

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

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

MEKDAM HOLDING GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

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

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

Introduction

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

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

Scope of review

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

Conclusion

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

For Russell Bedford & Partners
Certified Public Accountants



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



Doha – Qatar
October 27, 2025

MEKDAM HOLDING GROUP Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2025

	Notes	September 30, 2025 (Reviewed) QAR	December 31, 2024 (Audited) QAR
ASSETS:			
Non-current assets:			
Property and equipment	5	51,389,288	44,029,251
Intangible asset	6	201,232	2,170,197
Right-of-use assets	7 a	4,635,546	6,507,339
Retention receivables	8	40,782,767	36,937,814
Total non-current assets		97,008,833	89,644,601
Current assets:			
Inventories	9	24,005,930	18,630,404
Accounts receivable and other debit balances	10	131,464,683	123,919,511
Advance payments to suppliers and subcontractors	11	36,813,250	17,981,753
Contract assets	12	172,576,515	113,439,398
Due from a related party	13 a	80,000	50,000
Cash and bank balances	14	21,302,745	30,100,908
Total current assets		386,243,123	304,121,974
TOTAL ASSETS		483,251,956	393,766,575
EQUITY AND LIABILITIES:			
Shareholders' equity:			
Share capital	15	160,000,000	135,000,000
Legal reserve	16	58,799,169	58,799,169
Retained earnings		38,660,156	35,836,515
Equity attributable to shareholders of the group		257,459,325	229,635,684
Non-controlling interest		105,714	35,000
Total equity		257,565,039	229,670,684
Non-current liabilities:			
Lease liabilities	7 c	2,468,938	4,464,390
Due to related parties	13 b	2,596,000	2,596,000
Loans and financing	17 a	13,725,972	18,055,556
Provision for employees' end of service benefits	18	12,303,464	8,931,556
Total non-current liabilities		31,094,374	34,047,502
Current liabilities:			
Lease liabilities	7 c	2,621,334	2,413,142
Due to related parties	13 b	1,046,473	1,483,833
Loans and financing	17 a	43,106,114	16,250,594
Accounts payable and other credit balances	19	147,818,622	109,900,820
Total current liabilities		194,592,543	130,048,389
Total liabilities		225,686,917	164,095,891
TOTAL EQUITY AND LIABILITIES		483,251,956	393,766,575

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

Banan Serhan
Group CFO

Ehab Naser
Group CEO

The accompany interim condensed consolidated financial statements were approved to issue by the board of directors on October 27, 2025 and signed on behalf board of directors by:

Sheikh Mohamed Nawaf NBK Al-Thani
Chairman



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

MEKDAM HOLDING GROUP Q.P.S.C.

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

	Notes	Three months		Nine months	
		period ended September 30,		period ended September 30,	
		2025	2024	2025	2024
		QAR (Reviewed)	QAR (Reviewed)	QAR (Reviewed)	QAR (Reviewed)
Revenue	20	156,209,887	127,292,635	453,614,540	414,940,632
Cost of operations	21	(129,677,373)	(105,714,712)	(377,403,106)	(346,119,248)
Gross profit		26,532,514	21,577,923	76,211,434	68,821,384
Other Income		60,666	-	315,161	-
General and administrative expenses	22	(15,839,365)	(12,223,603)	(42,120,427)	(39,815,247)
Operating profit for the period		10,753,815	9,354,320	34,406,168	29,006,137
Finance cost	23	(1,046,711)	(837,190)	(2,117,690)	(2,581,181)
Depreciation and amortisation	24	(1,930,428)	(510,491)	(5,685,708)	(1,618,330)
Reversal of allowance for impairment of receivables		1,291,585	-	1,291,585	-
Net profit for the period		9,068,261	8,006,639	27,894,355	24,806,626
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		9,068,261	8,006,639	27,894,355	24,806,626
Total comprehensive income attributable to:					
Shareholders of the group		9,019,017	8,254,852	27,823,641	25,701,739
Non-controlling interests		49,244	(248,213)	70,714	(895,113)
Total comprehensive income for the period		9,068,261	8,006,639	27,894,355	24,806,626
Basic earning per share	25	0.057	0.050	0.174	0.161

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



MEKDAM HOLDING GROUP Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

Attributable to shareholders of the company					
	Share capital	Legal reserve	Retained earnings	Total	Non-controlling Interests
	QAR	QAR	QAR	QAR	QAR
Balance at January 01, 2024	105,000,000	54,908,272	31,791,163	191,699,435	14,330
Transferred to increase share capital (Bonus share)	30,000,000	-	(30,000,000)	-	-
Net profit for the period	-	-	25,701,739	25,701,739	(895,113)
Balance at September 30, 2024 (Reviewed)	135,000,000	54,908,272	27,492,902	217,401,174	(880,783)
Balance at January 01, 2025	135,000,000	58,799,169	35,836,515	229,635,684	35,000
Transferred to increase share capital (Bonus share)	25,000,000	-	(25,000,000)	-	-
Net profit for the period	-	-	27,823,641	27,823,641	70,714
Balance at September 30, 2025 (Reviewed)	160,000,000	58,799,169	38,660,156	257,459,325	105,714

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



MEKDAM HOLDING GROUP Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

		Nine months period ended September 30,	
	Notes	2025 QAR (Reviewed)	2024 QAR (Reviewed)
Cash flows from operating activities:			
Net profit for the period		27,894,355	24,806,626
Adjustments for:			
Depreciation of property and equipment	5	2,003,574	1,618,330
Amortisation of intangible asset	6	1,968,965	-
Depreciation right-of-use assets	7 a	1,871,793	-
(Reversal of)/ provision for slow moving and obsolete inventories	9 a	(486,339)	1,450,000
Reversal of allowance for impairment of receivables	10 b	(1,469,185)	-
Gain on sale of assets		(11,295)	-
Provision of contingencies		1,441,000	-
Provisions for employee's end of service benefits	18	3,858,610	2,531,732
Finance cost	23	2,117,690	2,581,181
Operating income before changes in working capital		39,189,168	32,987,869
Changes in:			
Inventories		(4,889,187)	3,047,549
Accounts receivable and other debit balances		(6,075,987)	30,986,743
Advance payments to suppliers and subcontractors		(18,831,497)	5,664,726
Retention receivables		(3,844,953)	(3,248,880)
Contract assets		(59,137,117)	(31,231,109)
Due from related parties		(30,000)	174,175
Due to related parties		(437,360)	1,684,208
Accounts payable and other credit balances		36,476,802	(14,748,455)
Cash (used in)/ generated from operating activities		(17,580,131)	25,316,826
Employees' end of service benefits paid	18	(486,702)	(711,643)
Finance cost paid		(1,821,100)	(2,581,181)
Net cash (used in)/ generated from operating activities		(19,887,933)	22,024,002
Cash flows from investing activities:			
Acquisition of property and equipment	5	(9,370,316)	(4,784,640)
Proceeds of sale of property and equipment		18,000	-
Net cash used in investing activities		(9,352,316)	(4,784,640)
Cash flows from financing activities:			
Net movement in loans and financing		22,525,936	(33,550,982)
Payment of finance lease liabilities		(2,083,850)	-
Net movement in restricted cash		2,261,898	(383,734)
Net cash generated from/ (used in) financing activities		22,703,984	(33,934,716)
Net decrease in cash and cash equivalents		(6,536,265)	(16,695,354)
Cash and cash equivalents - at January 01,	14	27,097,886	24,807,027
Cash and cash equivalents - at September 30,	14	20,561,621	8,111,673



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

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

1. THE GROUP FORMATION AND ACTIVITIES:

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

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

NAME OF COMPANY	COMMERCIAL REGISTRATION	COUNTRY OF INCORPORATION	YEAR OF INCORPORATION	OWNERSHIP
Mekdam Technology W.L.L.	103277	Qatar	2017	100% Mekdam Holding Group
Mekdam CAMS W.L.L.	103562	Qatar	2017	100% Mekdam Holding Group
Mekdam Technical Services – W.L.L.	103070	Qatar	2017	100% Mekdam Holding Group
Gulf Security System W.L.L.	103565	Qatar	2017	• 50% Mekdam Technology • 50% Mekdam Technology Solutions
Mekdam Integrated Trading and Contracting W.L.L.	159620	Qatar	2021	• 51% Mekdam Technology • 49% Mekdam Technical Services
Mekdam Steel Services and Contracting W.L.L.	160930	Qatar	2021	• 51% Mekdam Technology • 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 • 19% Khalid Jassim Al-Thani Global Technology and Trading • 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 • 30% Mekdam Technology
Mekdam For Electrical and Mechanical Works W.L.L.	194011	Qatar	2023	• 100% Mekdam Holding Group

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

1. THE GROUP FORMATION AND ACTIVITIES (CONTINUED):

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

The interim condensed consolidated financial statement includes the assets, liabilities and operational results of the following 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 interim condensed consolidated financial statements were approved to issue by the Board of Directors on October 27, 2025.

2. BASIS OF PREPARATION:

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

3. MATERIAL ACCOUNTING POLICIES:

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

3 a) Newly effective standards and amendments to standards:

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

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

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

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

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

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

TOPIC	EFFECTIVE DATE
Amendments to IFRS 9 and IFRS 7 " <i>Classification and Measurement of Financial Instruments</i> "	January 01, 2026
Annual Improvements to IFRS Standards Volume 11 " <i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7</i> "	January 01, 2026
Amendments to IFRS 9 and IFRS 7 " <i>Power Purchase Agreements</i> "	January 01, 2026
Amendments to IFRS 18 " <i>Presentation and disclosures in financial statements</i> "	January 01, 2027
Amendments to IFRS 19 " <i>Subsidiaries without Public Accountability: Disclosures</i> "	January 01, 2027
Amendments to IFRS 10 " <i>Consolidated Financial Statements</i> " and IAS 28 " <i>Investment in Associates and Joint Ventures</i> " on sale or contribution of assets between an investor and its associate or joint venture.	Deferred indefinitely

The Group is currently evaluating the impact of this amendment.

4. USE OF JUDGMENTS AND ESTIMATES:

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

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

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

Going concern

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

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

5. PROPERTY AND EQUIPMENT:		Furniture, fixtures and office equipment QAR	Motor vehicles QAR	Tools and equipment QAR	Building QAR	Land QAR	Capital work-in- progress QAR	Total QAR
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 (Audited)		5,870,266	4,264,469	2,371,493	6,346,948	27,272,000	7,178,755	53,303,931
Additions during the period		869,156	4,073,619	1,564,545	-	-	2,862,996	9,370,316
Disposal during the period		-	(16,100)	-	-	-	-	(16,100)
Balance at September 30, 2025 (Reviewed)		6,739,422	8,321,988	3,936,038	6,346,948	27,272,000	10,041,751	62,658,147
Accumulated depreciation:								
Balance at January 01, 2024		4,378,559	1,963,351	678,033	160,913	-	-	7,180,856
Charge for the year		617,754	818,051	472,497	317,347	-	-	2,225,649
Related to disposals during the year		-	(131,825)	-	-	-	-	(131,825)
Balance at December 31, 2024 (Audited)		4,996,313	2,649,577	1,150,530	478,260	-	-	9,274,680
Charge for the period (Note 5 a)		449,634	719,803	596,779	237,358	-	-	2,003,574
Related to disposals during the period		-	(9,395)	-	-	-	-	(9,395)
Balance at September 30, 2025 (Reviewed)		5,445,947	3,359,985	1,747,309	715,618	-	-	11,268,859
Net book value:								
At December 31, 2024 (Audited)		873,953	1,614,892	1,220,963	5,868,688	27,272,000	7,178,755	44,029,251
At September 30, 2025 (Reviewed)		1,293,475	4,962,003	2,188,729	5,631,330	27,272,000	10,041,751	51,389,288
Depreciation rates		20 - 35%	20 - 25%	20 - 35%	5%			

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

5. PROPERTY AND EQUIPMENT (CONTINUED):

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

	Nine months period ended September 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Cost of operations	158,624	-
Depreciation and amortisation (Note 24)	1,844,950	1,618,330
Total	2,003,574	1,618,330

6. INTANGIBLE ASSET:

Cost:

Additions during the year	4,750,000
Balance at December 31, 2024 (Audited)	4,750,000
Balance at September 30, 2025 (Reviewed)	4,750,000

Accumulated amortization:

Amortization during the year	2,579,803
Balance at December 31, 2024 (Audited)	2,579,803
Amortization during the period (Note 24)	1,968,965
Balance at September 30, 2025 (Reviewed)	4,548,768

Carrying amounts:

At December 31, 2024 (Audited)	2,170,197
At September 30, 2025 (Reviewed)	201,232
Amortization rate	54%

7. LEASES:

7 a) Right-of-use-assets:

	September 30, 2025	December 31, 2024
	QAR	QAR
	(Reviewed)	(Audited)
Present value of the lease payments:		
Balance at the beginning of the period/ year	9,003,061	-
Additions during the period/ year	-	9,003,061
Balance at the end of the period/ year	9,003,061	9,003,061
Accumulated depreciation:		
Balance at the beginning of the period/ year	2,495,722	-
Charge for the period/ year (Note 24)	1,871,793	2,495,722
Balance at the end of the period/ year	4,367,515	2,495,722
Net book value:		
Balance at the end of the period/ year	4,635,546	6,507,339

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

7. LEASES (CONTINUED):

7 b) Lease liabilities:

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Balance at the beginning of the period/ year	6,877,532	-
Additions during the period/ year	-	9,003,061
Finance cost (Note 23)	296,590	523,786
Repayment of principle	(2,083,850)	(2,649,315)
Balance at the end of the period/ year	5,090,272	6,877,532

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

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Non-current	2,468,938	4,464,390
Current	2,621,334	2,413,142
Total	5,090,272	6,877,532

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

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
No later than 1 year	2,875,780	2,789,699
Later than 1 year and no later than 5 years	2,554,144	4,724,076
Total undiscounted lease liabilities at	5,429,924	7,513,775
Future finance charges of finance leases	(339,652)	(636,243)
Lease liabilities at the end of the period/ year	5,090,272	6,877,532

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

8. RETENTION RECEIVABLES:

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

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Balance at the beginning of the period/ year	36,937,814	35,153,113
Movements during the period/ year	3,844,953	1,784,701
Balance at the end of the period/ year	40,782,767	36,937,814

MEKDAM HOLDING GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

9. INVENTORIES:

	September 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Material stocks	26,180,020	21,290,833
Less : Provision for slow moving and obsolete inventories (Note 9 a)	(2,174,090)	(2,660,429)
Total	24,005,930	18,630,404

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

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

10. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:

	September 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
<u>Accounts receivable</u>		
Accounts receivable	129,400,834	129,173,265
Less: Allowance for impairment of receivables (Note 10 b)	(9,731,412)	(11,200,597)
Net accounts receivable	119,669,422	117,972,668
<u>Other debit balances</u>		
Prepaid expenses	9,159,578	2,789,794
Post dated cheques receivable	160,043	1,427,213
Security deposits receivable	631,452	537,862
Other debit balances	1,844,188	1,191,974
Total accounts receivable and other debit balances	131,464,683	123,919,511

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

	September 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Balance at the beginning of the period/ year	11,200,597	11,266,272
Reversal during the period/ year	(1,469,185)	(65,675)
Balance at the end of the period/ year	9,731,412	11,200,597

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

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

10. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES (CONTINUED):

On September 30, 2025, the Group reassessed the key assumptions used in measuring expected credit losses ("ECL") on trade receivables under the simplified approach of IFRS 9.

The revision reflects updated forward-looking information on customer payment behavior and credit risk trends as a result, the ECL rate matrix by ageing category was revised. The change in estimate resulted in an reduction in the loss allowance for trade receivables, which has been recognized in profit or loss for the period.

Management believes the revised rates provide a more accurate reflection of current and expected credit risk.

11. ADVANCE PAYMENTS TO SUPPLIERS AND SUB-CONTRACTORS:

Movement in advance payments to suppliers is presented as follows:

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Balance at the beginning of the period/ year	17,981,753	35,056,964
Net movements during the period/ year	18,831,497	(17,075,211)
Balance at the end of the period/ year	36,813,250	17,981,753

12. CONTRACT ASSETS:

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Value of work performed at cost plus attributable profit	1,213,877,223	1,168,969,725
Billings on contracts in progress	(1,041,300,708)	(1,055,530,327)
Amount due from customers for contract works	172,576,515	113,439,398

13. RELATED PARTIES TRANSACTIONS:

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

13 a) Due from a related party

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Perfect Security Systems W.L.L.	80,000	50,000
Total	80,000	50,000

13 b) Due to related parties

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Non-current		
Sheikh Mohamed Nawaf NK Al Thani	2,596,000	2,596,000
Total	2,596,000	2,596,000

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

13. RELATED PARTIES TRANSACTIONS (CONTINUED):

13 b) Due to related parties (Continued)

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Current		
Mekdam Investment W.L.L.	123,983	55,793
Silverrock Consultancy W.L.L.	248,199	436,501
Khalid J Al Thani Global Tech	190,209	195,061
Mekdam Telecom W.L.L.	205,451	439,718
Mr. Kamaludeen Mohammed	160,176	164,262
Mr. Salim Atta Jarrar	-	192,498
Consolidated Engineering and Consultancy Services W.L.L.	118,455	-
Total	1,046,473	1,483,833

14. CASH AND BANK BALANCES:

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Cash in hand	795,033	6
Cash at bank - Current accounts	19,580,430	26,958,291
- Credit card accounts	186,158	139,589
Cash margin held against bank guarantees - restricted cash	741,124	3,003,022
Total	21,302,745	30,100,908

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

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Total cash and cash equivalents	21,302,745	30,100,908
Restricted cash (Cash margin held against bank guarantees)	(741,124)	(3,003,022)
Net cash and cash equivalents	20,561,621	27,097,886

15. SHARE CAPITAL:

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

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

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.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

16. LEGAL RESERVE:

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

17. LOANS AND FINANCING:

	September 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Non current secured bank - financing loans	12,543,832	18,055,556
Non current secured bank loans	1,182,140	-
Current portion of secured bank - financing loan	13,524,871	6,944,444
Current portion of secured bank loans	29,581,243	9,306,150
Total bank loans and financing	56,832,086	34,306,150

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

	September 30, 2025	December 31, 2024
	QAR (Reviewed)	QAR (Audited)
Non-current	13,725,972	18,055,556
Current	43,106,114	16,250,594
Total	56,832,086	34,306,150

17 b) Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

				September 30, 2025	December 31, 2024
	Currency	Nominal interest rate	Year of maturity	QAR (Reviewed)	QAR (Audited)
Term Financing - Murabaha loan (Note 17 c)	QAR	6.50%	2028	20,717,424	25,000,000
Projects finance - Murabaha (Note 17 d)	QAR	6.10%	2026	7,535,338	-
Projects finance (Note 17 e)	QAR	7.25%	2026	28,579,324	9,306,150
Total				56,832,086	34,306,150

17 c) Murabaha finance

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

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

17. LOANS AND FINANCING (CONTINUED):

17 d) Projects finance - Murabaha

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

17 e) Projects finance

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

18. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Balance at the beginning of the period/ year	8,931,556	6,316,396
Provision for the period/ year	3,858,610	3,697,588
Payments made during the period/ year	(486,702)	(1,082,428)
Balance at the end of the period/ year	12,303,464	8,931,556

19. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES:

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Accrued expenses	52,545,525	31,438,668
Advances received from customers	35,868,310	29,590,799
Accounts payable	33,387,807	29,473,127
Notes payable	20,543,072	13,613,866
Retention payable	3,554,450	3,522,908
Provisions	1,298,300	1,706,432
Other credit balance	621,158	555,020
Total	147,818,622	109,900,820

20. REVENUE:

	Nine months period ended September 30,	
	2025 QAR (Reviewed)	2024 QAR (Reviewed)
Technology services	214,524,674	206,027,455
Manpower supply services	185,730,117	174,724,956
Centralized alarm monitoring system services	17,384,636	15,640,641
Others services	35,975,113	18,547,580
Total	453,614,540	414,940,632

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

21. COST OF OPERATIONS:

	Nine months period ended September 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Cost of Labour	202,959,714	184,916,340
Cost of materials and subcontractors	138,928,943	133,150,511
Other direct expenses	35,514,449	28,052,397
Total	377,403,106	346,119,248

22. GENERAL AND ADMINISTRATIVE EXPENSES:

	Nine months period ended September 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Employees' expenses	27,139,305	24,505,495
Office and occupancy expenses	3,239,767	5,225,795
Listing expenses	1,828,218	2,142,196
Business development expenses	3,350,682	1,388,731
Impairment of slow moving and obsolete inventories	-	1,450,000
Provision of contingencies	1,441,000	-
Other expenses	5,121,455	5,103,030
Total	42,120,427	39,815,247

23. FINANCE COST:

	Nine months period ended September 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Interest expenses	1,821,100	2,581,181
Finance cost on finance lease arrangement (Note 7 b)	296,590	-
Total	2,117,690	2,581,181

24. DEPRECIATION AND AMORTISATION:

	Nine months period ended September 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Depreciation of property and equipment (Note 5 a)	1,844,950	1,618,330
Amortisation of intangible asset (Note 6)	1,968,965	-
Depreciation of right-of-use assets (Note 7 a)	1,871,793	-
Total	5,685,708	1,618,330

25. BASIC EARNINGS PER SHARE:

	Nine months period ended September 30,	
	2025	2024
	QAR	QAR
	(Reviewed)	(Reviewed)
Profit for the period attributable to the shareholders of the Group	27,823,641	25,701,739
Weighted average number of shares after the bonus share issued	160,000,000	160,000,000
Basic earnings per share	0.174	0.161

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

26. COMMITMENTS AND CONTINGENCIES:

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

	September 30, 2025 QAR (Reviewed)	December 31, 2024 QAR (Audited)
Performance bond	190,790,258	174,945,024
Advance payment guarantee	30,730,775	19,089,217
Tender bond	21,063,821	45,663,710
Total letter of guarantee	242,584,854	239,697,952
Letter of credit	493,912	1,410,115
Total contingencies	243,078,766	241,108,067

27. CAPITAL RISK MANAGEMENT:

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

28. EVENTS AFTER THE REPORTING PERIOD:

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

29. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments include financial assets and liabilities.

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

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

30. COMPARATIVE FIGURES:

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