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

**CONSOLIDATED FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED**
**DECEMBER 31, 2025**
**TOGETHER WITH**
**INDEPENDENT AUDITOR'S REPORT**

# MEKDAM HOLDING GROUP – Q.P.S.C.

## CONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEAR ENDED DECEMBER 31, 2025

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Russell Bedford
taking you further

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# INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS**
**MEKDAM HOLDING GROUP – Q.P.S.C.**

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the accompanying consolidated financial statements of Mekdam Holding Group – Q.P.S.C. (the "Parent Company") and its subsidiaries (together the "Group") which comprise the consolidated statement of financial position as at December 31, 2025, and the related consolidated statements of profit or loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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

### 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 consolidated 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) together with the ethical requirements that are relevant to our audit of the consolidated 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 matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addresses in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

| DESCRIPTION OF KEY AUDIT MATTER | HOW THE MATTER WAS ADDRESSED IN OUR REPORT |
|---|---|
| **Revenue recognition and impairment of financial assets and contract assets - refer to notes (3/r), (3/w), (3/s), 11, 19, of the consolidated financial statements** | |
| We focus on these areas because: | Our audit procedure on these areas included among others: |
| • The group generates revenue of QAR 681,078,441 (2024: QAR 558,909,043) from the diversified revenue streams mainly from:<br>a) Technology services<br>b) Manpower supply services.<br>c) Centralized Alarm Monitoring System services. | • Evaluating the appropriateness of the selection of accounting policies for the new contracts entered during the year based on the requirements of IFRS 15, and our understanding for the different sources of revenue of the group. |

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Key audit matter (Continued)

| DESCRIPTION OF KEY AUDIT MATTER | HOW THE MATTER WAS ADDRESSED IN OUR REPORT |
|---|---|
| **Revenue recognition and impairment of financial assets and contract assets - refer to notes (3/r), (3/w), (3/s), 11, 19, of the consolidated financial statements (Continued)** | |
| We focus on these areas because:<br><br>• The group makes significant assumption/ judgments to measure and recognise revenue in particular identification of performance obligations, allocation of transaction price, estimating costs to complete, timing of revenue recognition and corresponding receivables from contract assets.<br><br>• The group's allowance for impairment of receivables subject to credit risk were QAR 11,996,418 as at December 31, 2025 (2024: QAR 11,200,597), hence a material portion of the consolidated statement of financial position.<br><br>• Expected credit loss assessment for financial assets and contract assets invoices:<br><br>a) Complex accounting requirements, including assumptions, estimates and judgments underlying the detestation of impairment.<br><br>b) Susceptibility to board of directors bias when making judgments to determine expected credit loss outcomes; and<br><br>c) Complex disclosure requirements. | Our audit procedure in these areas included among others (Continued):<br><br>• Assessing the appropriateness of board of director's revenue recognition under IFRS 15 across significant revenue streams for a sample of new contracts entered during the year.<br><br>• Assessing the appropriateness of the key inputs and assumptions used by the board of directors to allocate contract revenue over performance obligations for a sample of new contracts entered during the year.<br><br>• Assessing appropriateness of assumptions and judgments made to measure and assess the transaction price and its allocation over performance obligations for a sample of new contracts entered during the year based on our experience and industry practice.<br><br>• Challenging the reasonableness of estimates made regarding the cost completion and profit margins for each contract based on our experiences and industry benchmarks.<br><br>• Assessing whether group's policies and processes for making these estimates are appropriate and are applied consistently to all contracts of a similar nature.<br><br>• Evaluating the reasonableness of board of director's key judgments and estimates made in calculation of expected credit loss.<br><br>• Evaluating the completeness accuracy and relevance of data used in expected credit loss calculation.<br><br>• Evaluating the adequacy of the financial statement disclosure including key assumptions and judgments. |

### Other information

The Board of Directors are responsible for the other information. The other information comprises the information included in the annual report for the financial year 2025 but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**Other legal and regulatory requirements**

Further, 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:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- The Group has maintained proper accounting records and its financial statements are in agreement therewith.
- Furthermore, the physical count of the Group's inventories was carried out in accordance with established principles.
- The financial information included in the Board of Directors' report is in agreement with the books and records of the Group; and

We are not aware of any violations of the applicable provisions of the amended QCCL and or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Group's financial position or performance as at and for the year ended December 31, 2025.

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

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

Russell Bedford & Partners Certified Public Accountants Russell Bedford taking you further C.R. No.: 143061 | Doha - State of Qatar رسل بدفورد وشركاه

**Doha – Qatar**
**January 28, 2026**

## MEKDAM HOLDING GROUP – Q.P.S.C.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

| | Notes | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|---|
| **ASSETS:** | | | |
| **Non-current assets:** | | | |
| Property and equipment | 4 | 50,203,468 | 44,029,251 |
| Intangible asset | 5 | 8,106,644 | 2,170,197 |
| Right-of-use assets | 6 a | 4,011,615 | 6,507,339 |
| Retention receivables | 7 | 43,473,675 | 36,937,814 |
| **Total non-current assets** | | **105,795,402** | **89,644,601** |
| **Current assets:** | | | |
| Inventories | 8 | 15,834,186 | 18,630,404 |
| Accounts receivable and other debit balances | 9 | 154,078,933 | 123,919,511 |
| Advance payments to suppliers and subcontractors | 10 | 56,107,247 | 17,981,753 |
| Contract assets | 11 | 201,433,903 | 113,439,398 |
| Due from a related party | 12 a | 70,000 | 50,000 |
| Cash and bank balances | 13 | 32,177,811 | 30,100,908 |
| **Total current assets** | | **459,702,080** | **304,121,974** |
| **TOTAL ASSETS** | | **565,497,482** | **393,766,575** |
| **EQUITY AND LIABILITIES:** | | | |
| **Equity:** | | | |
| Share capital | 14 | 160,000,000 | 135,000,000 |
| Legal reserve | 15 | 62,980,579 | 58,799,169 |
| Retained earnings | | 47,423,856 | 35,836,515 |
| **Equity attributable to shareholders of the Company** | | **270,404,435** | **229,635,684** |
| Non-controlling interest | | 35,000 | 35,000 |
| **Total equity** | | **270,439,435** | **229,670,684** |
| **Non-current liabilities:** | | | |
| Lease liabilities | 6 c | 1,771,146 | 4,464,390 |
| Due to related parties | 12 b | 2,596,000 | 2,596,000 |
| Loans and financing | 16 | 13,483,469 | 18,055,556 |
| Provision for employees' end of service benefits | 17 | 13,398,450 | 8,931,556 |
| **Total non-current liabilities** | | **31,249,065** | **34,047,502** |
| **Current liabilities:** | | | |
| Lease liabilities | 6 c | 2,693,244 | 2,413,142 |
| Due to related parties | 12 b | 2,058,064 | 1,483,833 |
| Loans and financing | 16 | 58,229,610 | 16,250,594 |
| Accounts payable and other credit balances | 18 | 200,828,064 | 109,900,820 |
| **Total current liabilities** | | **263,808,982** | **130,048,389** |
| **Total liabilities** | | **295,058,047** | **164,095,891** |
| **TOTAL EQUITY AND LIABILITIES** | | **565,497,482** | **393,766,575** |

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The accompany 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 consolidated financial statements were approved to issue by the board of directors on January 28, 2026 and signed on behalf board of directors by:

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

مجموعة مقدام القابضة ش.م.ع.ق MEKDAM HOLDING GROUP Q.P.S.C P.O.Box 17004 Doha, Qatar Capital 160,000,000 Commercial Registration 115142

The accompanying notes 01 to 32 form an integral part of these consolidated financial statements.

# MEKDAM HOLDING GROUP – Q.P.S.C.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## FOR YEAR ENDED DECEMBER 31, 2025

| | Notes | Year ended December 31, 2025 QAR | 2024 QAR |
|---|---|---|---|
| Revenue | 19 | 681,078,441 | 558,909,043 |
| Cost of operations | 20 | (573,711,698) | (462,005,358) |
| **Gross profit** | | **107,366,743** | **96,903,685** |
| Other Income | | 445,768 | 306,710 |
| General and administrative expenses | 21 | (53,556,325) | (48,397,354) |
| (Provision) /reversal for impairment receivables during the year | 9 c | (973,421) | 65,676 |
| **Operating profit for the year** | | **53,282,765** | **48,878,717** |
| Finance cost | 22 | (3,335,845) | (3,666,079) |
| Deperciation and amortisation | 23 | (8,065,586) | (7,301,174) |
| **Net profit for the year** | | **41,881,334** | **37,911,464** |
| Other comprehensive income | | - | - |
| **Total comprehensive income for the year** | | **41,881,334** | **37,911,464** |
| **Total comprehensive income attributable to:** | | | |
| Shareholders of the group | | 41,814,104 | 38,908,973 |
| Non-controlling interest | | 67,230 | (997,509) |
| **Total comprehensive income for the year** | | **41,881,334** | **37,911,464** |
| Basic earning per share | 24 | 0.261 | 0.243 |

The accompanying notes 01 to 32 form an integral part of these consolidated financial statements.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR YEAR ENDED DECEMBER 31, 2025**

| | Attributable to shareholders of the company | | | | | |
|---|---|---|---|---|---|---|
| | Share capital QAR | Legal reserve QAR | Retained earnings QAR | Total QAR | Non-controlling Interest QAR | Total QAR |
| **Balance at January 01, 2024** | 105,000,000 | 54,908,272 | 31,791,163 | 191,699,435 | 14,330 | 191,713,765 |
| Transferred to increase share capital (Bonus share) | 30,000,000 | - | (30,000,000) | - | - | - |
| Subsidiary losses sharing to non-controlling interest | - | - | - | - | 1,018,179 | 1,018,179 |
| Net profit/ (loss) for the year | - | - | 38,908,973 | 38,908,973 | (997,509) | 37,911,464 |
| Transferred to social and sports contribution fund (Note 29) | - | - | (972,724) | (972,724) | - | (972,724) |
| Transferred to legal reserve | - | 3,890,897 | (3,890,897) | - | - | - |
| **Balance at December 31, 2024** | **135,000,000** | **58,799,169** | **35,836,515** | **229,635,684** | **35,000** | **229,670,684** |
| Transferred to increase share capital (Bonus share) | 25,000,000 | - | (25,000,000) | - | - | - |
| Subsidiary dividend to non-controlling interest | - | - | - | - | (67,230) | (67,230) |
| Net profit for the year | - | - | 41,814,104 | 41,814,104 | 67,230 | 41,881,334 |
| Transferred to social and sports contribution fund (Note 29) | - | - | (1,045,353) | (1,045,353) | - | (1,045,353) |
| Transferred to legal reserve | - | 4,181,410 | (4,181,410) | - | - | - |
| **Balance at December 31, 2025** | **160,000,000** | **62,980,579** | **47,423,856** | **270,404,435** | **35,000** | **270,439,435** |

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The accompanying notes 01 to 32 form an integral part of these consolidated financial statements.

## MEKDAM HOLDING GROUP – Q.P.S.C.

### CONSOLIDATED STATEMENT CASH FLOWS
### FOR YEAR ENDED DECEMBER 31, 2025

| | Notes | Year ended December 31, 2025 QAR | Year ended December 31, 2024 QAR |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| Net profit for the year | | 41,881,334 | 37,911,464 |
| **Adjustments for:** | | | |
| Depreciation of property and equipment | 4 | 3,968,351 | 2,225,649 |
| Amortisation of intangible asset | 5 | 3,013,043 | 2,579,803 |
| Depreciation right-of-use assets | 6 | 2,495,724 | 2,495,722 |
| Gain on sale of property and equipment | | (4,790) | (41,825) |
| Provision for impairment for slow moving inventories | | 1,164,500 | 1,450,000 |
| Provision /(Reversal) fo impairment for account receivables | | 973,421 | (65,675) |
| Provision of contingencies | | - | 298,000 |
| Provisions for employee's end of service benefits | 17 | 5,306,974 | 3,697,588 |
| Finance cost on finance lease arrangement | | 371,689 | 523,786 |
| Finance cost on Loans and financing | | 2,964,156 | 3,142,293 |
| **Operating income before changes in working capital** | | **62,134,402** | **54,216,805** |
| **Changes in:** | | | |
| Inventories | | 1,631,718 | (7,613,301) |
| Accounts receivable and other debit balances | | (31,132,843) | 40,812,180 |
| Advance payments to suppliers and subcontractors | | (38,125,494) | 17,075,211 |
| Retention receivables | | (6,535,861) | (1,784,701) |
| Contract assets | | (87,994,505) | (54,577,195) |
| Due from a related party | | (20,000) | 2,659,256 |
| Due to related parties | | 574,231 | (798,178) |
| Accounts payable and other credit balances | | 90,927,244 | 2,648,756 |
| **Cash (used in) / generated from operating activities** | | **(8,541,108)** | **52,638,833** |
| Employees end of service benefit paid | 17 | (840,080) | (1,082,428) |
| Finance cost paid | | (2,964,156) | (3,142,293) |
| **Net cash (used in)/ generated from operating activities** | | **(12,345,344)** | **48,414,112** |
| **Cash flows from investing activities:** | | | |
| Acquisition of property and equipment | 4 | (18,792,147) | (6,786,381) |
| Acquisition of intangible asset | 5 | (313,121) | (4,750,000) |
| Proceeds from sale of property and equipment | | 18,000 | 80,000 |
| **Net cash used in investing activities** | | **(19,087,268)** | **(11,456,381)** |
| **Cash flows from financing activities:** | | | |
| Net movement in loans and financing | | 37,406,929 | (29,595,478) |
| (Profit) distrubution / losses sharing - Non Controlling interest | | (67,230) | 1,018,179 |
| Payment of finance lease liabilities | | (2,784,831) | (2,649,315) |
| Contribution to social and sports fund | | (1,045,353) | (972,724) |
| Net movement in restricted cash | | 2,261,898 | (2,467,534) |
| **Net cash generated from/ (used in) financing activities** | | **35,771,413** | **(34,666,872)** |
| **Net increase in cash and cash equivalents** | | 4,338,801 | 2,290,859 |
| Cash and cash equivalents - at January 01, | 13 | 27,097,886 | 24,807,027 |
| **Cash and cash equivalents - at December 31,** | 13 | **31,436,687** | **27,097,886** |

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The accompanying notes 01 to 32 form an integral part of these consolidated financial statements.

## 1. THE GROUP FORMATION AND ACTIVITIES:

1.1. Mekdam Holding Group – Q.P.S.C. ("the Parent Company" or "Company") and its subsidiaries (together referred as the "Group"). The Parent Company is domiciled in the State of Qatar under the Commercial Registration number 115142. The parent Company's registered office is at P.O. Box 17654, Doha, State of Qatar. The Parent 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 approved to increase the capital by the number of Bonus shares approved by the AGM's resolution equal to 25,000,000 shares.

"The Financial Statements of following entities which are currently fully controlled by Mekdam Holding Group are consolidated in these "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 | • 50% Mekdam Technology<br>• 50% Mekdam Technology Solutions |
| Mekdam Integrated Trading and Contracting W.L.L. | 159620 | Qatar | 2021 | • 51% Mekdam Technology<br>• 49% Mekdam Technical Services |
| Mekdam Steel Services and Contracting W.L.L. | 160930 | Qatar | 2021 | • 51% Mekdam Technology<br>• 49% Mekdam Technical Services |
| Mekdam Software Services W.L.L. | 115276 | Qatar | 2018 | • 100% Mekdam Technology |
| Mekdam JBK W.L.L. | 180544 | Qatar | 2023 | • 65% Mekdam Technology<br>• 19% Khalid Jassim Al-Thani Global Technology and Trading<br>• 16% Kamaludeen Mohammed Ghazali |
| Mekdam Technology Solutions W.L.L. | 191166 | Qatar | 2023 | 100% Mekdam Holding Group |
| Mekdam For Trading and Construction W.L.L. | 191934 | Qatar | 2023 | • 70% Mekdam Holding Group<br>• 30% Mekdam Technology |
| Mekdam For Electrical and Mechanical Works W.L.L. | 194011 | Qatar | 2023 | 100% Mekdam Holding Group |

## 1. THE COMPANY 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<br>• 5% Gulf Energy Oil and Gas Services |
| Mekdam Steel Factory W.L.L. | 214462 | Qatar | 2025 | • 100% Mekdam Steel Services and Contracting W.L.L. |

The audited consolidated financial statement includes the assets, liabilities and operational results of the following branches:

| BRANCH NAME | COUNTRY OF INCORPORATION | STATUS |
|---|---|---|
| Mekdam Technology – W.L.L. | Iraq | Active |
| Mekdam Technology Solutions Company | Saudi Arabia | Active |
| Meekdam Steel Company | Saudi Arabia | Active |
| Mekdam Steel Contracting) Br of Mekdam Steel Services & Contracting) - Dubai Branch | Dubai | Active |

The consolidated financial statements were approved to issue by the Board of Directors on January 28, 2026.

## 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS:

### 2 a) New Standards, amendments and interpretations:

The accounting policies used in the preparation of the Group financial statements are consistent with those used in the preparation of the financial statements for the year ended December 31, 2024, except for the adoption of new and amended standards and interpretations effective as noted below:

| TOPIC | EFFECTIVE DATE |
|---|---|
| Amendments to IAS 21 *"Lack of Exchangeability"* | January 01, 2025 |

### 2 b) Standards issued but not yet effective:

A number of new standards and amendments are effective for annual periods beginning after January 01, 2026. However, the Group has not applied the following new or amended standards in preparing these consolidated financial statements:

| TOPIC | EFFECTIVE DATE |
|---|---|
| Amendments to IFRS 9 and IFRS 7 *"Classification and Measurement of Financial Instruments"* | January 01, 2026 |
| Amendments to IFRS 9 and IFRS 7 *"Power Purchase Agreements"* | January 01, 2026 |
| Annual Improvements to IFRS Standards Volume 11 *"Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7"* | January 01, 2026 |
| Amendments to IFRS 18 *"Presentation and disclosures in financial statements"* | January 01, 2027 |

## 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED):

### 2 b) Standards issued but not yet effective (Continued):

| TOPIC | EFFECTIVE DATE |
|---|---|
| Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures" | January 01, 2027 |
| Amendments to IFRS 10 *"Consolidated Financial Statements"* and *IAS 28 "Investment in Associates and Joint Ventures"* on sale or contribution of assets between an investor and its associate or joint venture. | Deferred indefinitely |

## 3. MATERIAL ACCOUNTING POLICIES:

### 3 a) Basis of accounting:
These consolidated financial statements have been prepared on historical cost basis except for lease liabilities which are measured at the present value of the lease payments discounted using the Company's incremental borrowing rate. The consolidated financial statements are presented in Qatari Riyal, which is the Group's functional currency. All amounts have been rounded to the nearest Qatari Riyals, unless otherwise indicated.

### 3 b) Basis of consolidation:
***Subsidiaries***
The consolidated financial statements are comprised of the financial statements of the Parent Company and its subsidiaries as at the end of reporting period. Control over an investee is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

***Control over an investee***
Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns - Consolidation of entities in which the Group holds less than a majority of voting rights When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

– The contractual arrangement with the other vote holders of the investee;
– Rights arising from other contractual arrangements and;
– The Group's voting rights and potential voting rights.
–

***Transactions eliminated on consolidation***
All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in the income statement. Any investment retained is recognized at fair value.

The total profits and losses for the year of the Parent Company and of its subsidiaries included in consolidation are shown in the consolidated income statement and consolidated statement of comprehensive income and all assets and liabilities of the Parent Company and of its subsidiaries included in consolidation are shown in the consolidated statement of financial position.

***Non-controlling interest (NCI)***
Non-controlling interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit for the year in the consolidated income statement and statement of comprehensive income and as a component of equity in the consolidated statement of financial position, separately from equity attributable to the shareholders of the parent.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 b) Basis of consolidation (Continued):

***Business combinations***
The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

### 3 c) Statement of compliance:
These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB) and applicable requirements of the Qatar Commercial Companies Law No. 11 of 2015 whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL").

### 3 d) Foreign currencies:
Transactions in foreign currencies are recorded in Qatari Riyal at the rates of exchange prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into Qatari Riyal at the rate of exchange ruling at the date and the resultant gains or losses are included in the consolidated statements of profit or loss and other comprehensive income.

### 3 e) Property and equipment:

***i) Recognition and measurement***
Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognized in profit and loss account.

***ii) Subsequent expenditure***
Subsequent expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

***iii) Depreciation***
Depreciation is calculated to write-off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property and equipment are as follows:

| | |
|---|---|
| Furniture, fixtures, and office equipment | 3 – 5 years |
| Motor vehicles | 4 – 5 years |
| Tools and equipment | 3 – 5 years |
| Project scaffolding, offices | 3 – 5 years |
| Building | 20 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

***iv) Derecognition***
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Profit or losses on disposals of items of property, plant and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts and is included in profit and loss account.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 f) Capital work in progress:
All expenditures and costs incurred in the development during construction phase are capitalized and are initially recorded as capital work in progress. These costs will be transferred to property and equipment when the assets are ready for their intended use.

### 3 g) Intangible assets:

*i) Other intangible assets*
Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

*ii) Amortization*
Amortization is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated lives and is generally recognized in profit or loss.

The estimated useful lives are as follows:

| | |
|---|---|
| Software | 7 – 8 years |
| License | 2 years |

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### 3 h) Financial instruments:
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

***i) Initial recognition and measurement***
Financial assets and financial liabilities are initially measured at fair value. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling. The Group initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognized on the trade date.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 h) Financial instruments (Continued):

***ii) Subsequent measurement***

For the purposes of subsequent measurement, financial assets are classified by the Group as follows:

***Financial assets at amortized cost***

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Group's financial assets at amortised cost includes accounts receivable and certain accounts of other debit balances, contract assets, due from related parties and retention receivables.

***Financial assets at fair value through profit or loss***

The Group's investment in unquoted equity instrument cannot be classified as an instrument within a cash flow and business model to hold to collect solely payments of principal and interest nor held to collect solely payments of principal and interest and sell. Accordingly, as permitted by IFRS 9, the Group has measured the instrument at fair value through profit or loss (FVTPL). Board of directors of the Group used earnings-based valuation methods for valuing its unlisted equity shares and the fair value gains/ losses from this valuation has been recognized directly in the statement of profit or loss.

***iii) Impairment of financial instruments***

The Group recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Group considers a financial asset to be in default in case of:

a) Default or delinquency by a debtor;
b) Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
c) Indications that a debtor will enter bankruptcy; or
d) Observable data indicating that there is measurable decrease in expected cash flows from a Group of financial assets.

The financial assets at amortised cost comprise of trade receivables and cash at bank under IFRS 9 and loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

***Financial assets measured at amortized cost***

The Group has elected to measure loss allowances for certain financial assets at an amount equal to lifetime ECLs. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

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

**3 h) Financial instruments (Continued):**

***iii) Impairment of financial instruments (Continued)***

***Financial assets measured at amortized cost (Continued)***
In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition (Continued):

- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 180 days in average past due, unless the Group has reasonable and supportable information that demonstrates otherwise. Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term.
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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 Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

***Presentation of impairment***
If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

***iv) Financial liabilities***
All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 h) Financial instruments (Continued):

#### *v) Derecognition of financial assets and liabilities*

The Group derecognizes a financial asset when the contractual rights to the cash flows from the 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, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability. The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### 3 i) Inventories:

Inventories are measured at the lower of cost and net realisable value, after providing for slow-moving or obsolete items. Cost comprises purchase price, import duties, non-refundable taxes, transportation and handling costs, and other directly attributable costs. Cost is determined using the weighted average method. Net realisable value is the estimated selling price less costs of completion and costs to sell.

### 3 j) Construction contracts in progress:

Construction contracts in progress represent the gross amount expected to be collected from customers for contract work performed up to the reporting date. Revenue from construction contracts is recognised over time as performance obligations are satisfied. Contract balances are presented as:

- **Contract assets:** When costs incurred plus recognised profits exceed progress billings and recognised losses.
- **Contract liabilities:** When progress billings and recognised losses exceed costs incurred plus recognised profits, including advances from customers.

Expected contract losses are recognised immediately in profit or loss.

### 3 k) Income tax:

Income tax is provided in accordance with the Qatar Income Tax Regulations set out in Qatar Income Tax Law No. 24 of 2018. Income tax expense comprises current and deferred tax and is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, or arises from a business combination.

- **Current tax** represents the expected tax payable or receivable on taxable profit or loss for the year, including any adjustments for prior periods. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

### 3 l) Leases:

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Grpup.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 l) Leases (Continued):

***The Group as a lessee***
At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in, in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

***The Group as a lessor***
The Group's accounting policy under IFRS 16 has not changed from the comparative year. As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 3 m) Payables and accruals:
Payables and accruals are recognised when the Group has a present obligation to pay for goods or services received, whether billed or not. They are measured at the consideration expected to be paid, which is generally their nominal or fair value.

### 3 n) Provisions:
A provision is recognised when the Group 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 o) Related parties:

The Group enters into transactions with parties that meet the definition of related parties under IAS 24, including key management personnel, parent companies, subsidiaries, and associates. Transactions are conducted on terms agreed between the Company and the related parties. Related party balances and transactions are disclosed in accordance with IAS 24, including the nature of the relationship and amounts involved.

### 3 p) Loans and financing:

Loans and financing are recognized initially at fair value, net of transaction costs incurred. Loans and financing are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the Loans and financing using the effective interest method.

### 3 q) Employees' end of service benefits:

Employees' end of service benefits represents terminal gratuity and are provided for services rendered based on entitlements stipulated in the employees' contracts of employment and their length of service, subject to the completion of a minimum service period. End of service indemnities are provided in accordance with the Qatari Labor Law No. 14 of 2004.

### 3 r) Revenue recognition:

***Revenue from contracts with customers***

The Group recognizes revenue from contracts with customers based on a five-step model as out in IFRS 15:

*Step 01: Identified the contract(s) with a customer*

A contract is defined as an agreement between two or more parties that crates enforceable right and obligations and sets out the criteria for every contract that must be met.

*Step 02: Identified the performance obligation in the contract*

A performance obligation is promise in a contract with a customer to transfer a good or service to the customer.

*Step 03: Determine the transaction price*

The transaction price is the amount of considering to which the Group expects to be entitled in exchange for transferring promised goods or service to a customer, excluding amount collected on behalf of third parties.

*Step 04: Allocate the transaction price to the performance obligation in the contract*

For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount in exchange for satisfying each performance obligation.

*Step 05: Recognize revenue when (or as) the Group satisfies a performance obligation*

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performance: or

- The Group's performance creates or enhances an asset that the customer controls a ss the assets is created or enhanced; or

- The Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

For the performance obligation where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or service it creates a contract asset based on the amount of consideration earned by the performance. When the amount of consideration received from a customer exceeds the amount of revenue recognized this give rise to a contract liability.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

### 3 r) Revenue recognition (Continued):

***Revenue from contracts with customers (Continued)***

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Group assesses its revenue arrangement against specific criteria to determine if it is acting as principle or agent. The Group has concluded that it is acting as a principle in all of its revenue arrangements.

Revenue is recognizing in the statement of profit or loss to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable can be measured reliably.

***Sale of goods***

Revenue is recognized when the control of the goods is transferred to the buyer.

Revenue is recognized when control of the goods has transferred, being when the goods have been shipped to the customer's location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognized by the Group when the goods are delivered to the customer as this represents the point in time as which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

***Other income***

Revenue is recognized when earned.

### 3 s) Contract balances:

***Contract assets and contract liabilities***

The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements.

The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

### 3 t) Expenses recognition:

Expenses are recognised in profit or loss when there is a decrease in future economic benefits in the form of a reduction of an asset or an increase in a liability, and the amount can be measured reliably. Expenditure that does not generate future economic benefits, or when such benefits no longer qualify as an asset, is recognised immediately in profit or loss. This includes, for example, asset impairments, write-offs, and other costs that do not meet the criteria for recognition as an asset.

### 3 u) Current vs. non-current classification:

Assets and liabilities are classified as current or non-current. An asset is current if it is expected to be realised, sold, or consumed in the normal operating cycle, held primarily for trading, expected to be realised within twelve months after the reporting period, or is cash/cash equivalent not restricted for at least twelve months. A liability is current if it is expected to be settled in the normal operating cycle, held for trading, due within twelve months, or there is no unconditional right to defer settlement for at least twelve months. All other assets and liabilities are classified as non-current.

### 3 v) Finance costs:

Finance costs include interest expense, Interest expense are recognised using the effective interest method.

### 3 w) Critical accounting judgments and key sources of estimation uncertainty:

In applying the Group's accounting policies in Note 3, management makes judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates are based on historical experience, current conditions, and other relevant factors. Actual results may differ.

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

**3 w) Critical accounting judgments and key sources of estimation uncertainty (Continued):**

Estimates and assumptions are reviewed at each reporting date, and revisions are recognised prospectively if they affect future periods. In applying the Group's accounting policies in Note 3, management makes judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates are based on historical experience, current conditions, and other relevant factors. Actual results may differ. Estimates and assumptions are reviewed at each reporting date, and revisions are recognised prospectively if they affect future periods.

***Going concern***

Board of directors has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets, working capital and cash flow positions as at the year end. Furthermore, board of directors is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

***Useful lives, residual values and related depreciation charges of property and equipment***

Board of directors determines the estimated useful lives and residual values of its property and equipment to calculate the depreciation. This estimate is determined after considering the expected usage of the asset and intangibles, physical wear and tear. Board of directors reviews the residual value and useful lives annually. Future depreciation charge would be adjusted where board of directors believes the useful lives differ from previous estimates.

***Impairment of financial assets***

The Group's board of directors reviews periodically items classify as receivables to assess whether a provision for impairment should be recorded in the statement of profit or loss and other comprehensive income. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group 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 Group's historical experience and informed credit assessment and including forward-looking information.

***Determining the incremental borrowing rate***

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its Incremental Borrowing Rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

***Impairment of inventories***

Inventories are held at the lower of cost and net realizable value. When inventories become old, unusable or obsolete, an estimate is made of their net realizable value.

For individual 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 aging or obsolescence, based on historical selling price.

***Provision for employees' end of service benefits***

Board of directors has measured the Group's obligation for the post-employment benefits of its employees based on the provisions of the relevant labor laws. Board of directors does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision. The provision is reviewed by board of directors at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

***Contingent liabilities***

Contingent liabilities are determined by the likelihood of occurrence or non-occurrence of one or more uncertain future events. Assessment of contingent liabilities is tightly connected with development of significant assumptions and estimates relating to the consequences of such future events.

## 4. PROPERTY AND EQUIPMENT:

| | Furniture, fixtures and office equipment | Motor vehicles | Tools and equipment | Project Scaffolding, Offices | Building | Land | Capital work-in-progress | Total |
|---|---|---|---|---|---|---|---|---|
| | QAR | QAR | QAR | QAR | QAR | QAR | QAR | QAR |
| **Cost:** | | | | | | | | |
| 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) |
| **Balance at December 31, 2024** | **5,870,266** | **4,264,469** | **2,371,493** | **-** | **6,346,948** | **27,272,000** | **7,178,755** | **53,303,931** |
| Additions during the year | 1,529,321 | 5,138,619 | 2,958,411 | 4,814,522 | - | 800,000 | 3,551,274 | 18,792,147 |
| Transfer during the year | - | - | - | - | - | - | (8,636,369) | (8,636,369) |
| Related to disposal during the year | (3,200) | (16,100) | (26,200) | - | - | - | - | (45,500) |
| **Balance at December 31, 2025** | **7,396,387** | **9,386,988** | **5,303,704** | **4,814,522** | **6,346,948** | **28,072,000** | **2,093,660** | **63,414,209** |
| **Accumulated depreciation:** | | | | | | | | |
| Balance at January 01, 2024 | 4,378,559 | 1,963,351 | 678,033 | - | 160,913 | - | - | 7,180,856 |
| Charge for the year (Note 4a) | 617,754 | 818,051 | 472,497 | - | 317,347 | - | - | 2,225,649 |
| Related to disposals during the year | - | (131,825) | - | - | - | - | - | (131,825) |
| **Balance at December 31, 2024** | **4,996,313** | **2,649,577** | **1,150,530** | **-** | **478,260** | **-** | **-** | **9,274,680** |
| Charge for the year (Note 4a) | 687,338 | 1,124,130 | 975,764 | 863,772 | 317,347 | - | - | 3,968,351 |
| Related to disposals during the year | (3,200) | (9,395) | (19,695) | - | - | - | - | (32,290) |
| **Balance at December 31, 2025** | **5,680,451** | **3,764,312** | **2,106,599** | **863,772** | **795,607** | **-** | **-** | **13,210,741** |
| **Net book value:** | | | | | | | | |
| At December 31, 2024 | 873,953 | 1,614,892 | 1,220,963 | - | 5,868,688 | 27,272,000 | 7,178,755 | 44,029,251 |
| **At December 31, 2025** | **1,715,936** | **5,622,676** | **3,197,105** | **3,950,750** | **5,551,341** | **28,072,000** | **2,093,660** | **50,203,468** |
| Depreciation rates | 20% - 35% | 20% - 25% | 20% - 35% | 20% - 35% | 5% | | | |

## 4. PROPERTY AND EQUIPMENT (CONTINUED):

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

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Cost of operations | 1,411,532 | - |
| Deperciation and amortisation (Note 23) | 2,556,819 | 2,225,649 |
| **Total** | **3,968,351** | **2,225,649** |

## 5. INTANGIBLE ASSETS:

| | Software QAR | License QAR | Total QAR |
|---|---|---|---|
| **Cost:** | | | |
| Additions during the year | - | 4,750,000 | 4,750,000 |
| **Balance at December 31, 2024** | **-** | **4,750,000** | **4,750,000** |
| Transfer from CWIP | 8,636,369 | - | 8,636,369 |
| Additions during the year | 313,121 | - | 313,121 |
| Write off during the year | - | (4,750,000) | (4,750,000) |
| **Balance at December 31, 2025** | **8,949,490** | **-** | **8,949,490** |
| **Accumulated amortization:** | | | |
| Amortization during the year (Note 23) | - | 2,579,803 | 2,579,803 |
| **Balance at December 31, 2024** | **-** | **2,579,803** | **2,579,803** |
| Amortization during the year (Note 23) | 842,846 | 2,170,197 | 3,013,043 |
| Related to the write off during the year | - | (4,750,000) | (4,750,000) |
| **Balance at December 31, 2025** | **842,846** | **-** | **842,846** |
| **Carrying amounts:** | | | |
| At December 31, 2024 | - | 2,170,197 | 2,170,197 |
| **At December 31, 2025** | **8,106,644** | **-** | **8,106,644** |
| Amortization rate | 13% | 54% | |

## 6. LEASES:

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

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| ***Present value of the lease payments:*** | | |
| Balance at the beginning of the year | 9,003,061 | - |
| Additions during the year | - | 9,003,061 |
| **Balance at the end of the year** | **9,003,061** | **9,003,061** |
| ***Accumulated depreciation:*** | | |
| Balance at the beginning of the year | 2,495,722 | - |
| Charge for the year (Note 23) | 2,495,724 | 2,495,722 |
| **Balance at the end of the year** | **4,991,446** | **2,495,722** |
| ***Net book value:*** | | |
| **Balance at the end of the year** | **4,011,615** | **6,507,339** |

## 6. LEASES (CONTINUED):

### 6 b) Lease liabilities:

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Balance at the beginning of the year | 6,877,532 | 9,003,061 |
| Finance cost (Note 22) | 371,689 | 523,786 |
| Repayment of principle | (2,784,831) | (2,649,315) |
| **Balance at the end of the year** | **4,464,390** | **6,877,532** |

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

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Non-current | 1,771,146 | 4,464,390 |
| Current | 2,693,244 | 2,413,142 |
| **Total** | **4,464,390** | **6,877,532** |

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

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| No later than 1 year | 2,060,000 | 2,789,699 |
| Later than 1 year and no later than 5 years | 2,664,076 | 4,724,076 |
| **Total undiscounted lease liabilities at** | **4,724,076** | **7,513,775** |
| Future finance charges of finance leases | (259,686) | (636,243) |
| **Lease liabilities at the end of the year** | **4,464,390** | **6,877,532** |

6 e) 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.

## 7. RETENTION RECEIVABLES:

Movement in retention receivables is presented as follows:

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Balance at the beginning of the year | 36,937,814 | 35,153,113 |
| Net movements during the year | 6,535,861 | 1,784,701 |
| **Balance at the end of the year** | **43,473,675** | **36,937,814** |

## 8. INVENTORIES:

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Material stocks | 19,492,844 | 21,290,833 |
| Less : Provision for slow moving and obsolete inventories (Note 8 a) | (3,658,658) | (2,660,429) |
| **Total** | **15,834,186** | **18,630,404** |

## 8. INVENTORIES (CONTINUED):

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

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Balance at the beginning of the year | 2,660,429 | 1,210,429 |
| Provision for the year (Note 21) | 1,164,500 | 1,450,000 |
| Write off during the year | (166,271) | - |
| **Balance at the end of the year** | **3,658,658** | **2,660,429** |

## 9. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| **Accounts receivable** | | |
| Accounts receivable (Note 9 b) | 156,864,261 | 129,173,265 |
| Less: Allowance for impairment of receivables (Note 9 c) | (11,996,418) | (11,200,597) |
| **Net accounts receivable** | **144,867,843** | **117,972,668** |
| **Other debit balances** | | |
| Prepaid expenses | 7,519,522 | 2,789,794 |
| Post dated cheques receivable | - | 1,427,213 |
| Security deposits receivable | 660,319 | 537,862 |
| Other debit balances | 1,031,249 | 1,191,974 |
| **Total accounts receivable and other debit balances** | **154,078,933** | **123,919,511** |

9 a) The average credit period on invoicing of goods is 90 days.

9 b) The aging of the accounts receivable is as follows:

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| i) Aging of neither past due nor impaired | | |
| Up to 30 days | **125,474,202** | **93,137,226** |
| ii) Aging of past due but not impaired | | |
| 31 - 60 days | 4,651,476 | 6,127,695 |
| 61 - 90 days | 1,525,953 | 2,522,543 |
| Above 90 days | 13,216,212 | 16,185,204 |
| | **19,393,641** | **24,835,442** |
| iii) Aging of past due impaired | | |
| Above 90 days | **11,996,418** | **11,200,597** |
| **Total** | **156,864,261** | **129,173,265** |

9 c) Movement in allowance for impairment of receivables is presented as follows:

| | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|
| Balance at the beginning of the year | 11,200,597 | 11,266,272 |
| Provision /(reversal) during the year | 973,421 | (65,675) |
| Write off during the year | (177,600) | - |
| **Balance at the end of the year** | **11,996,418** | **11,200,597** |

## 9. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES (CONTINUED):

9 d) 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 for impairment debts.

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

Movement in advance payments to suppliers is presented as follows:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Balance at the beginning of the year | 17,981,753 | 35,056,964 |
| Net movements during the year | 38,125,494 | (17,075,211) |
| **Balance at the end of the year** | **56,107,247** | **17,981,753** |

## 11. CONTRACT ASSETS:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Value of work performed at cost plus attributable profit | 1,024,793,056 | 1,168,969,725 |
| Billings on contracts in progress | (823,359,153) | (1,055,530,327) |
| **Amount due from customers for contract works** | **201,433,903** | **113,439,398** |

## 12. RELATED PARTIES TRANSACTION AND BALANCES:

### 12 a) Due from a related party

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Perfect Security Systems W.L.L. | 70,000 | 50,000 |
| **Total** | **70,000** | **50,000** |

### 12 b) Due to related parties

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| **Non-current** | | |
| Sheikh Mohamed Nawaf NK Al Thani | 2,596,000 | 2,596,000 |
| **Total** | **2,596,000** | **2,596,000** |
| **Current** | | |
| Conslidated Engineering and Consultancy Services W.L.L. | 506,801 | - |
| Injaz Investment W.L.L. | 464,912 | - |
| Mekdam Investment WLL | 349,526 | 55,793 |
| Khalid J Al Thani Global Tech | 226,706 | 195,061 |
| Silverrock consultancy W.L.L. | 195,501 | 436,501 |
| Kamaludeen Mohammed | 190,910 | 164,262 |
| Mekdam Telecom W.L.L. | 123,708 | 439,718 |
| Salim Atta Jarrar | - | 192,498 |
| **Total** | **2,058,064** | **1,483,833** |

## 12. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED):

**12 c) Transactions with related parties**

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Purchases and services | 1,640,448 | 932,012 |
| Payments | 3,083,616 | 3,197,821 |

**12 d) Compensation of key management personnel**

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The key management personnel of the Group are the board of directors and/or personnel holding the designation of general manager and above. Transactions with key management personnel and transactions with close family members of the key management personnel; if any, also have been taken into consideration in the following disclosure:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Short term benefits | 1,955,600 | 1,951,805 |
| Post employment benefits | 54,110 | 54,238 |
| **Total** | **2,009,710** | **2,006,043** |

## 13. CASH AND BANK BALANCES:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Cash in hand | 6 | 6 |
| Cash at bank - Current accounts | 31,372,370 | 26,958,291 |
| - Credit card accounts | 64,311 | 139,589 |
| Cash margin held against bank guarantees - restricted cash | 741,124 | 3,003,022 |
| **Total** | **32,177,811** | **30,100,908** |

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

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Total cash and cash equivalents | 32,177,811 | 30,100,908 |
| Restricted cash (Cash margin held against bank guarantees) | (741,124) | (3,003,022) |
| **Net cash and cash equivalents** | **31,436,687** | **27,097,886** |

## 14. 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 December 31, 2025.

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Balance at the beginning of the year | 135,000,000 | 105,000,000 |
| Increase during the year | 25,000,000 | 30,000,000 |
| **Total** | **160,000,000** | **135,000,000** |

### 14. SHARE CAPITAL (CONTINUED):

14 a) 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.

### 15. 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.

### 16. LOANS AND FINANCING:

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| | QAR | QAR |
| **Non current** | | |
| Secured bank - financing loans | 9,937,049 | 18,055,556 |
| Secured bank loans | 3,546,420 | - |
| **Total non current** | **13,483,469** | **18,055,556** |
| **Current portion** | | |
| Secured bank - financing loan | 25,639,959 | 6,944,444 |
| Secured bank loans | 32,589,651 | 9,306,150 |
| **Total current** | **58,229,610** | **16,250,594** |
| **Total bank loans and financing** | **71,713,079** | **34,306,150** |

#### 16 a) Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

| | Currency | Nominal interest rate | Year of maturity | December 31, 2025 QAR | December 31, 2024 QAR |
|---|---|---|---|---|---|
| Term Financing - Murabha loan (Note 16 b) | QAR | 5.50% | 2028 | 18,772,132 | 25,000,000 |
| Projects finance - Murabaha (Note 16 c) | QAR | 5.50% | 2027 | 16,804,876 | - |
| Projects finance (Note 16 d) | QAR | 6.25% | 2026 | 32,589,651 | 9,306,150 |
| National Response Guarantee Program-NRGP (Note 16 e) | QAR | 0.00% | 2027 | 3,546,420 | - |
| **Total** | | | | **71,713,079** | **34,306,150** |

#### 16 b) Murabaha loans

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.

#### 16 c) 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 5.50%.

## 16. LOANS AND FINANCING (CONTINUED):

**16 d) 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 6.25%.

**16 e) National Response Guarantee Program-NRGP**

The Group has obtained a finance facility from the Qatar Development Bank in the State of Qatar, through the "National Response Guarantee Program-NRGP". The facilities are secured by corporate and personal guarantees. The loan is required to be paid in quarterly amounts (6 instalments) over 18 months from the expiry date of the grace period.These facilities bear rate 0%.

## 17. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Balance at the beginning of the year | 8,931,556 | 6,316,396 |
| Provision for the year | 5,306,974 | 3,697,588 |
| Payments made during the year | (840,080) | (1,082,428) |
| **Balance at the end of the year** | **13,398,450** | **8,931,556** |

## 18. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Accounts payable | 91,352,900 | 29,473,127 |
| Advances received from customers | 40,134,828 | 29,590,799 |
| Accrued expenses | 39,551,359 | 31,438,668 |
| Notes payable | 20,189,490 | 13,613,866 |
| Retention payable | 6,306,259 | 3,522,908 |
| Provisions | 2,565,108 | 1,706,432 |
| Other credit balance | 728,120 | 555,020 |
| **Total** | **200,828,064** | **109,900,820** |

## 19. REVENUE:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Technology services | 328,561,364 | 198,642,296 |
| Manpower supply services | 252,085,891 | 233,590,433 |
| Centralized alarm monitoring system services | 24,469,513 | 21,453,164 |
| Others services | 75,961,673 | 105,223,150 |
| **Total (Note 19 a)** | **681,078,441** | **558,909,043** |

19 a) Following sub notes illustrates the disaggregation of disclosure by timing of revenue recognitions, type of customers and primary geographical markets of the Groups revenue for the year ended:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| ***i) Timing of revenue recognitions*** | | |
| Recognized over the time | 681,078,441 | 558,909,043 |
| **Total revenue** | **681,078,441** | **558,909,043** |

## 19. REVENUE (CONTINUED):

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| ***ii) Type of customers*** | | |
| External parties | 681,078,441 | 558,909,043 |
| **Total revenue** | **681,078,441** | **558,909,043** |
| ***iii) Revenue by primary geographical markets*** | | |
| Local operations | 643,744,547 | 544,315,702 |
| Foreign operations | 37,333,894 | 14,593,341 |
| **Total revenue** | **681,078,441** | **558,909,043** |

## 20. COST OF OPERATIONS:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Cost of Labour | 281,980,820 | 246,637,388 |
| Cost of materials and subcontractors | 227,592,452 | 175,437,675 |
| Other direct expenses | 64,138,426 | 39,930,295 |
| **Total** | **573,711,698** | **462,005,358** |

## 21. GENERAL AND ADMINISTRATIVE EXPENSES:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Employees' expenses | 34,095,801 | 33,248,495 |
| Office and occupancy expenses | 5,049,177 | 3,236,375 |
| Listing expenses | 2,764,298 | 2,885,973 |
| Business development expenses | 4,583,850 | 2,698,590 |
| Impairment of slow moving and obsolete inventories (Note 8 a) | 1,164,500 | 1,450,000 |
| Other expenses | 5,898,699 | 4,877,921 |
| **Total** | **53,556,325** | **48,397,354** |

## 22. FINANCE COST:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Interest expenses on loan and financing | 2,964,156 | 3,142,293 |
| Finance cost on finance lease arrangement (Note 6 b) | 371,689 | 523,786 |
| **Total** | **3,335,845** | **3,666,079** |

## 23. DEPRECIATION AND AMORTISATION:

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Depreciation of property and equipment (Note 4) | 2,556,819 | 2,225,649 |
| Amortisation of intangible asset (Note 5) | 3,013,043 | 2,579,803 |
| Depreciation of right-of-use assets (Note 6 a) | 2,495,724 | 2,495,722 |
| | **8,065,586** | **7,301,174** |

## 24. BASIC EARNINGS PER SHARE:

24 a) Basic earnings per share are calculated by dividing the profit attributable to shareholders of the Parent Company by the adjusted weighted average number of ordinary shares outstanding during the period. The weighted average number of shares has been adjusted retrospectively to reflect the effect of the bonus shares issued approved by the General Assembly during the year 2025. (Note 14)

| | Year ended December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Profit for the year attributable to the shareholders of the Group | 41,814,104 | 38,908,973 |
| Weighted average number of shares | 160,000,000 | 160,000,000 |
| **Basic earnings per share** | **0.261** | **0.243** |

## 25. COMMITMENTS AND CONTINGENCIES:

There were no commitments and contingencies as of the report date except follows:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Performance bond | 206,145,837 | 174,945,024 |
| Advance payment guarantee | 24,670,420 | 19,089,217 |
| Tender bond | 22,107,557 | 45,663,710 |
| **Total letter of guarantee** | **252,923,814** | **239,697,952** |
| Letter of credit | 6,594,672 | 1,410,115 |
| **Total contingencies** | **259,518,486** | **241,108,067** |

**26. OPERATING SEGMENTS:**

Information reported for the purpose of resource allocation and assessment of segment performance focuses on the types of services being provided. The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require separate business strategies. For each of the strategic business units, the Group reviews internal management reports on a regular basis. The following are the Group's reportable segments:

Technology
Technical Services
Centralized Alarm Monitotring System (CAMS)
Other Services

Management monitors the operating results of the operating segments to make decision about resource allocation and performance measurements segment performance is evaluated based on profit and loss and measured consistently with operating profit and loss in consolidated financial statements.

The following tables summarises the performance of the operating segments:

| 31-December-2025 | Technology | Technical Services | CAMS | Others | Adjustments and Eliminations | Total |
|---|---|---|---|---|---|---|
| | QAR | QAR | QAR | QAR | QAR | QAR |
| Revenue | 328,795,230 | 253,287,518 | 24,478,862 | 135,364,236 | (60,847,405) | 681,078,441 |
| Gross Profit | 49,674,865 | 40,622,179 | 21,010,118 | 51,400,963 | (55,341,381) | 107,366,743 |
| EBITDA | 22,581,154 | 30,851,306 | 17,257,604 | 36,073,369 | (53,480,668) | 53,282,765 |
| Net Profit | 16,058,071 | 28,840,353 | 17,230,624 | 23,443,225 | (43,690,939) | 41,881,334 |
| Finance Cost | (5,668,035) | (1,848,896) | (12,216) | (5,596,428) | 9,789,730 | (3,335,845) |
| Deperciation and amortisation | (855,048) | (162,057) | (14,764) | (7,033,717) | - | (8,065,586) |
| Segment assets | 342,206,015 | 68,440,034 | 7,827,794 | 424,997,228 | (277,973,589) | 565,497,482 |
| Segment liabilities | 190,387,083 | 17,778,418 | 4,582,256 | 106,193,924 | (23,883,634) | 295,058,047 |

## 26. OPERATING SEGMENTS (CONTINUED):

| 31-December-2024 | Technology | Technical Services | CAMS | Others | Adjustments and Eliminations | Total |
|---|---|---|---|---|---|---|
| | QAR | QAR | QAR | QAR | QAR | QAR |
| Revenue | 202,758,457 | 234,037,729 | 21,453,164 | 156,129,900 | (55,470,207) | 558,909,043 |
| Gross Profit | 32,864,063 | 39,633,140 | 18,161,814 | 55,082,226 | (48,837,557) | 96,903,685 |
| EBITDA | 16,439,560 | 31,432,001 | 13,429,360 | 33,528,927 | (45,951,131) | 48,878,717 |
| Net Profit | 8,080,174 | 28,377,667 | 13,418,897 | 26,889,858 | (38,855,132) | 37,911,464 |
| Finance Cost | (7,511,611) | (2,869,606) | - | (2,487,529) | 9,202,666 | (3,666,079) |
| Deperciation and amortisation | (847,775) | (184,729) | (10,463) | (4,151,540) | - 2,106,666.22 | (7,301,174) |
| Segment assets | 221,376,797 | 78,236,235 | 10,371,075 | 383,744,289 | (299,961,821) | 393,766,575 |
| Segment liabilities | 78,126,575 | 21,097,121 | 3,703,579 | 139,565,377 | (78,396,761) | 164,095,891 |

During the year ended 31 December 2025, management reassessed the Group's operating segment structure to ensure that segment disclosures appropriately reflect the nature of the Group's operations and the manner in which financial information is reviewed for internal management purposes.

As part of this assessment, the Group concluded that the Electrical and Mechanical activities, which were previously included within the Technology segment, have a different operational nature and risk profile. The Electrical and Mechanical activities were determined to have different economic characteristics, customer profiles, and operational risks compared to the Technology segment. Accordingly, these activities have been reclassified and are now presented within the Others segment.

The comparative segment information has been reclassified to conform to the current year presentation. The reclassification had no impact on the Group's consolidated revenue, profit, total assets, or total liabilities.

The reclassification affected only the presentation of segment information and did not result in any changes to the Group's consolidated financial statements.

## 27. FINANCIAL RISK MANAGEMENT:

The Group has exposure to the following risks arising from financial instruments:

27 a) Credit risk
27 b) Liquidity risk
27 c) Market risk
27 d) Interest rate risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements. Board of directors has the overall responsibility for the establishment and oversight of the Group's risk board of directors framework. The Group's risk board of directors policies are established to identify and analysed the risks faced by the Group and to monitor risks. Risk board of directors policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

### 27 a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The carrying amount of financial assets represents the maximum credit exposure.

The tables below detail the credit exposure of the Group's financial assets:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Retention receivables (Note 7) | 43,473,675 | 36,937,814 |
| Trade receivables and other debit balances (Note 9) | 154,078,933 | 123,919,511 |
| Contract assets (Note 11) | 201,433,903 | 113,439,398 |
| Due from a related party (Note 12 a) | 70,000 | 50,000 |
| Cash at banks (Note 13) | 32,177,805 | 30,100,902 |
| **Total** | **431,234,316** | **304,447,625** |

The Group limits its exposure to credit risk from trade receivables by:

i) Evaluating the creditworthiness of each counter-party prior to entering into contracts;
ii) Establishing sale limits for each customer, which are reviewed regularly;
iii) Establishing maximum payment periods for each customer, which are reviewed regularly; and
iv) Periodically reviewing the collectability of its trade receivables for identification of any impaired amounts.

***Measurement of ECLs***

The table in note 9 b) to the financial statments provides information about exposure to credit risk and ECL for trade and other debit balances as at December 31, 2025 and 2024.

***Cash at banks***

The Group's cash at bank is held with banks that are independently rated by credit rating agencies.

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Cash at banks (Note 13) | **32,177,805** | **30,100,902** |

## 27. FINANCIAL RISK MANAGEMENT (CONTINUED):

### 27 b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. board of directors's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below summarizes the contractual undiscounted maturities of the Group's financial liabilities at the reporting date.

| **December 31, 2025** | **Contractual cash flows** | | |
|---|---|---|---|
| | **Gross carrying amount** | **Within one year** | **1-5 years** |
| | **QAR** | **QAR** | **QAR** |
| ***Non-derivative financial liabilities*** | | | |
| Lease liabilities (Note 6 c) | 4,464,390 | 2,693,244 | 1,771,146 |
| Due to related parties (Note 12 b) | 4,654,064 | 2,058,064 | 2,596,000 |
| Loan and financing (Note 16) | 71,713,079 | 58,229,610 | 13,483,469 |
| Retention payables (Note 18) | 6,306,259 | 6,306,259 | - |
| Trade and other payables and other credit balances (Note 18) | 194,521,805 | 194,521,805 | - |
| **Total** | **281,659,597** | **263,808,982** | **17,850,615** |

| **December 31, 2024** | **Contractual cash flows** | | |
|---|---|---|---|
| | **Gross carrying amount** | **Within one year** | **1-5 years** |
| | **QAR** | **QAR** | **QAR** |
| ***Non-derivative financial liabilities*** | | | |
| Lease liabilities (Note 6 c) | 6,877,532 | 2,413,142 | 4,464,390 |
| Due to related parties (Note 12 b) | 4,079,833 | 1,483,833 | 2,596,000 |
| Loan and financing (Note 16) | 34,306,150 | 16,250,594 | 18,055,556 |
| Retention payables (Note 18) | 3,522,908 | 3,522,908 | - |
| Trade and other payables and other credit balances (Note 18) | 106,377,912 | 106,377,912 | - |
| **Total** | **155,164,335** | **130,048,389** | **25,115,946** |

### 27 c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk board of directors is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### 27 d) Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

***Interest rate sensitivity analysis***

The Group is exposed to interest rate risk mainly on bank borrowing and overdrafts. A 1% increase or decrease is used when reporting interest rate risk to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

## 27. FINANCIAL RISK MANAGEMENT (CONTINUED):

### 27 d) Interest rate risk (Continued)

***Interest rate sensitivity analysis (Continued)***

If the interest rates had been 1% higher/lower and all other variables were held constant, the Group's net income would be impacted as follows:

| | December 31, | |
|---|---|---|
| | 2025 | 2024 |
| | QAR | QAR |
| Term Loan - Murabha (Note 16) | 35,577,008 | 25,000,000 |
| Project finance (Note 16) | 36,136,071 | 9,306,150 |
| **Total bank exposure subject to interest rate risk** | **71,713,079** | **34,306,150** |
| **1% increase / decrease effect on net income** | **717,131** | **343,062** |

## 28. CAPITAL RISK MANAGEMENT:

The Group's objective in managing capital is to ensure the continuity of operations as a going concern while optimizing returns to equity holders. The capital structure comprises share capital, reserves and retained earnings. board of directors monitors capital adequacy and may adjust the capital structure in response to changes in economic conditions and business requirements, including through the issuance of new shares, repayment of capital, or adjustment of dividend distributions.

## 29. SOCIAL AND SPORTS CONTRIBUTION FUND :

According to Qatari Law No. 13 of 2008 and the related clarifications issued in January 2010, the Group is required to contribute 2.5% of its consolidated annual net profits to the State Social and Sports Fund. The clarification relating to Law No. 13 requires the payable amount to be recognised as a distribution of income. Hence, this is recognised in the consolidated statement of changes in equity.

During the year, the Group allocate an amount of QAR 1,045,353 (2024: QAR 972,724) to social and sports contribution fund.

## 30. EVENTS AFTER THE REPORTING PERIOD:

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

## 31. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of amounts due from a related party, bank balances and cash, account receivable and other debit balances, advance payments to suppliers and subcontractors and contract assets.

Financial liabilities consist of due to related parties, loan and loan and facilities, account payable and other credit balances and lease liability.

The Group measures financial instruments in accordance with its accounting policies under IFRS 9 Financial Instruments. Financial instruments measured at amortised cost are initially recognised at fair value and subsequently measured using the effective interest method.

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

## 32. COMPARATIVE FIRGURES:

Certain amounts in the comparative figures of the consolidated financial statements and notes to the consolidated financial statements have been reclassified to conform to the current year's presentation. Management believes that reclassification resulted to a better presentation of accounts and did not have any significant impact on prior year's net income.