

**MEKDAM HOLDING GROUP Q.P.S.C.**  
**DOHA – STATE OF QATAR**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED  
JUNE 30, 2025  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REVIEW REPORT**

# MEKDAM HOLDING GROUP Q.P.S.C.

## INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

---

### TABLE OF CONTENTS

Independent Auditor's Review Report	--
	<b><u>Page(s)</u></b>
Interim Consolidated Statement of Financial Position	01
Interim Consolidated Statement of Comprehensive Income	02
Interim Consolidated Statement of Changes in Equity	03
Interim Consolidated Statement of Cash Flows	04
Notes to the Interim Condensed Consolidated Financial Statements	05-17

Offices 1-4, Floor 2, Building 209  
Street 230, C-Ring, Zone 42  
P.O. Box 47539, Doha – State of Qatar

T: +974 4462 6506  
F: +974 4435 2199  
E: inquiry@russellbedford.qa  
W: www.russellbedford.qa

**INDEPENDENT AUDITOR'S REPORT ON REVIEW**  
**OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**TO BOARD OF DIRECTORS**  
**MEKDAM HOLDING GROUP Q.P.S.C.**

**Introduction**

We have reviewed the accompanying interim condensed consolidated financial statements of Mekdam Holding Group Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") as at June 30, 2025, comprising of the interim consolidated statement of financial position as at June 30, 2025, the related interim consolidated statements of profit or loss and other comprehensive income for the three and six month periods then ended, the related interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six months period then ended, and the related explanatory notes.

The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" ("IAS 34") as issued by International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

**Scope of review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 as issued by International Accounting Standards Board (IASB).

**For Russell Bedford & Partners**  
**Certified Public Accountants**



**Hani Mukhaimer**  
**License No. (275)**  
**QFMA License No. (1202013)**




**Doha – Qatar**  
**July 28, 2025**

# MEKDAM HOLDING GROUP Q.P.S.C.


## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

	Notes	June 30, 2025 (Reviewed) QAR	December 31, 2024 (Audited) QAR
<b>ASSETS:</b>			
<b>Non-current assets:</b>			
Property and equipment	5	48,095,123	44,029,251
Intangible asset	6	862,352	2,170,197
Right-of-use assets	7 a	5,259,477	6,507,339
Retention receivables	8	38,118,881	36,937,814
<b>Total non-current assets</b>		<b>92,335,833</b>	<b>89,644,601</b>
<b>Current assets:</b>			
Inventories	9	20,791,823	18,630,404
Accounts receivable and other debit balances	10	142,133,117	123,919,511
Advance payments to suppliers and subcontractors	11	34,900,016	17,981,753
Contract assets	12	147,361,347	113,439,398
Due from related parties	13 a	370,648	50,000
Cash and bank balances	14	17,556,207	30,100,908
<b>Total current assets</b>		<b>363,113,158</b>	<b>304,121,974</b>
<b>TOTAL ASSETS</b>		<b>455,448,991</b>	<b>393,766,575</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholders' equity:</b>			
Share capital	15	160,000,000	135,000,000
Legal reserve	16	58,799,169	58,799,169
Retained earnings		29,641,139	35,836,515
<b>Equity attributable to shareholders of the group</b>		<b>248,440,308</b>	<b>229,635,684</b>
Non-controlling interest		56,470	35,000
<b>Total equity</b>		<b>248,496,778</b>	<b>229,670,684</b>
<b>Non-current liabilities:</b>			
Lease liabilities	7 c	3,151,380	4,464,390
Due to related parties	13 b	2,596,000	2,596,000
Loans and financing	17 a	14,782,668	18,055,556
Provision for employees' end of service benefits	18	11,298,119	8,931,556
<b>Total non-current liabilities</b>		<b>31,828,167</b>	<b>34,047,502</b>
<b>Current liabilities:</b>			
Lease liabilities	7 c	2,550,808	2,413,142
Due to related parties	13 b	1,291,998	1,483,833
Loans and financing	17 a	37,777,150	16,250,594
Accounts payable and other credit balances	19	133,504,090	109,900,820
<b>Total current liabilities</b>		<b>175,124,046</b>	<b>130,048,389</b>
<b>Total liabilities</b>		<b>206,952,213</b>	<b>164,095,891</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>455,448,991</b>	<b>393,766,575</b>

The accompany interim condensed consolidated financial statements were prepared by executive management and were signed on its behalf by:

  
**Banan Serhan**  
 Group CFO



  
**Ehab Naser**  
 Group CEO

The accompany interim condensed consolidated financial statements were approved to issue by the board of directors on July 28, 2025 and signed on behalf board of directors by:

  
**Sheikh Mohamed Nawaf NBK Al-Thani**  
 Chairman



The accompanying notes 01 to 30 form an integral part of these interim condensed consolidated financial statements.



# MEKDAM HOLDING GROUP Q.P.S.C.

## INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS PERIOD ENDED JUNE 30, 2025

	Notes	Three months period ended June 30,		Six months period ended June 30,	
		2025	2024	2025	2024
		QAR (Reviewed)	QAR (Reviewed)	QAR (Reviewed)	QAR (Reviewed)
Revenue	20	157,517,720	142,738,459	297,404,653	287,647,997
Cost of operations	21	(134,262,632)	(118,447,010)	(247,725,733)	(240,404,536)
<b>Gross profit</b>		<b>23,255,088</b>	<b>24,291,449</b>	<b>49,678,920</b>	<b>47,243,461</b>
Other Income		160,255	-	254,495	-
General and administrative expenses	22	(13,296,990)	(16,122,901)	(26,281,062)	(27,591,644)
<b>Operating profit for the period</b>		<b>10,118,353</b>	<b>8,168,548</b>	<b>23,652,353</b>	<b>19,651,817</b>
Finance cost	23	(761,518)	(1,224,854)	(1,070,979)	(1,743,991)
Depreciation and amortisation	24	(1,896,005)	(556,920)	(3,755,280)	(1,107,839)
<b>Net profit for the period</b>		<b>7,460,830</b>	<b>6,386,774</b>	<b>18,826,094</b>	<b>16,799,987</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>7,460,830</b>	<b>6,386,774</b>	<b>18,826,094</b>	<b>16,799,987</b>
<b>Total comprehensive income attributable to:</b>					
Shareholders of the group		7,451,897	6,934,049	18,804,624	17,446,887
Non-controlling interests		8,933	(547,275)	21,470	(646,900)
<b>Total comprehensive income for the period</b>		<b>7,460,830</b>	<b>6,386,774</b>	<b>18,826,094</b>	<b>16,799,987</b>
Basic earning per share	25	0.047	0.040	0.118	0.109



The accompanying notes 01 to 30 form an integral part of these interim condensed consolidated financial statements.

# MEKDAM HOLDING GROUP Q.P.S.C.

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

Attributable to shareholders of the company					
	Share capital	Legal reserve	Retained earnings	Total	Non-controlling Interests
	QAR	QAR	QAR	QAR	QAR
Balance at January 01, 2024	105,000,000	54,908,272	31,791,163	191,699,435	14,330
Transferred to increase share capital (Bonus share)	30,000,000	-	(30,000,000)	-	-
Net profit for the period	-	-	17,446,887	17,446,887	(646,900)
<b>Balance at June 30, 2024 (Reviewed)</b>	<b>135,000,000</b>	<b>54,908,272</b>	<b>19,238,050</b>	<b>209,146,322</b>	<b>(632,570)</b>
Balance at January 01, 2025	135,000,000	58,799,169	35,836,515	229,635,684	35,000
Transferred to increase share capital (Bonus share)	25,000,000	-	(25,000,000)	-	-
Net profit for the period	-	-	18,804,624	18,804,624	21,470
<b>Balance at June 30, 2025 (Reviewed)</b>	<b>160,000,000</b>	<b>58,799,169</b>	<b>29,641,139</b>	<b>248,440,308</b>	<b>56,470</b>

The accompanying notes 01 to 30 form an integral part of these interim condensed consolidated financial statements.



# MEKDAM HOLDING GROUP Q.P.S.C.

## INTERIM CONSOLIDATED STATEMENT CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

		Six months period ended June 30,	
		2025	2024
Notes		QAR (Reviewed)	QAR (Reviewed)
<b>Cash flows from operating activities:</b>			
	Net profit for the period	18,826,094	16,799,987
<b>Adjustments for:</b>			
	Depreciation of property and equipment	5 1,217,445	1,107,839
	Amortisation of intangible asset	6 1,307,845	-
	Depreciation right-of-use assets	7 a 1,247,862	-
	(Reversal of)/ provision for slow moving and obsolete inventories	9 a (486,339)	1,450,000
	Reversal of allowance for impairment of receivables	10 b (177,600)	-
	Gain on sale of assets	(11,295)	-
	Provision of contingencies	984,836	-
	Provisions for employee's end of service benefits	18 2,522,477	1,377,972
	Finance cost	23 1,070,979	1,743,991
	<b>Operating income before changes in working capital</b>	<b>26,502,304</b>	<b>22,479,789</b>
<b>Changes in:</b>			
	Inventories	(1,675,080)	715,043
	Accounts receivable and other debit balances	(18,036,006)	12,266,936
	Advance payments to suppliers and subcontractors	(16,918,263)	7,901,782
	Retention receivables	(1,181,067)	(1,581,828)
	Contract assets	(33,921,949)	(19,348,358)
	Due from related parties	(320,648)	(1,507,252)
	Due to related parties	(191,835)	1,545,512
	Accounts payable and other credit balances	22,618,434	(1,155,858)
	<b>Cash (used in)/ generated from operating activities</b>	<b>(23,124,110)</b>	<b>21,315,766</b>
	Employees' end of service benefits paid	18 (155,914)	(443,511)
	Finance cost paid	(863,756)	(1,743,991)
	<b>Net cash (used in)/ generated from operating activities</b>	<b>(24,143,780)</b>	<b>19,128,264</b>
<b>Cash flows from investing activities:</b>			
	Acquisition of property and equipment	5 (5,290,022)	(1,716,929)
	Proceeds of sale of property and equipment	18,000	-
	<b>Net cash used in investing activities</b>	<b>(5,272,022)</b>	<b>(1,716,929)</b>
<b>Cash flows from financing activities:</b>			
	Net movement in loans and financing	18,253,668	(24,960,380)
	Payment of finance lease liabilities	(1,382,567)	-
	Net movement in restricted cash	2,086,714	(106,535)
	<b>Net cash generated from/ (used in) financing activities</b>	<b>18,957,815</b>	<b>(25,066,915)</b>
	<b>Net decrease in cash and cash equivalents</b>	<b>(10,457,987)</b>	<b>(7,655,580)</b>
	Cash and cash equivalents - at January 01,	14 27,097,886	24,807,027
	<b>Cash and cash equivalents - at June 30,</b>	<b>14 16,639,899</b>	<b>17,151,447</b>



The accompanying notes 01 to 30 form an integral part of these interim condensed consolidated financial statements.



## MEKDAM HOLDING GROUP Q.P.S.C.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

#### 1. THE GROUP FORMATION AND ACTIVITIES:

- 1.1. Mekdam Holding Group Q.P.S.C. ("the Company") and its subsidiaries (together referred as the "Group"). The Company is domiciled in the State of Qatar under the Commercial Registration number 115142. The Company's registered office is at P.O. Box 17654, Doha, State of Qatar. The Company acts as a holding Company.
- 1.2. The main activities of the Group are the patent for the inventions, Commercial business, privileges and other intangible rights with utilizing from them and leasing them to the affiliate companies or others, participation in the management of the subsidiaries or which it has shares in, providing the necessary support to its subsidiaries, owning movables and real estate businesses within the limits permitted by law and investing its funds in shares, bonds and securities.
- 1.3. Salim Ata Salim Jarra has sold his 30% ownership in Mekdam Trading and Construction W.L.L. to Mekdam Technology W.L.L. Subsequently, this 30% ownership was transferred to Mekdam Technology W.L.L. on January 5, 2025.
- 1.4. On March 23, 2025, the Extraordinary General Meeting (EGM) of shareholders has approved to increase the capital by the number of Bonus shares approved by the AGM's resolution equal to 25,000,000 shares.

The interim condensed consolidated financial statements of following entities which are currently controlled by Mekdam Holding Group are consolidated in these interim condensed consolidated financial statements:

NAME OF COMPANY	COMMERCIAL REGISTRATION	COUNTRY OF INCORPORATION	YEAR OF INCORPORATION	OWNERSHIP
Mekdam Technology W.L.L.	103277	Qatar	2017	100% Mekdam Holding Group
Mekdam CAMS W.L.L.	103562	Qatar	2017	100% Mekdam Holding Group
Mekdam Technical Services – W.L.L.	103070	Qatar	2017	100% Mekdam Holding Group
Gulf Security System W.L.L.	103565	Qatar	2017	<ul style="list-style-type: none"><li>• 50% Mekdam Technology</li><li>• 50% Mekdam Technology Solutions</li></ul>
Mekdam Integrated Trading and Contracting W.L.L.	159620	Qatar	2021	<ul style="list-style-type: none"><li>• 51% Mekdam Technology</li><li>• 49% Mekdam Technical Services</li></ul>
Mekdam Steel Services and Contracting W.L.L.	160930	Qatar	2021	<ul style="list-style-type: none"><li>• 51% Mekdam Technology</li><li>• 49% Mekdam Technical Services</li></ul>
Mekdam Software Services W.L.L.	115276	Qatar	2018	<ul style="list-style-type: none"><li>• 100% Mekdam Technology</li></ul>
Mekdam JBK W.L.L.	180544	Qatar	2023	<ul style="list-style-type: none"><li>• 65% Mekdam Technology</li><li>• 19% Khalid Jassim Al-Thani Global Technology and Trading</li><li>• 16% Kamaludeen Mohammed Ghazali</li></ul>
Mekdam Technology Solutions W.L.L.	191166	Qatar	2023	<ul style="list-style-type: none"><li>• 100% Mekdam Holding Group</li></ul>
Mekdam For Trading and Construction W.L.L.	191934	Qatar	2023	<ul style="list-style-type: none"><li>• 70% Mekdam Holding Group</li><li>• 30% Mekdam Technology</li></ul>
Mekdam For Electrical and Mechanical Works W.L.L.	194011	Qatar	2023	<ul style="list-style-type: none"><li>• 100% Mekdam Holding Group</li></ul>



## MEKDAM HOLDING GROUP Q.P.S.C.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

#### 1. THE GROUP FORMATION AND ACTIVITIES (CONTINUED):

NAME OF COMPANY	COMMERCIAL REGISTRATION	COUNTRY OF INCORPORATION	YEAR OF INCORPORATION	OWNERSHIP
SAK Trading and Contracting W.L.L.	38201	Qatar	2008	100% Mekdam For Trading and Construction W.L.L.
Mekdam International Investments W.L.L.	1574424	Sultanate of Oman	2024	• 95% Mekdam Technology 5% Gulf Energy Oil and Gas Services

The interim condensed consolidated financial statement includes the assets, liabilities and operational results of the following branch:

BRANCH NAME	COUNTRY OF INCORPORATION	STATUS
Mekdam Technology W.L.L.	Iraq	Active

The interim condensed consolidated financial statements were approved to issue by the Board of Directors on July 28, 2025.

#### 2. BASIS OF PREPARATION:

The interim condensed consolidated financial statements for the six months period ended June 30, 2025, have been prepared in accordance with IAS 34 *"Interim Financial Reporting"* and have been presented in Qatari Riyals which is the functional and presentation currency of the Group. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024. In addition, results for the six months period ended June 30, 2025, are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2025.

#### 3. MATERIAL ACCOUNTING POLICIES:

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new and amended standards effective as noted below.

##### 3 a) Newly effective standards and amendments to standards:

The following amendment to standards applies for the first time in 2025 and have been applied by the Group in preparation of these interim condensed consolidated financial statements.

TOPIC	EFFECTIVE DATE
Amendments to IAS 21 <i>"Lack of Exchangeability"</i>	January 01, 2025

The adoption of the above amendments and interpretations to the standards did not result in any changes in the previously reported net profit or equity of the Group, but they may result in additional disclosures at the year-end.

##### 3 b) New and amended standards not yet effective, but available for early adoption:

New standard and amendments are permitted for early adoption for periods beginning after January 01, 2025. However, the Group has not applied the following new or amended standard in preparing these interim condensed consolidated financial statements:

TOPIC	EFFECTIVE DATE
Amendments to IFRS 9 and IFRS 7 <i>"Classification and Measurement of Financial Instruments"</i>	January 01, 2026
Annual Improvements to IFRS Standards Volume 11 <i>"Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7"</i>	January 01, 2026

## MEKDAM HOLDING GROUP Q.P.S.C.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

#### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

##### 3 b) New and amended standards not yet effective, but available for early adoption:

TOPIC	EFFECTIVE DATE
Amendments to IFRS 9 and IFRS 7 <i>"Power Purchase Agreements"</i>	January 01, 2026
Amendments to IFRS 18 <i>"Presentation and disclosures in financial statements"</i>	January 01, 2027
Amendments to IFRS 19 <i>"Subsidiaries without Public Accountability: Disclosures"</i>	January 01, 2027
Amendments to IFRS 10 <i>"Consolidated Financial Statements"</i> and IAS 28 <i>"Investment in Associates and Joint Ventures"</i> on sale or contribution of assets between an investor and its associate or joint venture.	Deferred indefinitely

The Group is currently evaluating the impact of this amendment.

#### 4. USE OF JUDGMENTS AND ESTIMATES:

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

The material judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual group consolidated financial statements as at and for the year ended December 31, 2024.

In the process of applying the Group's accounting policies, management has made judgements apart from those involving estimations which have the most significant effect on the amounts recognized in the interim condensed consolidated financial statements.

##### **Going concern**

Considering prevailing economic conditions and with available information about future risks and uncertainties. The Group has performed an assessment of whether going concern is applicable. Based on the assessment, the Group has concluded that at present it has sufficient resources to continue its operational existence and going concern assumptions remains largely unaffected from December 31, 2024. As a result, these interim condensed consolidated financial statements have been prepared on a going concern basis.



# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

5. PROPERTY AND EQUIPMENT:	Furniture, fixtures and office equipment QAR	Motor vehicles QAR	Tools and equipment QAR	Building QAR	Land QAR	Capital work-in- progress QAR	Total QAR
<b>Cost:</b>							
Balance at January 01, 2024	5,273,418	3,686,465	1,667,012	6,248,198	27,272,000	2,540,457	46,687,550
Additions during the year	596,848	748,004	704,481	98,750	-	4,638,298	6,786,381
Disposal during the year	-	(170,000)	-	-	-	-	(170,000)
<b>Balance at December 31, 2024 (Audited)</b>	<b>5,870,266</b>	<b>4,264,469</b>	<b>2,371,493</b>	<b>6,346,948</b>	<b>27,272,000</b>	<b>7,178,755</b>	<b>53,303,931</b>
Additions during the period	377,607	1,187,491	1,072,474	-	-	2,652,450	5,290,022
Disposal during the period	-	(16,100)	-	-	-	-	(16,100)
<b>Balance at June 30, 2025 (Reviewed)</b>	<b>6,247,873</b>	<b>5,435,860</b>	<b>3,443,967</b>	<b>6,346,948</b>	<b>27,272,000</b>	<b>9,831,205</b>	<b>58,577,853</b>
<b>Accumulated depreciation:</b>							
Balance at January 01, 2024	4,378,559	1,963,351	678,033	160,913	-	-	7,180,856
Charge for the year	617,754	818,051	472,497	317,347	-	-	2,225,649
Related to disposals during the year	-	(131,825)	-	-	-	-	(131,825)
<b>Balance at December 31, 2024 (Audited)</b>	<b>4,996,313</b>	<b>2,649,577</b>	<b>1,150,530</b>	<b>478,260</b>	<b>-</b>	<b>-</b>	<b>9,274,680</b>
Charge for the period (Note 5 a)	298,793	421,148	340,135	157,369	-	-	1,217,445
Related to disposals during the period	-	(9,395)	-	-	-	-	(9,395)
<b>Balance at June 30, 2025 (Reviewed)</b>	<b>5,295,106</b>	<b>3,061,330</b>	<b>1,490,665</b>	<b>635,629</b>	<b>-</b>	<b>-</b>	<b>10,482,730</b>
<b>Net book value:</b>							
At December 31, 2024 (Audited)	873,953	1,614,892	1,220,963	5,868,688	27,272,000	7,178,755	44,029,251
<b>At June 30, 2025 (Reviewed)</b>	<b>952,767</b>	<b>2,374,530</b>	<b>1,953,302</b>	<b>5,711,319</b>	<b>27,272,000</b>	<b>9,831,205</b>	<b>48,095,123</b>
Depreciation rates	20 - 35%	20 - 25%	20 - 35%	5%			

# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 5. PROPERTY AND EQUIPMENT (CONTINUED):

5 a) Depreciation for the period has been presented in the interim consolidated statement of profit or loss and other comprehensive income as follows:

	Six months period ended June 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Cost of operations	17,873	-
Depreciation and amortisation (Note 24)	1,199,572	1,107,839
<b>Total</b>	<b>1,217,445</b>	<b>1,107,839</b>

### 6. INTANGIBLE ASSET:

#### Cost:

Additions during the year

**Balance at December 31, 2024 (Audited)**

**Balance at June 30, 2025 (Reviewed)**

#### Accumulated amortization:

Amortization during the year

**Balance at December 31, 2024 (Audited)**

Amortization during the period (Note 24)

**Balance at June 30, 2025 (Reviewed)**

#### Carrying amounts:

At December 31, 2024 (Audited)

**At June 30, 2025 (Reviewed)**

Amortization rate

### 7. LEASES:

#### 7 a) Right-of-use-assets:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
<b>Present value of the lease payments:</b>		
Balance at the beginning of the period/ year	9,003,061	-
Additions during the period/ year	-	9,003,061
<b>Balance at the end of the period/ year</b>	<b>9,003,061</b>	<b>9,003,061</b>
<b>Accumulated depreciation:</b>		
Balance at the beginning of the period/ year	2,495,722	-
Charge for the period/ year (Note 24)	1,247,862	2,495,722
<b>Balance at the end of the period/ year</b>	<b>3,743,584</b>	<b>2,495,722</b>
<b>Net book value:</b>		
<b>Balance at the end of the period/ year</b>	<b>5,259,477</b>	<b>6,507,339</b>



# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 7. LEASES (CONTINUED):

#### 7 b) Lease liabilities:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Balance at the beginning of the period/ year	6,877,532	-
Additions during the period/ year	-	9,003,061
Finance cost (Note 23)	207,223	523,786
Repayment of principle	(1,382,567)	(2,649,315)
<b>Balance at the end of the period/ year</b>	<b>5,702,188</b>	<b>6,877,532</b>

7 c) The lease liabilities are presented in the interim consolidated statement of financial position as follows:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Non-current	3,151,380	4,464,390
Current	2,550,808	2,413,142
<b>Total</b>	<b>5,702,188</b>	<b>6,877,532</b>

7 d) The maturity analysis of the contractual undiscounted cash flow of lease liabilities is as follows:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
No later than 1 year	2,847,086	2,789,699
Later than 1 year and no later than 5 years	3,284,122	4,724,076
<b>Total undiscounted lease liabilities at</b>	<b>6,131,208</b>	<b>7,513,775</b>
Future finance charges of finance leases	(429,020)	(636,243)
<b>Lease liabilities at the end of the period/ year</b>	<b>5,702,188</b>	<b>6,877,532</b>

7 e) The Group entered into lease contracts with various landlords for lease of buildings premises. These lease liabilities are repayable by rental obligations which varies based on the terms of contracts with the various landlords, and usually for a period more than one year, bears an incremental borrowing interest rate of 6.50% per annum, and is effectively secured as the rights to the leased assets revert to the lessor in the event of default.

### 8. RETENTION RECEIVABLES:

Movement in retention receivables is presented in the interim consolidated statement of financial position as follows:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Balance at the beginning of the period/ year	36,937,814	35,153,113
Movements during the period/ year	1,181,067	1,784,701
<b>Balance at the end of the period/ year</b>	<b>38,118,881</b>	<b>36,937,814</b>

# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 9. INVENTORIES:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Material stocks	22,965,913	21,290,833
Less : Provision for slow moving and obsolete inventories (Note 9 a)	(2,174,090)	(2,660,429)
<b>Total</b>	<b>20,791,823</b>	<b>18,630,404</b>

9 a) Movement in provision for slow moving and obsolete inventories is presented as follows:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Balance at the beginning of the period/ year	2,660,429	1,210,429
Movements during the period/ year	(486,339)	1,450,000
<b>Balance at the end of the period/ year</b>	<b>2,174,090</b>	<b>2,660,429</b>

### 10. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
<b>Accounts receivable</b>		
Accounts receivable	140,045,537	129,173,265
Less: Allowance for impairment of receivables (Note 10 b)	(11,022,997)	(11,200,597)
<b>Net accounts receivable</b>	<b>129,022,540</b>	<b>117,972,668</b>

#### **Other debit balances**

Prepaid expenses	10,130,754	2,789,794
Post dated cheques receivable	597,033	1,427,213
Security deposits receivable	633,352	537,862
Other debit balances	1,749,438	1,191,974
<b>Total accounts receivable and other debit balances</b>	<b>142,133,117</b>	<b>123,919,511</b>

10 b) Movement in allowance for impairment of receivables is presented as follows:

	June 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Balance at the beginning of the period/ year	11,200,597	11,266,272
Reversal during the period/ year	(177,600)	(65,675)
<b>Balance at the end of the period/ year</b>	<b>11,022,997</b>	<b>11,200,597</b>

10 c) In determining the recoverability of accounts receivable, the Group considers any change in the credit quality of the accounts receivable from the date credit was initially granted up to the reporting date. The concentration of credit risks is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further credit provision required in excess of the existing provision.

# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 11. ADVANCE PAYMENTS TO SUPPLIERS AND SUB-CONTRACTORS:

Movement in advance payments to suppliers is presented as follows:

	June 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Balance at the beginning of the period/ year	17,981,753	35,056,964
Net movements during the period/ year	16,918,263	(17,075,211)
<b>Balance at the end of the period/ year</b>	<b>34,900,016</b>	<b>17,981,753</b>

### 12. CONTRACT ASSETS:

	June 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Value of work performed at cost plus attributable profit	1,145,739,392	1,168,969,725
Billings on contracts in progress	(998,378,045)	(1,055,530,327)
<b>Amount due from customers for contract works</b>	<b>147,361,347</b>	<b>113,439,398</b>

### 13. RELATED PARTIES TRANSACTIONS:

These represent transactions with related parties, i.e. major shareholders, joint ventures, directors and senior management of the group of the companies, and the companies in which they are principal owners. Pricing policies and terms of these transactions are approved by the respective management.

#### 13 a) Due from related parties

	June 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Perfect Security Systems W.L.L.	95,000	50,000
Consolidated Engineering and Consultancy Services W.L.L.	275,648	-
<b>Total</b>	<b>370,648</b>	<b>50,000</b>

#### 13 b) Due to related parties

	June 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
<b>Non-current</b>		
Sheikh Mohamed Nawaf NK Al Thani	2,596,000	2,596,000
<b>Total</b>	<b>2,596,000</b>	<b>2,596,000</b>
<b>Current</b>		
Mekdam Investment W.L.L.	441,713	55,793
Silverrock Consultancy W.L.L.	309,818	436,501
Khalid J Al Thani Global Tech	190,209	195,061
Mekdam Telecom W.L.L.	190,082	439,718
Mr. Kamaludeen Mohammed	160,176	164,262
Mr. Salim Atta Jarrar	-	192,498
<b>Total</b>	<b>1,291,998</b>	<b>1,483,833</b>



# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 14. CASH AND BANK BALANCES:

	June 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Cash in hand	469,989	6
Cash at bank - Current accounts	15,932,921	26,958,291
- Credit card accounts	236,989	139,589
Cash margin held against bank guarantees - restricted cash	916,308	3,003,022
<b>Total</b>	<b>17,556,207</b>	<b>30,100,908</b>

14 a) For the purpose of interim consolidated statement of cash flows, the amount of cash and cash equivalents is presented as follows:

	June 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Total cash and cash equivalents	17,556,207	30,100,908
Restricted cash (Cash margin held against bank guarantees)	(916,308)	(3,003,022)
<b>Net cash and cash equivalents</b>	<b>16,639,899</b>	<b>27,097,886</b>

### 15. SHARE CAPITAL:

The Company's issued share capital as per Commercial registration number 115142 is QAR 160,000,000 and is fully paid as at June 30, 2025.

	June 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Balance at the beginning of the period/ year	135,000,000	105,000,000
Increase during the period/ year	25,000,000	30,000,000
<b>Total</b>	<b>160,000,000</b>	<b>135,000,000</b>

On March 23, 2025 The Extraordinary General Meeting (EGM) of shareholders has approved to increase the capital by the number of Bonus shares approved by the AGM's resolution equal to 25,000,000 shares.

### 16. LEGAL RESERVE:

In accordance with Qatar Commercial Companies Law No.11 of 2015 whose certain provision were subsequently amended by law No.8 of 2021 ("amended QCCL") and the Company's Articles of Association, 10% of net income for the year is required to be transferred to the legal reserve, the Group may discontinue such transfer if the legal reserve reached 50% of the paid capital. This reserve is not available for distribution except in circumstances stipulated in the Commercial Companies Law.

### 17. LOANS AND FINANCING:

	June 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Non current secured bank - financing loans	14,782,668	18,055,556
Current portion of secured bank - financing loan	13,524,871	6,944,444
Current portion of secured bank loans	24,252,279	9,306,150
<b>Total bank loans and financing</b>	<b>52,559,818</b>	<b>34,306,150</b>



# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 17. LOANS AND FINANCING (CONTINUED):

17 a) The loans and financing are presented in the interim consolidated statement of financial position as follows:

	June 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Non-current	14,782,668	18,055,556
Current	37,777,150	16,250,594
<b>Total</b>	<b>52,559,818</b>	<b>34,306,150</b>

### 17 b) Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Year of maturity	June 30, 2025	December 31, 2024
				QAR (Reviewed)	QAR (Audited)
Term Financing - Murabaha loan (Note 17 c)	QAR	6.50%	2028	22,577,039	25,000,000
Projects finance - Murabaha (Note 17 d)	QAR	6.10%	2026	5,730,500	-
Projects finance (Note 17 e)	QAR	7.25%	2025	24,252,279	9,306,150
<b>Total</b>				<b>52,559,818</b>	<b>34,306,150</b>

### 17 c) Murabaha finance

On the date of November 14, 2024, the group entered into a long-term Islamic borrowings (Murabaha) of amounted to QAR 25 million with Qatar International Islamic Bank Q.P.S.C. for the purpose of financing to settlement of obligations to other banks. These loan bear an average profit rate of QCBLR+1% p.a. (minimum 5.5% p.a.). The loan is to be repaid on 36 monthly instalments starting from March 25, 2025.

### 17 d) Projects finance - Murabaha

The Group obtained facilities to finance its existing project from the progress payments to be paid by customers for that project. The facilities are secured by corporate and personal guarantees of the subsidiary and assignment of contract payments from the customer to route all contract proceeds with the bank. These facilities bear rate of minimum 6.1%.

### 17 e) Projects finance

The Group obtained facilities to finance its existing project from the progress payments to be paid by customers for that project. The facilities are secured by corporate and personal guarantees of the subsidiary and assignment of contract payments from the customer to route all contract proceeds with the bank. These facilities bear rate of minimum 7.25%.

# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

<b>18. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	<b>QAR</b>	<b>QAR</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
Balance at the beginning of the period/ year	8,931,556	6,316,396
Provision for the period/ year	2,522,477	3,697,588
Payments made during the period/ year	(155,914)	(1,082,428)
<b>Balance at the end of the period/ year</b>	<b>11,298,119</b>	<b>8,931,556</b>
<b>19. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES:</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	<b>QAR</b>	<b>QAR</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
Accrued expenses	38,884,374	31,438,668
Advances received from customers	31,490,405	29,590,799
Accounts payable	36,870,251	29,473,127
Notes payable	20,289,269	13,613,866
Retention payable	3,704,549	3,522,908
Provisions	1,501,736	1,706,432
Other credit balance	763,506	555,020
<b>Total</b>	<b>133,504,090</b>	<b>109,900,820</b>
<b>20. REVENUE:</b>	<b>Six months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>QAR</b>	<b>QAR</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Technology services	137,928,663	150,223,867
Manpower supply services	121,625,761	117,637,518
Centralized alarm monitoring system services	10,860,613	9,123,728
Others services	26,989,616	10,662,884
<b>Total</b>	<b>297,404,653</b>	<b>287,647,997</b>
<b>21. COST OF OPERATIONS:</b>	<b>Six months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>QAR</b>	<b>QAR</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Cost of Labour	131,019,415	123,113,410
Cost of materials and subcontractors	94,777,844	91,020,447
Other direct expenses	21,928,474	26,270,679
<b>Total</b>	<b>247,725,733</b>	<b>240,404,536</b>

# MEKDAM HOLDING GROUP Q.P.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

### 22. GENERAL AND ADMINISTRATIVE EXPENSES:

	Six months period ended June 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Employees' expenses	17,168,291	16,710,973
Office and occupancy expenses	2,170,347	3,308,044
Listing expenses	1,383,597	1,608,598
Business development expenses	1,721,896	958,453
Provision of contingencies	984,836	-
Other expenses	2,852,095	5,005,576
<b>Total</b>	<b>26,281,062</b>	<b>27,591,644</b>

### 23. FINANCE COST:

	Six months period ended June 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Interest expenses	863,756	1,743,991
Finance cost on finance lease arrangement (Note 7 b)	207,223	-
<b>Total</b>	<b>1,070,979</b>	<b>1,743,991</b>

### 24. DEPRECIATION AND AMORTISATION:

	Six months period ended June 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Depreciation of property and equipment (Note 5 a)	1,199,572	1,107,839
Amortisation of intangible asset (Note 6)	1,307,846	-
Depreciation of right-of-use assets (Note 7 a)	1,247,862	-
<b>Total</b>	<b>3,755,280</b>	<b>1,107,839</b>

### 25. BASIC EARNINGS PER SHARE:

	Six months period ended June 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Profit for the period attributable to the shareholders of the Group	18,804,624	17,446,887
Weighted average number of shares after the bonus share issued	160,000,000	160,000,000
<b>Basic earnings per share</b>	<b>0.118</b>	<b>0.109</b>



## MEKDAM HOLDING GROUP Q.P.S.C.

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

#### 26. COMMITMENTS AND CONTINGENCIES:

There were no material commitments and contingencies existing as of the reporting date, except for the following:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	<b>QAR</b>	<b>QAR</b>
	<b>(Reviewed)</b>	<b>(Audited)</b>
Performance bond	206,092,954	174,945,024
Advance payment guarantee	27,073,068	19,089,217
Tender bond	24,991,365	45,663,710
<b>Total letter of guarantee</b>	<b>258,157,387</b>	<b>239,697,952</b>
Letter of credit	4,820,358	1,410,115
<b>Total contingencies</b>	<b>262,977,745</b>	<b>241,108,067</b>

#### 27. CAPITAL RISK MANAGEMENT:

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of invested capital. The capital structure of the Group consists of equity, comprising share capital, reserves and retained earnings.

#### 28. EVENTS AFTER THE REPORTING PERIOD:

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the interim condensed consolidated financial statements.

#### 29. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments include financial assets and liabilities.

Financial assets consist of amounts due from related parties, bank balances and cash, account receivable and other debit balances and contract assets. Financial liabilities consist of due to related parties, loan and financing, lease liabilities and account payable and other debit balances.

The fair values of financial instruments are not materially different from their carrying values.

#### 30. COMPARATIVE FIGURES:

Certain comparative figures have been reclassified in accordance with International Financial Reporting Standards (IFRS) in order to conform with the presentation of the interim condensed consolidated financial statements for six months the period ended June 30, 2025. Such reclassifications did not have any effect on the net profit and equity of the comparative period/ year.