875	2,022,875
Statutory reserve		1,290,146	1,290,146	1,057,600
Voluntary reserve		1,256,490	1,256,490	1,023,944
Cumulative changes in fair value		(137,619)	(172,265)	(115,570)
Foreign currency translation reserve		18,119	18,119	4,871
Retained earnings		4,479,524	4,172,088	4,662,595
<b>Equity attributable to shareholders of the Company</b>		<u>18,609,535</u>	<u>18,267,453</u>	<u>18,336,315</u>
Non-controlling interests		(34,102)	(34,102)	(36,247)
<b>Total equity</b>		<u>18,575,433</u>	<u>18,233,351</u>	<u>18,300,068</u>
<b>Liabilities</b>				
Tawaroq payables		1,648,592	2,183,522	2,386,456
Ijara payables		10,190,429	10,266,540	10,260,021
Murabaha payables		250,000	250,357	750,000
Trade payables		-	-	430,177
Post employment benefits		2,243,878	1,999,255	1,848,175
<b>Non-current liabilities</b>		<u>14,332,899</u>	<u>14,699,674</u>	<u>15,674,829</u>
Tawaroq payables		936,145	795,044	964,512
Ijara payables		224,743	394,236	840,840
Murabaha payables		254,597	374,643	-
Trade and other payables		6,763,616	4,822,785	5,090,209
<b>Current liabilities</b>		<u>8,179,101</u>	<u>6,386,708</u>	<u>6,895,561</u>
<b>Total liabilities</b>		<u>22,512,000</u>	<u>21,086,382</u>	<u>22,570,390</u>
<b>Total equity and liabilities</b>		<u>41,087,433</u>	<u>39,319,733</u>	<u>40,870,458</u>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

  
Adnan M. Al-Wazzan  
Chairman

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Condensed consolidated statement of profit or loss**  
*for the three and six month periods ended 30 June 2013*

	Note	Three month period ended		Six month period ended	
		30 June		30 June	
		2013	2012	2013	2012
		KD	KD	KD	KD
Revenue	5	6,504,816	5,640,331	12,683,336	11,745,005
<b>Operating expenses</b>					
Material costs		(1,502,534)	(1,549,884)	(2,940,917)	(2,889,106)
Staff costs		(3,146,844)	(2,747,126)	(6,059,280)	(5,324,921)
Other operating expenses		(618,495)	(125,073)	(1,238,920)	(1,101,581)
Depreciation and amortization		(372,689)	(395,299)	(765,936)	(766,405)
<b>Results from operating activities</b>		<u>864,254</u>	<u>822,949</u>	<u>1,678,283</u>	<u>1,662,992</u>
Other income		64,750	64,573	129,500	129,855
Finance costs		(220,288)	(215,312)	(445,004)	(473,576)
<b>Profit for the period before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Board of Directors' remuneration</b>		<u>708,716</u>	<u>672,210</u>	<u>1,362,779</u>	<u>1,319,271</u>
KFAS		(6,378)	(4,858)	(12,265)	(11,873)
NLST		(23,869)	(19,709)	(44,508)	(38,689)
Zakat		(9,618)	(7,110)	(18,066)	(15,981)
Board of Directors' remuneration		(6,252)	(6,250)	(12,504)	(12,500)
<b>Profit for the period</b>		<u>662,599</u>	<u>634,283</u>	<u>1,275,436</u>	<u>1,240,228</u>
<b>Earnings per share - (fils) (basic and diluted)</b>	7	<u>6.85</u>	<u>6.55</u>	<u>13.18</u>	<u>12.81</u>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Condensed consolidated statement of comprehensive income**  
*for the three and six month periods ended 30 June 2013*

	Three month period ended		Six month period ended	
	30 June		30 June	
	2013	2012	2013	2012
	KD	KD	KD	KD
Profit for the period	662,599	634,283	1,275,436	1,240,228
<b><i>Other comprehensive income</i></b>				
<i>Items that are or may be reclassified subsequently to statement of income</i>				
Changes in fair value of available-for-sale investments	66,242	31,498	34,646	18,899
<i>Total items that are or may be reclassified subsequently to statement of income</i>	66,242	31,498	34,646	18,899
<b>Other comprehensive income for the period</b>	66,242	31,498	34,646	18,899
<b>Total comprehensive income for the period</b>	728,841	665,781	1,310,082	1,259,127

The accompanying notes form part an integral part of this condensed consolidated interim financial information.



**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Condensed consolidated statement of changes in equity  
for the six month period ended 30 June 2013**

	-----Attributable to shareholders of the Company-----									
	Share capital KD	Share premium KD	Statutory reserve KD	Voluntary reserve KD	Cumulative changes in fair value KD	Foreign currency translation reserve KD	Retained earnings KD	Total KD	Non-controlling interests KD	Total equity KD
<b>Balance at 1 January 2012</b>	9,680,000	2,022,875	1,057,600	1,023,944	(134,469)	4,871	3,422,367	17,077,188	(36,247)	17,040,941
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	1,240,228	1,240,228	-	1,240,228
Profit for the period	-	-	-	-	-	-	1,240,228	1,240,228	-	1,240,228
<i>Other comprehensive income</i>	-	-	-	-	18,899	-	-	18,899	-	18,899
Changes in fair value of available-for-sale investments	-	-	-	-	18,899	-	-	18,899	-	18,899
<b>Total comprehensive income for the period</b>	-	-	-	-	18,899	-	1,240,228	1,259,127	-	1,259,127
<b>Balance at 30 June 2012</b>	9,680,000	2,022,875	1,057,600	1,023,944	(115,570)	4,871	4,662,595	18,336,315	(36,247)	18,300,068
<b>Balance at 1 January 2013</b>	9,680,000	2,022,875	1,290,146	1,256,490	(172,265)	18,119	4,172,088	18,267,453	(34,102)	18,233,351
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	1,275,436	1,275,436	-	1,275,436
Profit for the period	-	-	-	-	-	-	1,275,436	1,275,436	-	1,275,436
<i>Other comprehensive income</i>	-	-	-	-	-	-	-	-	-	-
Changes in fair value of available-for-sale investments	-	-	-	-	34,646	-	-	34,646	-	34,646
<b>Total comprehensive income for the period</b>	-	-	-	-	34,646	-	-	34,646	-	34,646
<b>Total comprehensive income for the period</b>	-	-	-	-	34,646	-	1,275,436	1,310,082	-	1,310,082
<b>Transactions with shareholders of the Company directly recognized in equity</b>	-	-	-	-	-	-	(968,000)	(968,000)	-	(968,000)
Dividend (refer note 11)	-	-	-	-	-	-	4,479,524	4,479,524	(34,102)	18,575,433
<b>Balance at 30 June 2013</b>	9,680,000	2,022,875	1,290,146	1,256,490	(137,619)	18,119	4,479,524	18,609,535	(34,102)	18,575,433

The accompanying notes form an integral part of this condensed consolidated interim financial information.

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Condensed consolidated statement of cash flows**  
*for the six month period ended 30 June 2013*

	<b>Six month period ended</b>	
	<b>30 June</b>	
	<b>2013</b>	<b>2012</b>
	<b>KD</b>	<b>KD</b>
<b>Cash flows from operating activities</b>		
Profit for the period before contribution to KFAS, NLST, Zakat and Board of Directors' remuneration	1,362,779	1,319,271
<i>Adjustments for:</i>		
Depreciation and amortization	765,936	766,405
Finance costs	445,004	473,576
Other income	(129,500)	(129,855)
Provision for post employment benefits	270,905	190,106
Provision for doubtful debts	172,937	88,690
	<u>2,888,061</u>	<u>2,708,193</u>
<i>Changes in:</i>		
- inventories	(182,480)	38,820
- trade and other receivables	(2,122,921)	(1,148,009)
- trade and other payables	1,014,988	(802,934)
Cash generated from operating activities	<u>1,597,648</u>	<u>796,070</u>
Post employment benefits paid	(26,282)	(50,521)
<i>Net cash from operating activities</i>	<u>1,571,366</u>	<u>745,549</u>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(371,766)	(469,331)
Proceeds from sale of property and equipment	71,643	-
<i>Net cash used in investing activities</i>	<u>(300,123)</u>	<u>(469,331)</u>
<b>Cash flows from financing activities</b>		
Repayments of tawaroq payables	(393,830)	(358,437)
Repayments of ijara payables	(302,292)	(615,700)
Receipt of murabaha payables	-	750,000
Repayments of murabaha payables	(125,000)	-
Finance costs paid	(383,718)	(453,397)
<i>Net cash used in financing activities</i>	<u>(1,204,840)</u>	<u>(677,534)</u>
<b>Net increase / (decrease) in cash and bank balances</b>	<u>66,403</u>	<u>(401,316)</u>
<b>Cash and bank balances at beginning of the period</b>	<u>550,713</u>	<u>1,222,982</u>
<b>Cash and bank balances at end of the period</b>	<u>617,116</u>	<u>821,666</u>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Notes to the condensed consolidated interim financial information**  
*for the six month period ended 30 June 2013*

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**1. Reporting entity**

Al-Mowasat Healthcare Company K.S.C. (Closed) (“the Company”) was established in Kuwait on 12 September 1998 as a Kuwaiti Shareholding Company and was listed on the Kuwait Stock Exchange on 9 October 2006. The registered office of the Company is located at Shuwaikh, Plot 52, P.O.Box 1251 Safat 13013.

The Group is engaged in providing healthcare and medical services, owning real estate and investing excess funds in shares through a portfolio manager.

The Company can also have an interest in or participate in any manner with other entities carrying out similar or complementary activities in order to achieve its objectives inside and outside of Kuwait, and to acquire or merge with those entities.

The condensed consolidated interim financial information as at and for the six month ended 30 June 2013 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in an equity-accounted investee.

Ownership interest in certain subsidiaries is held by affiliates of the Company as nominees, on behalf and for the benefit of the Group.

The condensed consolidated interim financial information were authorised for issue by the Company’s Board of Directors on 6 August 2013.

**2. Basis of preparation**

a) Statement of compliance

This condensed consolidated interim financial information has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the Kuwait Stock Exchange instructions No. 2 of 1998. It does not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2012.

On 29 November through a decree, Companies Law No. 25 of 2012 (“the Law”) was issued and later amended by Law No. 97 of 2013 dated 27 March 2013 (“the Decree”). The Law came into effect from the date it was published in Kuwait’s Official Gazette. According to article 2 and 3 of the Decree, Executive Regulations which shall be issued by the Minister of Commerce and Industry within six months of the date of publication of the Decree in Kuwait’s Official Gazette will determine the basis and rules which the Company shall adopt to regularise its affairs with the provisions of the amended Law. The Company’s management is of the view that application of the provisions of the Law may not have material impact on the Company’s activities or on its consolidated financial position.

**Notes to the condensed consolidated interim financial information  
for the six month period ended 30 June 2013**

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b) Judgments and estimates

In preparing this condensed interim financial information, management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

**3. Significant accounting policies**

Except as described below, the accounting policies applied in this condensed consolidated interim financial information are the same as those applied in the Group's consolidated financial statements for the year ended 31 December 2012. The following changes in accounting policies are also expected to be reflected in the Group's financial statements as at and for the year ending 31 December 2013.

*IFRS 10 Consolidated Financial Statements*

The new standard identifies the principles of control, determines how to identify whether an investor controls an investee and therefore must consolidate the investee, and sets out the principles for the preparation of consolidated financial statements. It introduces a single consolidation model that identifies control as the basis for consolidation for all types of entities, where control is based on whether an investor has power over the investee, exposure/rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns.

*IFRS 12 Disclosure of Interests in Other Entities*

The new standard combines, enhances and replaces the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. It requires extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the entity's financial position, financial performance and cash flows.

*IFRS 13 Fair Value Measurement*

The new standard defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when other IFRSs require or permit fair value measurements. It does not introduce any new requirements to measure an asset or a liability at fair value, change what is measured at fair value in IFRS or address how to present changes in fair value.

*IAS 1 Presentation of Financial Statements – Amendment*

The amendments to IAS 1 change the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Company's financial position or performance.

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Notes to the condensed consolidated interim financial information  
for the six month period ended 30 June 2013**

*IAS 28 Investments in Associates and Joint Ventures*

As a consequence of the new IFRS 11 Joint Arrangements, and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates has been renamed as IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates.

*IFRS 7 Disclosures- Offsetting Financial Assets and Financial Liabilities- Amendment*

These amendments require an entity to disclose information about rights to set-off and related arrangements. The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32.

*IAS 34 Interim financial reporting and segment information for total assets and liabilities- Amendment*

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 *Operating Segments*. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual consolidated financial statements for that reportable segment.

Application of the above standards did not have any significant impact on the condensed consolidated interim financial information of the Group.

**4. Available-for-sale investments**

	<b>30 June 2013 KD</b>	<b>31 December 2012 KD (Audited)</b>	<b>30 June 2012 KD</b>
Quoted equity securities-local	311,914	277,268	490,292
Unquoted equity securities-local	931,617	931,617	931,617
	<u>1,243,531</u>	<u>1,208,885</u>	<u>1,421,909</u>

Unquoted financial assets are carried at cost, less impairment if any, due to the unpredictable nature of their future cash flows and the lack of other suitable methods for arriving at a reliable fair value for these financial assets. There is no active market for these financial assets and there have been any recent market transactions that provide evidence of current fair value. The Group intends to hold these investments for long term.

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Notes to the condensed consolidated interim financial information  
for the six month period ended 30 June 2013**

**5. Revenue**

	Three month period ended		Six month period ended	
	30 June		30 June	
	2013	2012	2013	2012
	KD	KD	KD	KD
Service income	5,165,313	4,336,284	10,059,004	9,163,162
Pharmacy sales	1,228,492	1,233,129	2,423,447	2,447,148
Other operating income	111,011	70,918	200,885	134,695
	<u>6,504,816</u>	<u>5,640,331</u>	<u>12,683,336</u>	<u>11,745,005</u>

**6. Related parties**

Related parties include significant shareholders, subsidiary companies, associate companies, directors and executive officers of the Group, close members of their families and companies of which they are the principal owners or over which they are able to exercise significant influence.

Pricing policies and terms of related party transactions are approved by the Group's management.

The aggregate value of related party transactions and outstanding balances other than the one disclosed elsewhere in this condensed consolidated interim financial information are as follows:

	Three month period ended		Six month period ended	
	30 June		30 June	
	2013	2012	2013	2012
	KD	KD	KD	KD
<b>Related parties transaction</b>				
Significant shareholders - other income	64,750	64,573	129,500	129,855
Other related parties - service income	11,123	-	11,123	-
<b>Key management compensation</b>				
Short term employee benefits	16,596	22,000	33,192	43,673
Board of Directors' remuneration	6,252	6,250	12,504	12,500
		<b>30 June</b>	<b>31 December</b>	<b>30 June</b>
		<b>2013</b>	<b>2012</b>	<b>2012</b>
		<b>KD</b>	<b>KD</b>	<b>KD</b>
			<b>(Audited)</b>	
<b>Related party balances</b>				
<i>Trade receivables</i>		306,756	296,771	388,398
<i>Due from related parties</i>				
Entities with significant influence over the Group		6,352,055	6,152,165	6,338,534
Other related parties		1,839,028	1,640,703	1,646,578
Key management personnel		476,331	336,147	657,556
		<u>8,667,414</u>	<u>8,129,015</u>	<u>8,642,668</u>

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Notes to the condensed consolidated interim financial information  
for the six month period ended 30 June 2013**

	<b>30 June 2013 KD</b>	<b>31 December 2012 KD (Audited)</b>	<b>30 June 2012 KD</b>
<i>Due to related parties</i>			
Key management employees	3,595	3,595	3,595
Other related parties	789,414	797,412	1,210,445
	<u>793,009</u>	<u>801,007</u>	<u>1,214,040</u>
<i>Available-for-sale investments</i>	1,243,531	1,208,885	1,421,909

**7. Earnings per share**

Basic earnings per share is calculated by dividing net profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. There are no potential dilutive ordinary shares.

The information necessary to calculate the earnings per share is as follows:

	<b>Three month period ended</b>		<b>Six month period ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>KD</b>	<b>KD</b>	<b>KD</b>	<b>KD</b>
Profit for the period (KD)	662,599	634,283	1,275,436	1,240,228
Net weighted average number of shares issued	96,800,000	96,800,000	96,800,000	96,800,000
Earnings per share- (fils) (basic and diluted)	6.85	6.55	13.18	12.81

**8. Operating segments**

Operating segments are identified based on internal management reporting information that is regularly reviewed by the Board of Directors, which is the chief operating decision maker, to allocate resources to the segment and to assess its performance.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the condensed consolidated interim financial information.

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different types of services and are managed separately because they require different business and marketing strategies.

**Al-Mowasat Healthcare Company K.S.C. (Closed) and subsidiaries  
State of Kuwait**

**Notes to the condensed consolidated interim financial information  
for the six month period ended 30 June 2013**

*Healthcare:* Healthcare includes medical care, pharmacies and other related services.

*Investment:* Investing surplus cash in investment portfolios.

	<b>Healthcare services KD</b>	<b>Investment and others KD</b>	<b>Consolidated KD</b>
<b>Three month period ended 30 June 2013</b>			
Segment revenue	6,504,816	64,750	6,569,566
Segment expenses	<u>(5,875,208)</u>	<u>(31,759)</u>	<u>(5,906,967)</u>
Profit for the period	<u>629,608</u>	<u>32,991</u>	<u>662,599</u>
<b>Three month period ended 30 June 2012</b>			
Segment revenue	5,640,331	64,573	5,704,904
Segment expenses	<u>(5,034,202)</u>	<u>(36,419)</u>	<u>(5,070,621)</u>
Profit for the period	<u>606,129</u>	<u>28,154</u>	<u>634,283</u>
<b>Six month period ended 30 June 2013</b>			
Segment revenue	12,683,336	129,500	12,812,836
Segment expenses	<u>(11,471,965)</u>	<u>(65,435)</u>	<u>(11,537,400)</u>
Profit for the period	<u>1,211,371</u>	<u>64,065</u>	<u>1,275,436</u>
<b>Six month period ended 30 June 2012</b>			
Segment revenue	11,745,005	129,855	11,874,860
Segment expenses	<u>(10,560,030)</u>	<u>(74,602)</u>	<u>(10,634,632)</u>
Profit for the period	<u>1,184,975</u>	<u>55,253</u>	<u>1,240,228</u>
<b>30 June 2013</b>			
Equity-accounted investee	-	18,750	18,750
Segments assets	34,747,888	6,339,545	41,087,433
Segment liabilities	20,599,295	1,912,705	22,512,000
<b>31 December 2012- (Audited)</b>			
Equity-accounted investee	-	18,750	18,750
Segments assets	33,133,840	6,185,893	39,319,733
Segment liabilities	18,882,243	2,204,139	21,086,382
<b>30 June 2012</b>			
Equity-accounted investee	-	18,750	18,750
Segments assets	34,611,511	6,258,947	40,870,458
Segment liabilities	20,090,674	2,479,716	22,570,390



**Notes to the condensed consolidated interim financial information**  
*for the six month period ended 30 June 2013*

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**9. Fair values of financial instruments**

Financial instruments comprise of financial assets and financial liabilities. Fair values of all financial instruments are not materially different from their carrying values except financial assets available for sale carried at cost. For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

*Fair value hierarchy*

The following table analyses the financial assets which are measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets into three levels based on the significance of inputs used in measuring the fair value of the financial assets. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group measures its certain available-for-sale investments at fair value using quoted market prices and classified under level 1 (refer note 4).

**10. Financial risk management**

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2012.

**11. General assembly**

The annual general meeting held on 25 June 2013 approved the following:

- Financial statements for the year ended 31 December 2012
- Board of Directors' remuneration amounting to KD 25,000 (2011: 25,000)
- Cash dividend of 10% of paid-up-capital amounting to KD 968,000 for the year ended 31 December 2012 (31 December 2011: cash dividend of 10% of paid-up-capital amounting to KD 968,000), and
- Transfer of 10% of profit for the year to voluntary reserve.