29
Dedicated Years

Qatar | Oman | KSA

ANNUAL REPORT 2024

Audiovisual | Extra-low Voltage | Broadcast Infrastructure | IT Business Solutions | Lighting Systems | Hospitality Business Solutions

In the Name of Allah Most Gracious Most Merciful

His Highness

Sheikh Tamim bin Hamad Al Thani

Amir of the State of Qatar

His Highness

Sheikh Hamad bin Khalifa Al Thani

The Father Amir

Content

EXECUTIVE **SUMMARY**

01

Executive

Business and Market Overview

Qatar Electronic Systems Company (**Techno Q**), founded in 1996, has established itself as a premier systems integrator in the region, offering comprehensive technology solutions across Audivisual (AV), Extra-Low Voltage (ELV), IT Business Solutions, Broadcast Infrastructure, Lighting Systems, and Hospitality Business Solutions.

Serving a diverse client base in Qatar, Saudi Arabia, and Oman, **Techno Q** offers innovative, customized, and high-performance solutions that enhance operational efficiency, communication, entertainment, and security.

With commitment to excellence, **Techno Q** has continually evolved to meet market demands, introduce market-leading technologies, and expand its expertise across multiple industries.

Year in Review

The year **2024** brought both challenges and opportunities for **Techno Q**. Geopolitical tensions and economic uncertainties led to cautious market spending across the Middle East, affecting investments in new projects and technologies.

Qatar, in particular, experienced a sharp business decline following the **FIFA World Cup Qatar 2022(tm)**. Despite these obstacles, **Techno Q** successfully optimized operational costs and enhanced project efficiencies, achieving an improved net profit margin.

Recognizing its social responsibility, **Techno Q** also maintained a strong focus on its **Environmental, Social, and Governance (ESG) commitments.**

USIN

Key Highlights

- Reactivated the Oman office to capitalize on growing market demand
- Introduction of the IT Business Unit, expanding into Digital Transformation and Cybersecurity solutions.
- Recognized as “Best Systems Integrator” by Qatar’s Ministry of Communications and Technology for commitment to innovation and excellence.

Despite a moderate sales performance due to a conservative market environment, **Techno Q**’s strategic focus on cost optimization, market expansion, and new technology solutions ensured sustainable profitability.

ESS

Business and Financial Performance

The financial performance of **Techno Q** in 2024 was marked by stability despite external challenges. The company generated total revenue of **QAR 211.2 million**, reflecting a cautious market but steady demand for systems integration and technology solutions.

Key Financial Indicators (2024)

Metric	2024 Performance (QAR Million)
Total Revenue	211.2 M
Gross Profit Margin	34.41%
Operating Profit	21.6 M
EBITDA	24.5 M
Net Profit/Loss	21.4 M
Net Profit Margin	10.11%

(Refer to the detailed financial report for comprehensive data)

Operational Highlights

Key Operational Achievements in 2024

Focused on employee training & skill development to ensure service excellence

Enhanced workforce strength to support operations in Saudi Arabia and Oman

Improved customer service & technical support efficiency through digitalization

Techno Q

Your Dedicated Partner

Board of Directors

Abdul Latif Al Jaidah
Chairman

Tariq Al Jaidah
Vice Chairman

Zeyad Al Jaidah
Board Member and Managing Director

Abdulla Alansari
Board Member and CEO

Salah Al Jaidah
Board Member

Ahmad Abdulla Al Abdulla
Board Member

Nasser Hassan Faraj Hashem Al Ansari
Board Member

Hesham Ismaeel Abdulrahman
Board Member

Executive Management

Abdulla Al Ansari

Group CEO and Co-Founder

Abdulla has been holding the position of Chief Executive Officer of the Company since 1996 and prior to joining the Company held the position of Head of Maintenance Planning at QAPCO.

Zeyad Al Jaidah

Managing Director and Co-Founder

With nearly three decades as an entrepreneur, Zeyad Al Jidah is the Managing Director of Techno Q, committed to advancing the company's growth across both new and existing markets.

Hossam El Chaar

Group CFO

Hossam is a seasoned financial executive with a proven track record in strategic financial leadership, driving organizational growth, and building strong stakeholder relationships.

Mohamad Sadaka

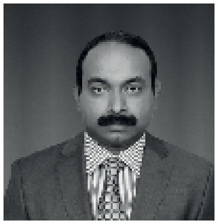
Group CLCO

Mohamad joined the Company in July 2010. He has extensive experience in the commercial, corporate and contracting industries, provides strategic legal advice and services on an enterprise-wide basis

Mohanad Abughalwa

Head of Projects

Mohanad joined Techno Q in Jan 2008. As the Head of Projects, Mohanad plays a crucial role in the execution and oversight of project management and leadership initiatives.



Jaikrishna Pillai

Head of Strategy

Jaikrishna joined Techno Q in Dec 2008, currently holding the position of Head of Strategy after formerly managing both Lighting Projects and Retail.

Message from the Chairman

Abdul Latif Al Jaidah

To our valued investors and partners.
We sincerely appreciate your unwavering support during challenging times. The past year presented numerous obstacles, yet **Techno Q** successfully navigated through them. We take pride in our team's ability to adapt and discover opportunities for growth, even in the face of adversity.

We are committed to leading our industry across the region. Your trust is invaluable to us, and we are deeply grateful for it.

“

Looking back at 2024, I’m proud of what our team accomplished in the face of significant global and regional challenges. We didn’t just survive the turbulence in our markets, but found ways to adapt and push forward. I am proud that our team at **Techno Q** rolled up their sleeves and found smarter ways to deliver for our clients while keeping a close eye on costs.

For 2025, we’re not standing still. We will be doubling down on what makes **Techno Q** different: the breadth of our technical expertise, the deep understanding of our markets, and the ability to solve problems no matter how complex. I’m particularly excited about our expanded IT Business Unit and renewed presence in Oman.

Bottom line? We’re built for the long haul. Every decision we make aims to strengthen our company and create lasting value for you, our investors. There’s plenty of work ahead, but we have the right team and strategy to tackle it.

Thank you for your continued confidence in **Techno Q**.

Message from the CEO
Abdulla Alansari

ANNUAL REPORT 2024

COMPANY **PROFILE**

About

Techno Q is a leading regional systems integrator based in Qatar specializing in the design, implementation, and management of advanced audiovisual systems, extra-low voltage solutions, broadcast infrastructure, IT business solutions, lighting, and hospitality solutions. With a commitment to innovation and excellence, **Techno Q** has established itself as a trusted partner for businesses across various sectors, delivering tailored solutions that enhance operational efficiency and user experience.

Company

ANNUAL
REPORT
2024

Vision

To be the first choice for integrated, low current systems solutions in the Middle East.

Mission

Providing all customers with reliable, professional and innovative systems integration solutions through friendly and personalized service.

Contributing to the technological development of the Middle East Region by introducing innovative systems solutions.

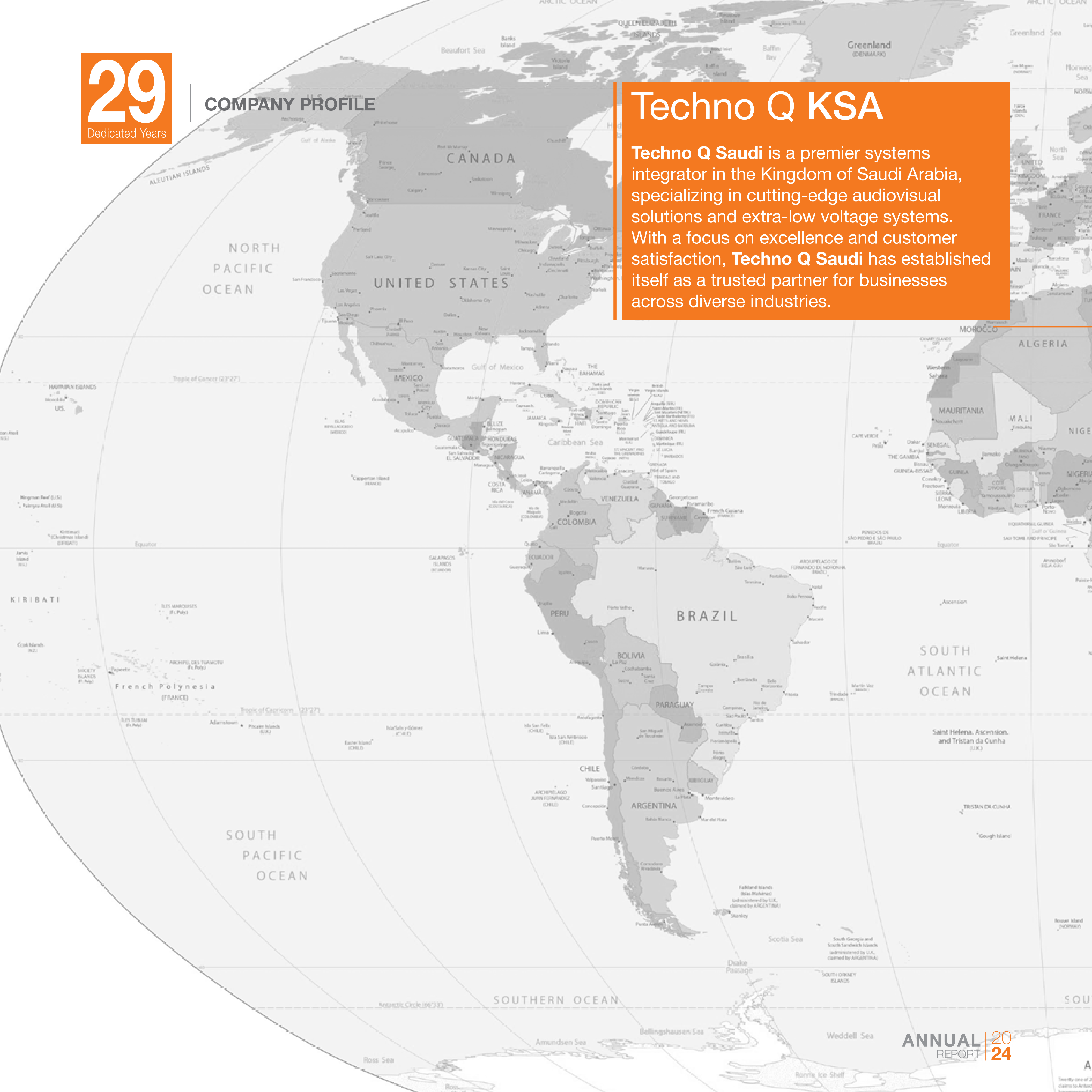
Total commitment on every project.

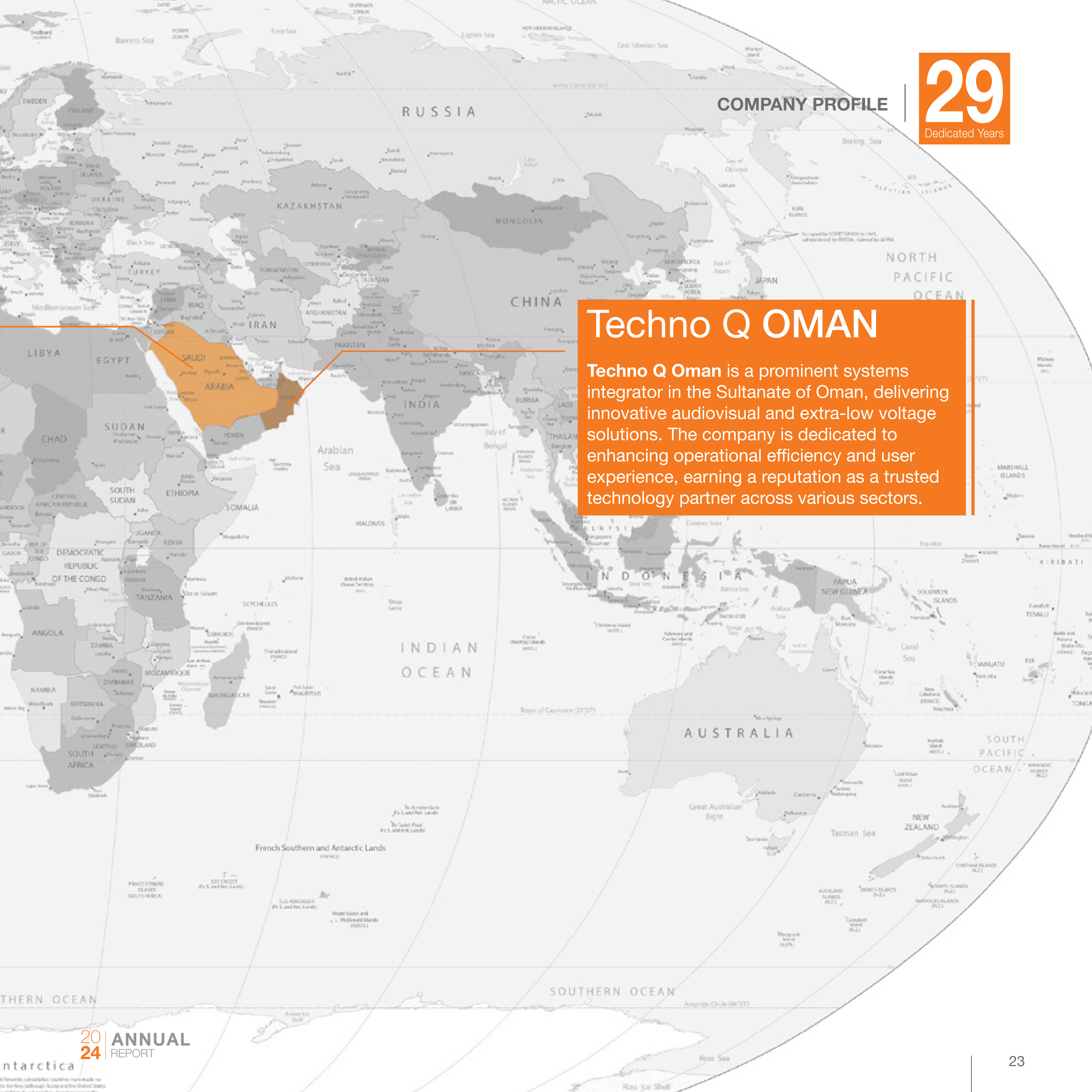
Exceeding our client's expectations in quality and service.

Training and further developing our team of experts.

Techno Q KSA

Techno Q Saudi is a premier systems integrator in the Kingdom of Saudi Arabia, specializing in cutting-edge audiovisual solutions and extra-low voltage systems. With a focus on excellence and customer satisfaction, **Techno Q Saudi** has established itself as a trusted partner for businesses across diverse industries.





Techno Q OMAN

Techno Q Oman is a prominent systems integrator in the Sultanate of Oman, delivering innovative audiovisual and extra-low voltage solutions. The company is dedicated to enhancing operational efficiency and user experience, earning a reputation as a trusted technology partner across various sectors.

ESG **REVIEW**

03

Environmental Initiatives

At Techno Q, our commitment to environmental responsibility is a part of our vision of being the premier choice for integrated, low-current systems solutions in the Middle East. As a market leader in delivering reliable and innovative systems and services, we prioritize environmental sustainability throughout our operations.

To enhance our work environment, we are transitioning to LED lighting across all facilities. We have implemented an automated energy management system that turns off office lights during lunch breaks. Our offices feature designated waste disposal areas for paper and other materials. We have partnered with Seashore Recycling and Sustainability center to ensure that all office waste, including paper, cardboard, and plastic wrap, is recycled. Additionally, we actively participate in beach cleanup initiatives in Qatar as part of our commitment to environmental stewardship. In recognition of our efforts, we obtained the ISO 14001:2014 certification, which demonstrates our compliance to an effective Environmental Management System (EMS).

The management is dedicated to fostering a paperless environment, encouraging employees to adopt “Go Green” practices such as digitizing documents, utilizing electronic signatures, printing only when necessary, and using scrap paper for internal purposes. We are transitioning to cloud-based solutions to optimize hardware use and reduce the need for physical servers, thereby lowering energy consumption. Our leadership continuously educates and engages employees in conservation efforts, frequently communicating their vision for energy conservation and environmental protection. Our commitment to sustainability was highlighted by our participation as a Silver Sponsor at the International ESG Conference held in Qatar in October 2024.

Our dedication to environmental responsibility extends to the projects we undertake. As a system integrator, we ensure our projects reflect a commitment to quality, sustainability, and customer satisfaction. We are meticulous about minimizing the environmental impacts of our projects, whether through careful documentation processes or by selecting vendors who adhere to environmentally friendly policies. We streamline project documentation through efficient online platforms and advocate for “paperless” submissions, particularly for extensive documentation, emphasizing the importance of digital formats.

Aligned with our strategy of delivering successful projects, we are focused on reducing paper usage, energy consumption, and waste at project sites through accurate estimation and ongoing risk assessments. We design and implement systems that optimize energy use in real-time, utilizing energy-efficient products sourced from vendors who meet environmental standards. Our Value Sourcing Team evaluates suppliers based on a set of environmental criteria integrated into our eco-friendly policies.

To further enforce our sustainability efforts, our Solution Architecture Team are encouraged to select energy efficient components for all our systems designs, and accurately estimates material requirements for projects, minimizing waste from over-ordering and ultimately reducing carbon emissions associated with manufacturing, transportation, and disposal processes. Depending on project priorities, we prioritize sea freight over air freight, which has a significantly lower carbon footprint, to reduce emissions from logistics operations. Our team of qualified engineers apply value engineering throughout the project lifecycle, particularly in optimizing cable paths and layouts.

We believe that even small actions can have a significant impact on the environment. On large project sites, we use electric scooters and club carts for transportation between locations, representing a step towards reducing our carbon footprint. Our innovative mindset drives us to continually seek smarter ways to minimize negative impacts, fostering social awareness for a safer planet as we set higher goals for the coming years.

Environmental Initiatives

As we progressed through 2024, **Techno Q** intensified its initiatives to reduce carbon emissions, optimize energy use, minimize waste, and implement sustainable practices throughout our operations. Our commitment also encompasses fostering a culture of sustainability within our workplace, engaging with communities, and ensuring our projects meet global environmental standards.

1. Energy Efficiency and Carbon Footprint Reduction

Office Energy Optimization:
- Upgraded to 100% LED lighting across all facilities
- Implemented an automated energy management system with motion sensors to eliminate unnecessary power consumption
- Enhanced HVAC systems by integrating smart thermostats to minimize energy waste

Renewable Energy Integration:
- Exploring the feasibility of installing solar panels on Techno Q buildings to offset electricity use
- Partnering with energy consultants to develop a carbon reduction roadmap for long-term sustainability goals

Sustainable Business and Travel Transport:
- Adopted a policy prioritizing virtual meetings over travel when feasible
- Transitioned to an electric/hybrid fleet for company transportation
- Encouraging employees to carpool or utilize public transport to reduce our corporate travel footprint

2. Waste Management & Circular Economy Practices

Recycling Expansion:
- Enhanced partnership with Seashore Recycling and Sustainability centre to improve recycling of e-waste, office supplies, and packaging materials
- Increased the number of recycling bins in all office spaces for better waste segregation

Plastic Reduction Initiative:
- Eliminated single-use plastics in office cafeterias and events
- Encouraging employees to use reusable water bottles, coffee cups, and cutlery

Zero Paper Waste Commitment:
- Transitioned 85% of internal documentation to digital platforms to significantly reduce paper usage
- Strengthened the e-signature policy to replace printed approvals
- Educating clients on the advantages of paperless documentation throughout project phases

3. Sustainable Project Execution Supply Chain Management

Eco-Friendly Vendor Selection:
- Prioritizing suppliers and manufacturers compliant with ISO 14001 environmental standards
- Ensuring all sourced AV equipment and low-current systems meet energy efficiency ratings

Optimized Material Usage:
- Advanced material estimation techniques by our Solution Architecture Team to reduce project waste
- Minimizing over-ordering to lower carbon emissions from production and logistics

Sustainable Freight and Logistics:
- Increasing reliance on sea freight over air freight to diminish shipping-related emissions

- Implementing eco-friendly packaging requirements for all incoming shipments

4. Green Construction and Project Site Sustainability

Electric Vehicles & Smart Mobility:
- Expanding the use of electric scooters and club cars for on-site commuting
- Exploring the installation of EV charging stations at major project sites

Sustainable Cabling & Containment:
- Applying value engineering principles to minimize excess material usage.
- Promoting the use of low-carbon footprint cables and recyclable containment systems

Site Waste Management:
- Introducing a waste sorting and tracking system at project sites to monitor and reduce landfill contributions.

Social Responsibility

5. Community Engagement and ESG Leadership

Beach Cleanup and Environmental Volunteering:
- Techno Q employees will participate in quarterly beach cleanup drives in Qatar, collaborating with Seashore Recycling.
- Launching a sustainability ambassador program to encourage employee involvement in local environmental

ESG Conference and Sustainability Advocacy:
- Proudly served as a Silver Sponsor at the International ESG Conference (October 2024) to promote corporate sustainability
- Hosting internal sustainability workshops to educate employees on best practices
- ISO 14001:2014 Compliance & Future Targets:
- Maintaining our ISO 14001:2014 certification while striving for even more ambitious environmental management goals for 2025

At Techno Q, we believe that even small sustainable actions contribute to a greater environmental impact. Throughout 2024, we were setting higher sustainability benchmarks, integrating greener technologies, and fostering a culture of responsibility—ensuring our operations and projects aligning with a cleaner, safer planet for future generations.

Governance Practices

Ethical Standards

At Techno Q, strong governance and ethical business practices form the foundation of our corporate culture. As part of our ESG initiatives, we are committed to upholding transparency, accountability, and integrity in all aspects of our operations.

1. Ethical Business Conduct

- Techno Q adheres to the highest ethical standards, ensuring fairness, honesty, and integrity in all business dealings
- We maintain a zero-tolerance policy toward corruption, bribery, and unethical practices, in strict compliance with local and international regulatory frameworks
- Our Code of Ethics and Conduct guides employees and stakeholders in maintaining professional and ethical interactions

2. Corporate Governance and Compliance

- The Board of Directors oversees corporate governance policies, ensuring strategic alignment, risk management, and long-term value creation
- Techno Q strictly follows local laws and global best practices related to business operations, financial reporting, and data protection
- Regular internal audits and compliance checks ensure adherence to governance policies and ethical business conduct

3. Transparency and Accountability

- We foster a culture of transparency, ensuring all stakeholders—including investors, clients, and employees—have access to accurate and timely information
- Our Whistleblower Policy provides employees with a confidential platform to report concerns about unethical behavior or policy violations without fear of retaliation
- Annual ESG reporting ensures public accountability for governance performance and ethical initiatives

4. Data Protection and Cybersecurity

- As part of our IT Business Unit expansion, Techno Q prioritizes data security, privacy, and regulatory compliance
- We follow international cybersecurity standards to protect sensitive client and company data from cyber threats

5. Diversity, Equity and Inclusion

- We are committed to equal opportunity employment and fostering a diverse, inclusive, and discrimination-free workplace
- Governance policies include clear frameworks for gender equality, leadership development, and employee rights protection

By strengthening our governance framework and embedding ethical standards into our corporate strategy, Techno Q is committed to fostering a responsible, transparent, and sustainable business environment that benefits all stakeholders

Sustainability and ESG Initiatives

Techno Q remains committed to environmental sustainability, social responsibility, and corporate governance (ESG). In 2024, the company:

- Adopted energy-efficient solutions in AV and ELV installations
- Strengthened employee engagement programs for skill development
- Enhanced data privacy and cybersecurity compliance as part of IT service offerings
- Implemented sustainable procurement policies for environmentally friendly products

Further ESG-focused projects will be explored in 2025, aligning with regional sustainability goals.

04

CORPORATE **GOVERNANCE**

This report highlights our commitment to high standards of corporate governance, transparency, and integrity, guided by the relevant provisions of the Qatar Financial Markets Authority (QFMA) Governance Code for companies listed on the Qatar Stock Exchange (QSE), the Commercial Companies Law No. (11) of 2015 and its amendments (the "Companies Law"), and other regulatory requirements.

Techno Q's corporate governance framework is designed to ensure accountability to shareholders and stakeholders, clarity in decision making, and robust oversight of risk management. In the next pages, we provide a comprehensive overview of our governance structure, Board activities, committee work, key policies, and other essential elements that support our strong governance culture.

Governance Framework

Corporate Governance Charter
Outlines our overarching approach to governance, setting forth the structure, principles, and responsibilities of the Board, its committees, and executive management.

Board of Directors' Charter
Establishes the obligations, powers, and procedures of the Board, including Board composition, meetings, and responsibilities.

Committee Charters
Separate, dedicated charters for the Audit and Risk Committee, Nomination and Remuneration Committee, and Executive Committee define each committee's purpose, scope, membership, and procedures.

In addition, **Techno Q** has adopted several Policies as part of its Governance Framework that ensure compliance with legal requirements, promote ethical conduct, and foster transparency, including the following:

Code of Conduct and Ethics Policy
- Outlines the ethical standards, principles, and values expected of all employees, management, and directors
- Covers professional conduct, conflict of interest, confidential information, and personal accountability
- Reinforces a culture of honesty, respect, and integrity

Disclosure Policy
- Defines procedures for timely and accurate communication of material information to shareholders, potential investors, and regulators
- Ensures that disclosures are consistent, transparent, and comply with regulatory obligations (e.g., QFMA and QSE requirements)
- Aims to prevent selective disclosure and maintain market integrity

Insider Trading Policy

- Prohibits employees, directors, and other insiders from trading the Company's securities while in possession of material non-public information (MNPI)
- Outlines "blackout periods" and reporting obligations for insiders to mitigate unlawful use of MNPI
- Specifies disciplinary actions for violations of insider trading laws

Anti-Fraud Policy

- Establishes guidelines for detecting, preventing, and investigating fraud within the Company
- Defines various fraudulent activities (e.g., misappropriation of assets, falsification of records) and clarifies the investigation process
- Mandates strict disciplinary actions for violations, ensuring zero tolerance for fraudulent behavior

Whistle-Blower Policy

- Encourages employees and stakeholders to report misconduct, potential violations, or unethical practices without fear of retaliation
- Defines the process for submitting claims, assures confidentiality, and outlines investigative procedures
- Supports a culture of accountability by protecting whistle-blowers who raise concerns in good faith

Dividend Distribution Policy

- Defines the principles guiding the Board's recommendations on dividend payments
- Ensures transparency in communicating how profits are allocated to shareholders, considering profitability liquidity, and growth objectives
- Balances the Company's financial stability with fair shareholder returns

External Auditor Policy

- Governs the appointment, rotation, and evaluation of the external audit firm
- Ensures auditor independence and objectivity, in line with international standards
- Requires thorough review of auditors' scope, fees, and recommendations to maintain robust financial oversight

Investor Relations Policy

- Formalizes how **Techno Q** communicates with shareholders, investors, and the broader financial community
- Ensures disclosure of accurate and timely information on financial performance, strategy, and significant corporate developments
- Promotes stakeholder engagement through regular updates, events, and inquiries

Board Structure and Composition

1. Board Composition

As of 20 May 2024, the current Board comprises eight members, appointed for a 5-year term as per the Company's Articles of Association, Qatar Financial Markets Authority Governance Code for companies listed on the Qatar Stock Exchange, and the Commercial Companies Law No. (11) of 2015 and its amendments. The Board composition meets the requirement that at least one-third are independent members, and the majority are non-executives:

Name	Position	Independent/Non-Independent	Executive/Non-Executive	Date of Appointment
Abdullatif Mohamed Ibrahim Al Jaidah	Chairman	Non-independent	Non-executive	20 May 2024
Tariq Mohamed Ibrahim Al Jaidah	Vice Chairman	Non-independent	Non-executive	20 May 2024
Salah Mohamed Ibrahim Al Jaidah	Board Member	Non-independent	Non-executive	20 May 2024
Abdulla Mohamed Shafeea Al Ansari	Board Member	Non-independent	Executive	20 May 2024
Zeyad Mohamed Ibrahim Al Jaidah	Board Member	Non-independent	Executive	20 May 2024
Ahmad Abdulla Al Abdulla	Board Member	Independent	Non-executive	20 May 2024
Nasser Hassan Faraj Hashem Al Ansari	Board Member	Independent	Non-executive	20 May 2024
Hesham Ismaeel A M Abdulrahman	Board Member	Independent	Non-executive	20 May 2024

Secretary

Hussein Mohamed was appointed as Board Secretary on 20 May 2024. His responsibilities include arranging meeting agendas, preparing minutes and draft resolutions, and coordinating the execution of Board decisions in accordance with the applicable laws.

2. Board Responsibilities
The Board of Directors is responsible for approving the Company's strategic objectives, overseeing management's performance, ensuring the integrity and accuracy of financial reporting, and maintaining robust internal controls. Key Board activities include:

- Setting the strategic direction and approving major investments and acquisitions
- Overseeing corporate governance policies and charters
- Monitoring compliance with regulatory requirements, including QFMA rules
- Ensuring effective risk management processes are in place
- Approving financial statements and interim results
- Overseeing executive management and ensuring succession planning for key roles

3. Board Meetings and Attendance
In 2024, the Board held four meetings. The table below summarizes Board attendance:

Member Name	1st (20 May)	2nd (07 July)	3rd (07 July)	4th (27 August)	Attendance %
Abdullatif M I Al Jaidah	Present	Present	Present	Present	100%
Tariq M I Al Jaidah	Present	Absent	Absent	Present	50%
Abdulla M Shafeea Al Ansari	Present	Present	Present	Absent	75%
Zeyad M I Al Jaidah	Present	Present	Present	Present	100%
Salah M I Al Jaidah	Present	Absent	Absent	Present	50%
Ahmad Abdulla Al Abdulla	Present	Present	Present	Present	100%
Nasser Hassan Faraj Hashem Al Ansari	Present	Present	Present	Present	100%
Hesham Ismaeel A M Abdulrahman	Present	Present	Present	Present	100%

Major Board Resolutions during 2024 include:

- Election of Chairman, Vice Chairman, and Managing Director
- Approval of the continuation of the appointment of the senior executive management
- Approval of the appointment of authorized signatories for the company
- Registration of the Company's conversion into a Q.P.S.C.
- Formation of the Audit and Risk, Nomination and Remuneration, and Executive Committees
- Appointment of the Secretary of the Board of Directors
- Approval of governance documents, policies, and charters
- Acquisition of 51% shares in Tek Headquarters LLC
- Approval of the delegation of certain Board authorities
- Approval of the reviewed interim financial statements (as of 30 June 2024)
- Approval of Board and committee remuneration structures
- Addition of new business activities to the Commercial Register

Committees

The Board delegates certain functions to specialized committees to ensure focused oversight. Each committee operates under a formal charter, which outlines its mandate, authority, composition, and responsibilities.

1. Audit and Risk Committee

Composition:

1. Ahmad Abdulla Al Abdulla (Chairman)
2. Tarik Mohamed Ibrahim Al Jaidah (Member)
3. Hesham Ismaeel A M Abdulrahman (Member)

Meetings:

Held two (2) meetings in 2024 (27 August and 29 December), with 100% attendance by all members.

Key Responsibilities:

1. Oversee financial reporting, including reviewing interim and annual financial statements
2. Monitor and approve internal audit plans
3. Evaluate the effectiveness of internal controls and risk management frameworks
4. Assess and recommend external auditor appointments

Activities:

- Approved the interim financial statements for the six months ended 30 June 2024
- Discussed the internal audit report on the company's departments
- Reviewed and discussed the proposed three-year internal audit plan (2025–2027)

2. Nomination and Remuneration Committee

Composition:

1. Nasser Hassan F H Al Ansari (Chairman)
2. Salah Mohamed Ibrahim Al Jaidah (Member)
3. Hesham Ismaeel A M Abdulrahman (Member)

Key Responsibilities:

1. Identify and recommend qualified candidates for Board membership.
2. Oversee Board and Executive Management remuneration structures.
3. Evaluate performance of the Board and senior executives.

3. Executive Committee

Composition:

1. Tariq M I Al Jaidah (Chairman)
2. Abdulla M Shafeea Al Ansari (Member)
3. Zeyad M I Al Jaidah (Member)

Key Responsibility:

Functions as a liaison between the Board and senior management to expedite decisions on strategic initiatives, major operational matters, and investments within authority delegated by the Board.

Senior Executive Managements

The Board approves the appointment and performance review of senior executives, including the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Legal & Compliance Officer (CLCO), and other key management personnel. These leaders manage **Techno Q**'s daily operations in accordance with the strategic direction set by the Board.

Board and Executive Management Remuneration

The total compensation for the Board of Directors and Executive Management for the fiscal year 2024 totaled (QAR 9,658,859.27).

Note: Further details can be found in the financial statements at the end of this Annual Report.

Board of Directors Performance Assessment

Techno Q conducts an annual assessment of Board performance, overseen by the External Auditors, who review the activities of each member to identify strengths and improvement areas. Recommendations, such as targeted training or adjustments in committee composition, are presented to the Board for action.

This process ensures continuous enhancement of Board performance, strengthens governance, and aligns leadership with **Techno Q**'s evolving strategic and regulatory requirements.

Risk Management and Internal Audit

1. Risk Management
The Audit and Risk Committee monitors the company's risk profile and evaluates the effectiveness of internal controls to mitigate emerging risks. A formal risk management framework has been established to identify, assess, and manage key business, operational, and compliance risks.

2. Internal Audit
The Internal Audit Department reports directly to the Audit and Risk Committee, ensuring independence. Its role is to evaluate internal controls, identify areas of improvement, and provide assurance that operations adhere to applicable laws, regulations, and corporate standards.

Pending Litigation

Techno Q is currently involved in the following material legal actions, in all of which **Techno Q** is the Claimant:

Case No. 3705/2022:
- Parties Involved: **Techno Q** vs. a UAE-based construction company
- Status: Court ruled **QAR 1,300,000** in **Techno Q**'s favour at first instance; now at enforcement stage

Case No. 5159/2024:
- Parties Involved: **Techno Q** vs. two Qatari electro-mechanical companies

- Value: **~QAR 4,597,059.81**
- Status: Dismissed at first instance, currently under appeal

Case No. 2096/2017:
- Parties Involved: **Techno Q** vs. an infrastructure development company
- Status: Court ruled **QAR 2,350,093** in **Techno Q**'s favour; now at enforcement stage

Case No. 483/2021:
- Parties Involved: **Techno Q** vs. a Doha-based architectural and interior design firm
- Status: Court ruled **QAR 2,507,517.47** in **Techno Q**'s favour; now at enforcement stage

ICC Arbitration Case:
- Parties Involved: **Techno Q** vs. confidential parties
- Value: **QAR 7,251,110**
- Status: Arbitration proceedings ongoing

No material litigation has been raised against Techno Q as of the date of this report.

Shareholder Records

The table below details the shareholding structure of **Techno Q** as of 31 December 2024.

Shareholder	Ownership
Al Jaidah Brothers WLL	50.00%
Abdulla Mohdshafeea M H Al Ansari	15.15%
Other shareholders (public free float)	34.85%

Ownership Percentage

	Institutional	Individual	Total
Qatari	50.20%	48.93%	99.13%
GCC	0.00%	0.12%	0.12%
Arab	0.00%	0.62%	0.62%
Foreign	0.00%	0.13%	0.13%
Total	**50.20%**	**49.80%**	**100.00%**

Annual General Meeting

The Annual General Meeting is convened by an invitation from the Board of Directors, which prepares the agenda. Shareholders holding at least 10% of the Company's capital may request the inclusion of specific items. Shareholders have the right to attend, participate, and vote on all resolutions. Extraordinary General Assembly meetings are likewise convened by the Board (or by shareholders representing at least 25% of the capital) if needed to discuss specific matters.

Conflict of Interest

A conflict of interest arises when personal or external interests impede or appear to impede a director's or employee's ability to act in the best interest of the Company. All Board members and employees must avoid circumstances where such a conflict could occur, abide by the Company's Code of Conduct, and promptly disclose any potential conflicts. No formal conflicts of interest were reported in 2024.

Related Party Transactions

Related party transactions, including major deals, are disclosed in the annual audited financial statements. The Board and relevant committees ensure such transactions are conducted on an arm's-length basis and in the best interests of the Company and its shareholders. For details, please refer to the notes in the Company's audited financial statements.

Disclosure Requirements

Techno Q is committed to accurate and timely disclosure of material information in accordance with applicable laws and QFMA/QSE rules. A dedicated process ensures transparent communication of significant developments to shareholders and stakeholders. The Company also observes insider trading prohibition periods, wherein any unauthorized trading by insiders is strictly disallowed.

Corporate Social Responsibility

Techno Q aims to be a responsible corporate citizen by supporting community development, protecting the environment, and contributing to the local economy.

Conclusion

Techno Q remains committed to fostering robust corporate governance aligned with best practices, ensuring fairness, transparency, accountability, and responsibility to our shareholders, partners, and the broader community. The Board and its committees will continue to review and enhance governance frameworks to keep pace with evolving regulatory requirements and industry standards.

Going forward, we will further refine our policies, strengthen risk controls, and nurture a culture of ethical and performance-driven practices across the organization. On behalf of the Board, we thank our shareholders, employees, and stakeholders for their continued support.

TechnoQ

Your Dedicated Partner


CRYSTAL 1
CRYSTAL 3
PROMENADE 2

FUTURE **OUTLOOK**

05

Key Risks in 2024 and Mitigation

Risk Factor	Mitigation Strategy
Market Slowdown	Cost optimization, expansion into new verticals
Geopolitical Risks	Diversification of market presence
Competition Growth	Investment in innovative technology services
Workforce Expansion Costs	Strategic hiring and training for efficiency

Strategic Goals for 2025

Expand into new verticals, increasing market share.
Strengthen IT Business Unit, capitalizing on cybersecurity demand.
Enhance digitalization & automation, improving operational efficiency.
Grow footprint in Saudi Arabia & Oman, tapping into national growth initiatives.

In 2025, **Techno Q** aims to accelerate growth, strengthen market positioning, and enhance profitability through a strategic focus on innovation, expansion, and operational excellence. The company's key strategic goals include:

1. Expansion into New Market Segments

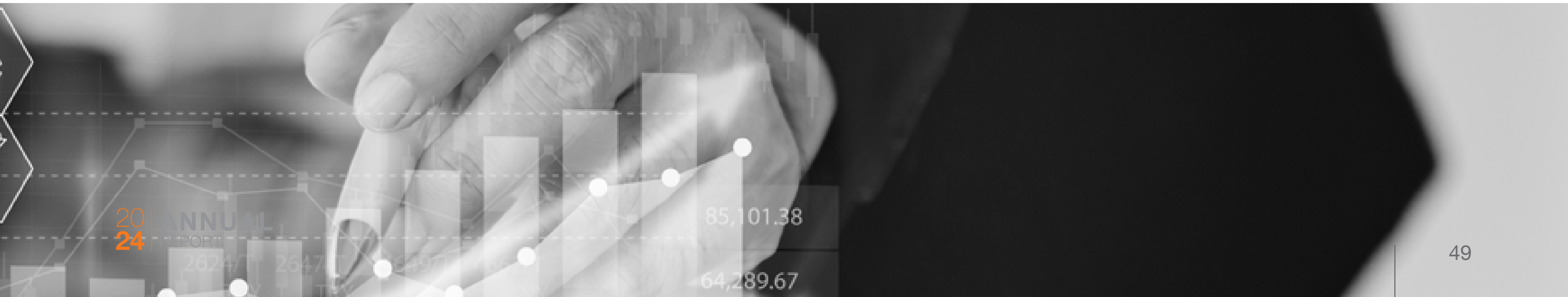
- Diversify beyond core business areas **(AV, ELV, and Hospitality Solutions)** by entering smart infrastructure, cybersecurity, and AI-driven automation
- Strengthen the IT Business Unit, making **Techno Q** a leading player in Digital Transformation and Cybersecurity Solutions
- Target growing industries such as healthcare, education, and smart cities that require advanced system integration services

2. Strengthening Market Presence in the Region

- Saudi Arabia & Oman Expansion: Continue increasing market penetration in these countries by leveraging government digitalization projects
- Enhancing Local Partnerships: Strengthen collaboration with key government and private-sector entities to secure large-scale projects
- Improving Regional Competitiveness: Invest in local talent and infrastructure to enhance service delivery and client relationships

3. Enhancing Operational Efficiency and Cost Optimization

- Implement AI-powered analytics to optimize project costing, inventory management, and resource allocation
- Streamline internal processes through automation and digitization, boosting overall efficiency



4. Driving Innovation in Service Offerings

- Introduce AI-driven smart building solutions, IoT-based automation, and advanced security systems
- Expand **Techno Q**'s Cybersecurity Solutions to include data protection, cloud security, and threat intelligence
- Enhance customer experience with real-time monitoring & predictive maintenance solutions

5. Sustainability and ESG Commitment

- Implement eco-friendly and energy-efficient solutions in AV and ELV projects
- Strengthen corporate social responsibility (CSR) initiatives, including employee development and community engagement
- Ensure compliance with regional sustainability regulations in smart city and infrastructure projects

Market Opportunities for 2025

Despite economic and geopolitical challenges, **several market opportunities present strong growth potential for Techno Q in 2025:**

1. Smart Cities and Digital Infrastructure Investments

- Governments across the Middle East, particularly in Qatar, Saudi Arabia, and the UAE, are investing heavily in smart city technologies
- Saudi Arabia's Vision 2030 and Qatar's National Vision 2030 are driving demand for intelligent security, smart buildings, and digital transformation projects
- Opportunities exist in providing AI-powered surveillance, IoT-based automation, and integrated command center solutions

2. Rising Demand for Cybersecurity Solutions

- With increasing cyber threats, businesses and governments are investing in advanced cybersecurity solutions
- Techno Q's IT Business Unit can capitalize on this trend by offering:
  - Network security and endpoint protection
  - Cloud security solutions
  - Cyber threat intelligence and risk assessment services

3. Expansion in the Omani Market

- The Omani government is actively promoting infrastructure development and digitalization, creating demand for AV, ELV, and smart solutions
- Techno Q's re-entry into Oman positions it well to secure new projects in hospitality, corporate, and government sectors

4. AI and Automation in Business Operations

- Businesses are increasingly investing in AI-driven automation and intelligent business solutions
- Techno Q can offer automated meeting room solutions, smart lighting, and predictive maintenance services to corporate, hospitality, and government clients

5. Growth in the Healthcare & Education Sectors

- The digitization of hospitals and educational institutions presents new opportunities for integrated AV, smart security, and automation solutions
- The demand for telemedicine infrastructure, remote learning solutions, and intelligent security systems is increasing

Market and Industry Analysis

The technology sector in the Middle East saw steady growth in 2024, despite macroeconomic pressures and geopolitical uncertainties.

- The Digital Transformation market in the region was valued at **USD $1.48 billion and is projected to reach $2.58 billion by 2029 (CAGR of 11.8%)**
- Cybersecurity spending exceeded $6.5 billion, reflecting increased demand for IT security solutions
- The Saudi Vision 2030 and Qatar National Vision 2030 continue to drive investments in smart infrastructure, digital transformation, and technological innovation

Techno Q's Market Positioning

- Expanded into Oman, strengthening regional presence
- Focused on new technology-driven solutions to remain competitive
- Capitalized on the increased demand for cybersecurity & IT services

Despite market hesitancy in large-scale projects, government initiatives and smart city investments create long-term growth opportunities for **Techno Q** in the region

Strategic Initiatives and Innovations

Techno Q's commitment to innovation and market leadership led to several strategic initiatives in 2024:

A. Launch of the IT Business Unit

With the rise in cybersecurity threats, cloud computing, and digital infrastructure investments, **Techno Q** officially launched its IT Business Unit. This unit focuses on:

- Cybersecurity solutions
- Digital transformation services
- Smart automation and AI-driven integrations

This move aligns with growing market demand and provides a new revenue stream for the company.

B. Geographical Expansion – Oman Market

The reactivation of **Techno Q**'s Oman office was a major milestone in 2024

- The Omani market showed strong demand for AV, ELV, and IT solutions
- The office allows **Techno Q** to serve a growing customer base more efficiently
- Oman's Vision 2040 initiative encourages digital transformation, providing expansion opportunities

C. Cost Optimization & Profitability Enhancement

To mitigate risks associated with slow market growth, **Techno Q** implemented strict cost controls in 2024, resulting in:

- Reduction in project execution costs
- More efficient resource allocation
- Improved procurement and vendor management

These efforts helped maintain profitability despite revenue challenges.

Conclusion

2025 presents significant opportunities for **Techno Q** to expand, innovate, and strengthen its market leadership. By focusing on strategic regional expansion, advanced technology.

ACKNOWLEDGEMENTS

As we reflect on another successful year at **Techno Q**, we would like to take a moment to express our sincere gratitude to all our valued stakeholders. Your steadfast support and trust have been essential in propelling us forward and achieving our strategic objectives. We recognize that our accomplishments are a result of our collaborative efforts, and we are deeply appreciative of your engagement and commitment.

In addition, we extend our heartfelt appreciation to our dedicated team members, whose tireless efforts and innovative thinking have significantly contributed to our progress. Everyone's unique talents and unwavering commitment to excellence have played a crucial role in helping us navigate challenges and capitalize on new opportunities. Together, we have fostered a culture of collaboration and resilience that drives **Techno Q**'s mission and vision.

Thank you for being an indispensable part of our journey.
We look forward to continuing this partnership as we strive for even greater achievements in the future.


928,545
28,545
8,545
128,150
548,125
215,810
9,007
337,296
124,545
289,004
2020
2021
2022
2023
2024

FINANCIAL **HIGHLIGHTS** **FY 2024**

06

Financial

Introduction

The financial year 2024 marked a pivotal period for **Techno Q**, reflecting sustained growth, strategic financial management, and resilience amid evolving market dynamics. As a publicly listed company on the **Qatar Stock Exchange (QSE)**, our financial performance adheres to IFRS reporting standards and meets all QFMA regulatory requirements. This section provides a comprehensive overview of our revenue growth, profitability, balance sheet strength, cash flow position, and shareholder return.

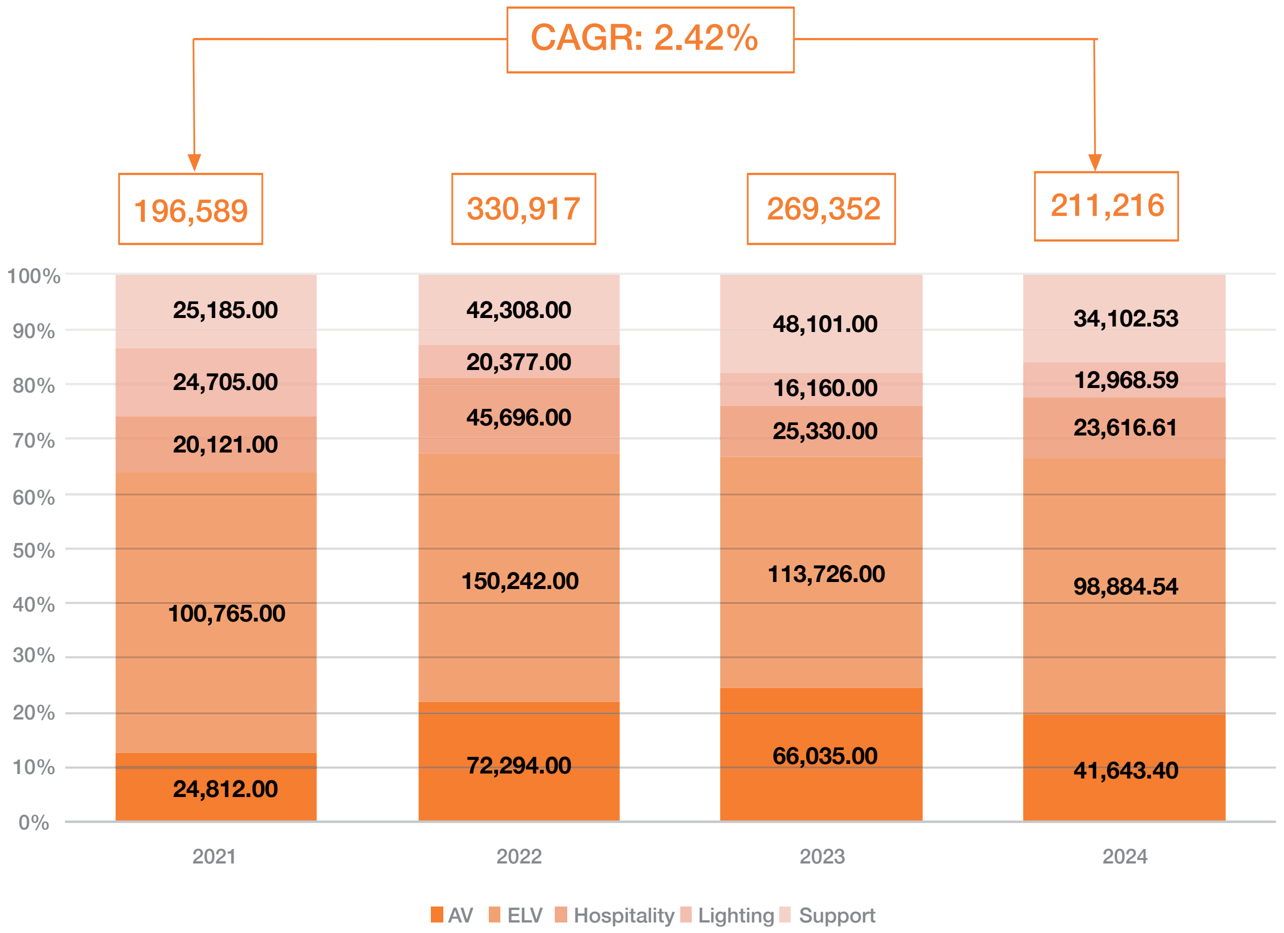
Revenue & Direct Cost Highlights

1. Revenue & Direct Cost Highlights

Techno Q achieved a **Compound Annual Growth Rate (CAGR) of 2.42% in revenue** from **FY 2021 to FY 2024**, reflecting **steady business expansion** despite market fluctuations.

- **Total revenue for FY 2024 stood at QAR 211.2 million**, compared to **QAR 196.6 million in FY 2021**
- The highest revenue contribution came from the ELV segment, generating **QAR 99 million in FY 2024**, followed by AV, Hospitality and continuity assurance services

Revenue Breakdown (QAR '000)



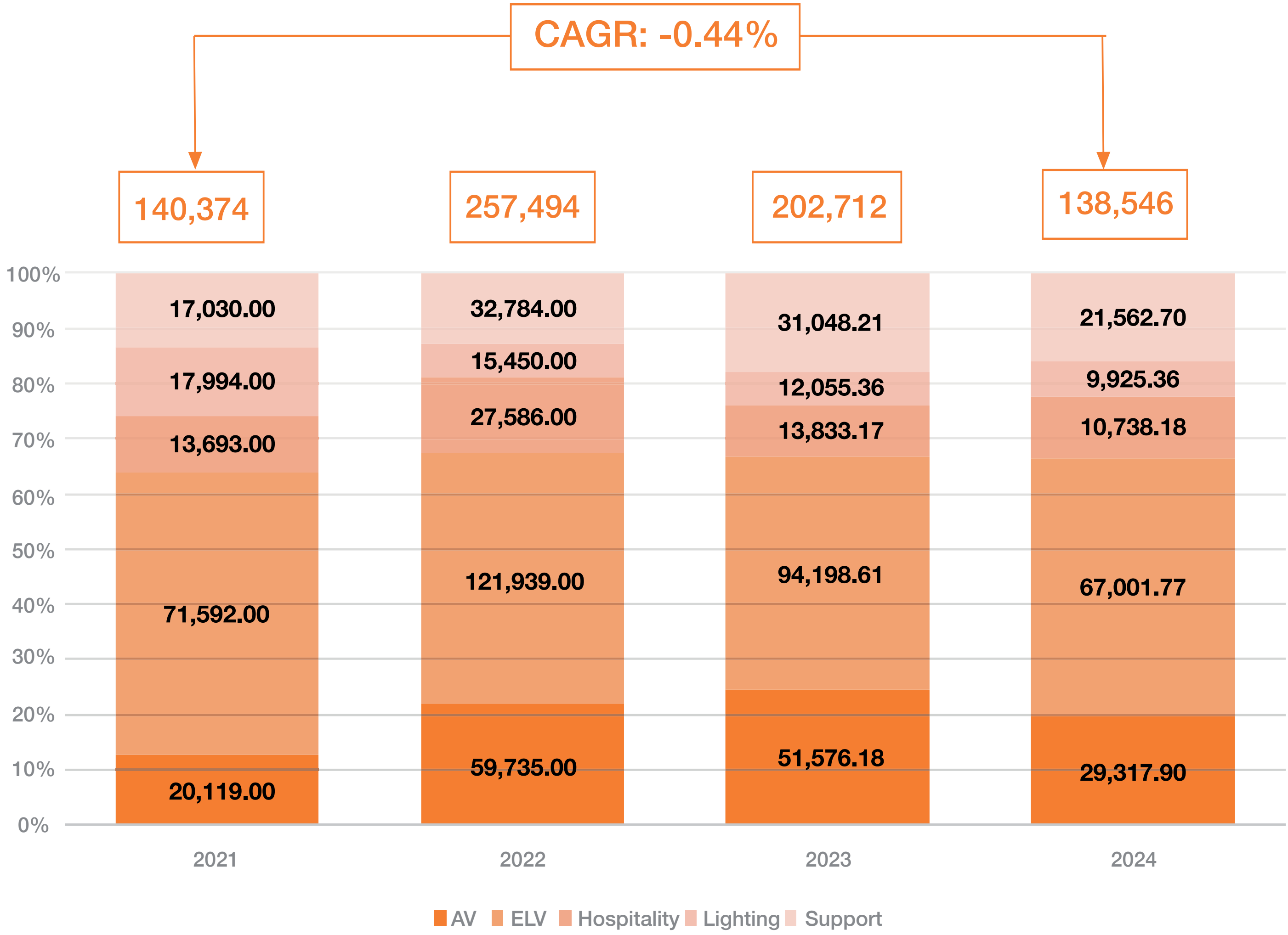
2. Direct Cost Analysis

Direct costs experienced a slight decline over the years, with **a negative CAGR of -0.44%**, indicating improved cost efficiency.

FY 2024 total direct costs amounted to **QAR 138.5 million**, compared to **QAR 140.4 million in FY 2021**.

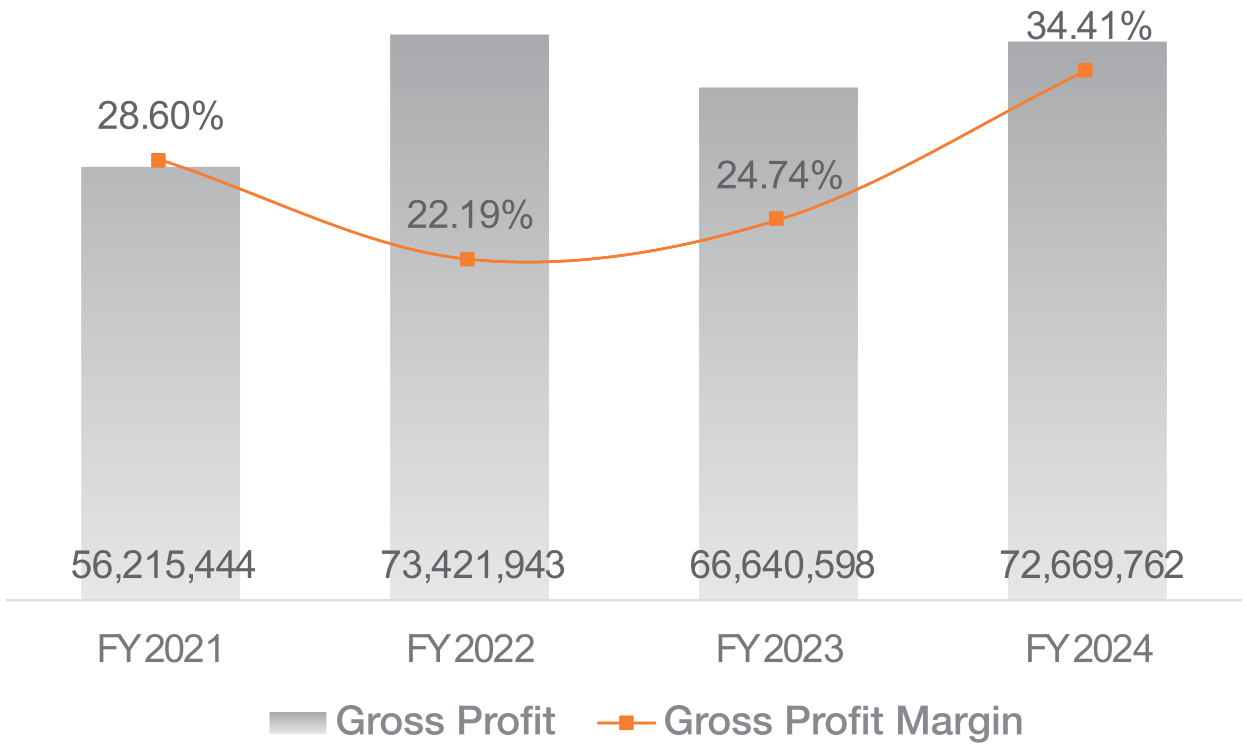
The ELV and AV segments continue to represent the largest share of direct costs.

Direct Cost Breakdown (QAR '000)



Gross Profit Margin Performance

- Gross Profit Margin (GPM) improved from **29%** in **FY 2021 to 34% in FY 2024**, demonstrating enhanced cost control and operational efficiency
- The hospitality and continuity assurance services segments recorded the highest GPM in FY 2024

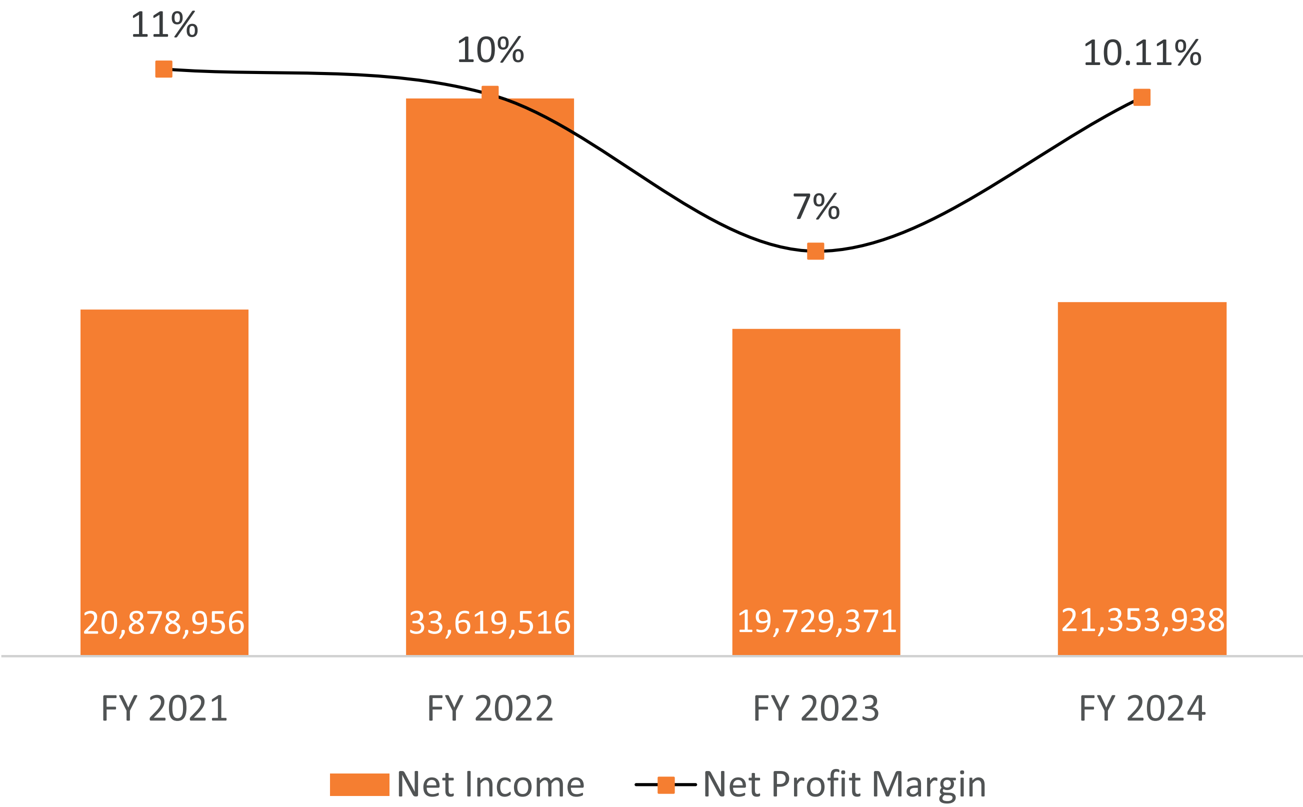


Between **FY 2021 and FY 2022**, gross profit increased significantly by approximately **31%**, rising from **QAR 56.2 million to QAR 73.4 million**, driven by robust revenue growth. However, the gross profit margin declined from **28.6% to 22.2%**, primarily due to cost escalation outpacing sales growth.
In FY 2023, gross profit declined by **9.2% to QAR 66.6 million**. Nevertheless, the gross profit margin improved to **24.7%**, reflecting enhanced cost management and a more favorable sales mix.
By FY 2024, gross profit recorded a moderate year-on-year growth of **7%**, reaching **QAR 72.7 million**. Notably, the gross profit margin expanded to **34.4%**—the highest in the four-year period—demonstrating continued operational efficiency and strengthened control over direct costs.

Profitability Margins

Our profitability metrics continued to strengthen, with a net profit margin of **10.11%**, reflecting improved operational efficiency and cost optimization strategies.

- **Net Profit:** QAR 21.4 million (YoY change: +8.3%)
- **Net Profit Margin:** 10.11% (Previous year: 7.32%)



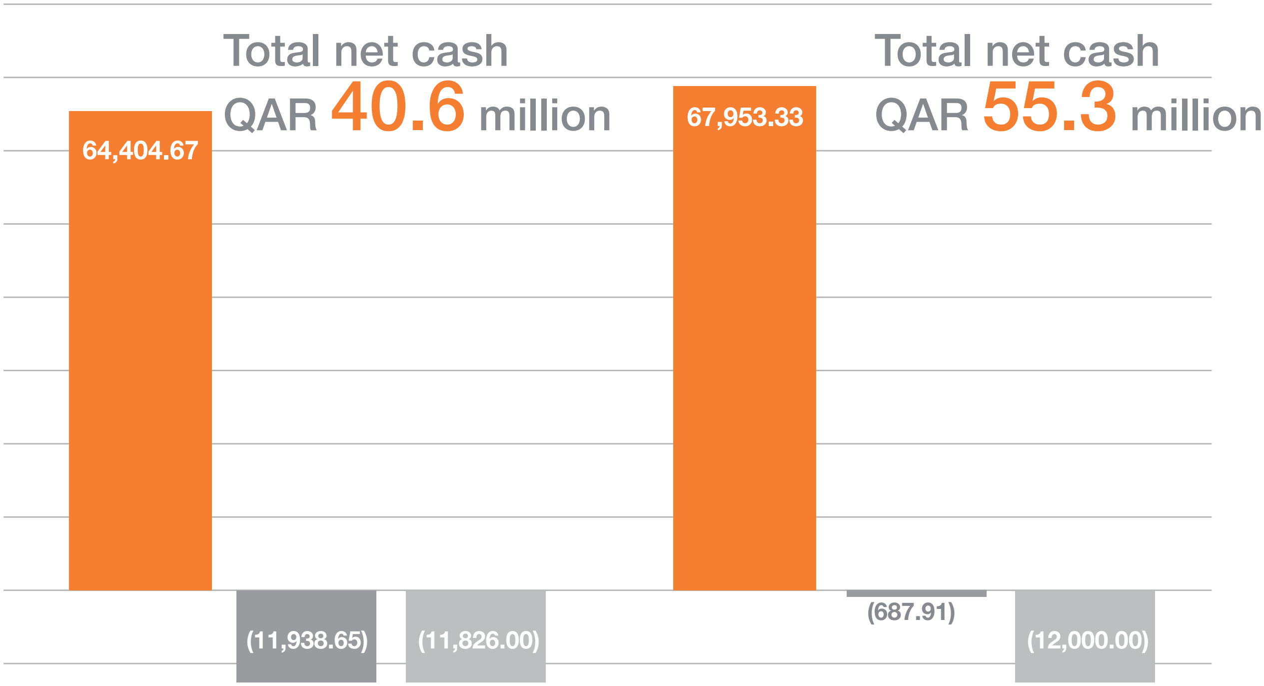
FY 2023 to FY 2024, net income increases from **QAR 19.7 million to QAR 21.4 million**, while the net income margin improves from **7%** to just over **10%**. This reflects stronger profitability, likely driven by a favorable cost structure and a more efficient revenue mix.

Net Debt / Net Cash Position

Techno Q maintained a robust liquidity position, with a net cash balance of **QAR 55.27 million in FY 2024**, ensuring financial flexibility for future growth and investment opportunities.

- **Total Debt decreased** from **QAR 11.94 million in FY 2023 to QAR 0.69 million in FY 2024**, reflecting a reduction of **QAR 11.25 million (-94.24%).**
- **Cash & Cash Equivalents: QAR 67.95 million in FY 2024**, providing a strong liquidity buffer for strategic investments.
- **Net Cash:** QAR 55.27 million, ensuring financial flexibility and stability.

This substantial reduction in debt underscores Techno Q's prudent financial management and disciplined approach to capital allocation, positioning the company for sustained growth and shareholder value creation.



	2023	2024
Cash	64,404.67	67,953.33
Borrowings	(11,938.65)	(687.91)
Dividend	(11,826.00)	(12,000.00)

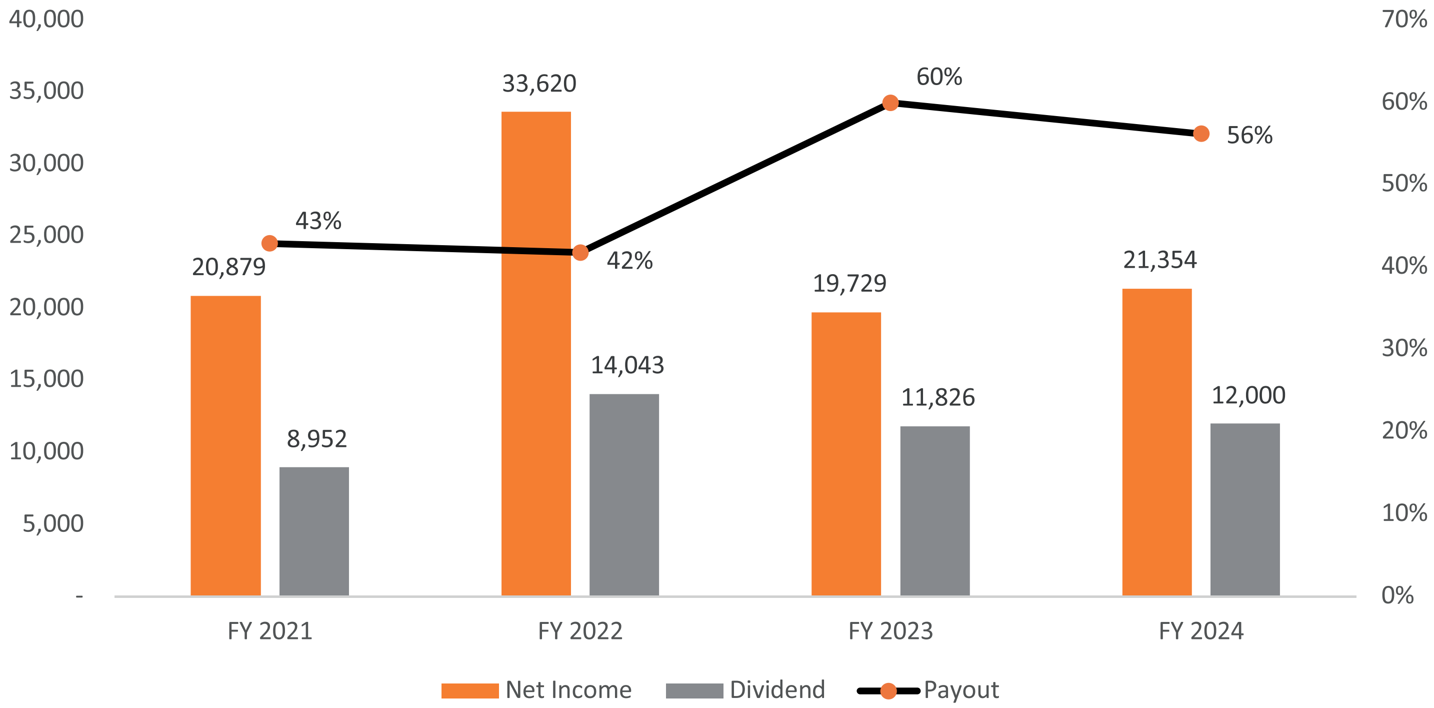
(*) Dividend 2024 subject to AGM Approval

Dividend

In line with our commitment to delivering shareholder value, the Board of Directors recommended a dividend payout of **QAR 0.14 per share**, reflecting a payout ratio of **56%** of net earnings.

- **Total Dividends recommended for distribution:** QAR 12 million. (Subject to AGM approval)
- **Dividend Per Share (DPS)**: QAR 0.14, ensuring steady returns to shareholders
- **Dividend Payout Ratio:** 56%, reflecting a disciplined approach to capital allocation while supporting growth initiatives

Techno Q's consistent dividend distribution reinforces its financial strength and commitment to shareholder returns, supported by strong cash flows and a robust balance sheet.
TQ has maintained stable dividend payments over the years while balancing net income performance and an optimized payout ratio. This strategic approach ensures long-term sustainability and value creation for our shareholders.



Income Statement Summary

The key financial highlights from the FY 2024 income statement are as follows:

Financial Metric	FY 2024 (QAR Million)	FY 2023 (QAR Million)	YoY Change (%)
Total Revenue	211,216	269,352	-22%
Gross Profit	72,670	66,641	9%
Operating Profit (EBIT)	21,611	21,554	0.3%
Net Profit	21,365	19,729	8%
Number of Shares	84,500,000	50,847,927	
Earnings Per Share (EPS)	0.25	0.39*	

(*) The share capital for the year ended 31 December 2023 was 50,847,927 shares, consisting of 5,000,000 ordinary shares and 45,847,927 bonus shares issued.

Balance Sheet Summary

Techno Q's total liability reduced by **29%** YoY, supported by strong cash flows and investment in growth initiatives

Balance Sheet Item	FY 2024 (QAR Million)	FY 2023 (QAR Million)	YoY Change (%)
Total Assets	256,458	303,363	-15%
Total Liabilities	133,941	189,835	-29%
Shareholders' Equity	122,517	113,528	8%

Cash Flow Statement

Techno Q continued to demonstrate healthy cash flow generation in FY 2024, with positive operating cash flows supporting both dividend distributions and future investment plans.
Key highlights for FY 2024:

- **Operating Cash Flow: QAR 27.78 million (YoY change: -44.62% from QAR 50.2 million in FY 2023).**
- **Investing Cash Flow: QAR 0.94 million**, reflecting disciplined capital expenditure and investment recovery.
- **Financing Cash Flow: QAR -25.17 million**, primarily due to dividend payments and debt settlement.

The company's robust cash position, with **QAR 67.95 million** in cash and cash equivalents as of 31 December 2024, ensures continued strategic investments while maintaining strong financial flexibility and operational resilience.

Key Financial Ratios

	Ratio	FY 2024	FY 2023	Change
Balance Sheet	**Liquidity Ratio:**			
	Current Ratio	1.91	1.63	17%
	Quick Ratio	1.82	1.51	21%
	Cash Ratio	0.55	0.36	53%
	Solvency Ratio:			
	Equity Ratio	48%	37%	28%
	Gearing Ratio	-55%	-46%	19%
	Profitability Ratios			
	Return on Average Assets (%)	8%	6%	22%
	Return on Average Equity (%)	18%	18%	3%
	Liquid Ratio			
	Net Worth	122,517,423	113,528,400	8%
	Working Capital	111,482,131	112,571,412	-1%
Income Statement	**Profitability Ratios**			
	Gross Profit Margin	34%	25%	39%
	EBITDA Margin	12%	9%	28%
	Net Profit Margin	10%	7%	38%
Cash Flow	Cash Flow Margin			
	Operating Cash Flow Ratio	23%	28%	-20%
	Cash Flow to Sales Ratio	25%	19%	34%
	Cash Return on Assets (CROA)	11%	17%	-34%

EPS and Share Price Performance

For the fiscal year 2024, the Company reported an Earnings Per Share (EPS) of **QAR 0.25**, compared to **QAR 0.39** in 2023. The decline in EPS is primarily attributed to the increase in the weighted average number of shares increased from **50,847,927 in 2023 to 84,500,000 in 2024.**

Despite the dilution impact on EPS, the Company's share price exhibited stability throughout the year, trading within a range of **QAR 2.77 to QAR 4.20.** As of December 31, 2024, the Company's market capitalization stood at **QAR 253.5 million.**

- **EPS:** QAR 0.25
- **Share Price Range:** QAR 2.77 – QAR 4.20
- **Market Capitalization:** QAR 253.5 million

FY 2024 AUDITED FINANCIAL STATEMENTS

The complete audited financial statements prepared in accordance with IFRS and QFMA guidelines are provided in Appendix A of this report.

Auditor's Report Summary

Our independent auditor, KPMG, has issued an unqualified (clean) opinion on Techno Q's financial statements for FY 2024, confirming compliance with QSE listing rules and IFRS standards.

- **Audit Firm:** KPMG
- **Opinion:** Unqualified (Clean) Opinion

Appendix A

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Consolidated financial statements

31 December 2024

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Consolidated Financial Statements
As at and for the year ended 31 December 2024

Contents	**Page(s)**

KPMG
Zone 25 C Ring Road
Street 230, Building 246
PO Box 4473, Doha
State of Qatar
Telephone: +974 4457 6444
Fax: +974 4436 7411
Website: home.kpmg/qa

Independent auditor's report

To the Shareholders of

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Qatar Electronic Systems Company (Techno Q) Q.P.S.C. (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising 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 at 31 December 2024, 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 (IFRS Accounting Standards).

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 Group 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 Company's 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.

Independent auditor's report (continued)

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Report on the Audit of the Consolidated Financial Statements

Key Audit Matters

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 addressed 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.

Revenue recognition	
See note 21 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
We focused on this area because of the following reasons: • Project revenue for the year ended 31 December 2024 amounts to QR 198,853,145 (2023: QR 253,526,472), which represents 94% (2023: 94%) of the Group's total revenue, hence a material portion of the consolidated statement of profit or loss for the year ended 31 December 2024. • Project revenue is measured using the stage of completion method that involves use of significant judgment and estimates.	Our audit procedures in this area include, among other things: • Assessing the design, implementation and operating effectiveness of the relevant internal controls over revenue recognition from projects. • Inspecting the contracts with customers to understand key terms, such as project scope, duration, payment milestones, and performance obligations to evaluate that revenue is recognised in accordance with the terms of the agreements and the requirements of IFRS 15. • Analysing the original and updated budgets to verify that the cost estimates are reasonable and complete in arriving at the percentage of completion and independently recalculating the stage of completion. • Performing test of details on a sample of costs incurred by inspecting relevant supporting documents such as invoices, timesheets, payroll records etc. • Evaluating the adequacy of the financial statement disclosures, including disclosure of key assumptions and judgements.

Independent auditor's report (continued)

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Report on the Audit of the Consolidated Financial Statements (Continued)

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. Prior to the date of this auditor's report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above 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 on the other information that we have obtained prior to the date of this auditors' report, 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.

Responsibilities of Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS accounting standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report (continued)

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Report on the Audit of the Consolidated Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion

We communicate with Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report (continued)

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Report on the Audit of the Consolidated Financial Statements (Continued)

Report on Other Legal and Regulatory Requirements

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:

i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.

ii) The Company has maintained proper accounting records, and its consolidated financial statements are in agreement therewith.

iii) We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Company.

iv) Furthermore, the physical count of the Company's inventories was carried out in accordance with established principles.

v) We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Company's consolidated financial position or performance as at and for the year ended 31 December 2024.

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Consolidated Statement Of Financial Position
As at 31 December 2024

In Qatari Riyals

	Note	2024	2023
ASSETS			
Property and equipment	5	2,189,656	2,753,744
Right-of-use assets	6	5,945,167	2,078,361
Intangible assets	7	1,652,998	1,315,218
Trade and other receivables	9	12,335,034	6,297,042
Non-current assets		22,122,855	12,444,365
Inventories	8	10,251,619	22,275,611
Trade and other receivables	9	154,423,608	203,880,505
Due from related parties	18(a)	1,707,085	358,328
Cash and cash equivalents	10	67,953,332	64,404,669
Current assets		234,335,644	290,919,113
TOTAL ASSETS		**256,458,499**	303,363,478
EQUITY			
Share capital	11	84,500,000	84,500,000
Legal reserve	13	5,983,367	3,847,973
Retained earnings		32,055,246	25,196,462
Equity attributable to owners of the Company		122,538,613	113,544,435
Non-controlling interest		(21,190)	(16,035)
Total Equity		122,517,423	113,528,400
LIABILITIES			
Borrowings	14	234,071	4,554,855
Lease liabilities	15	4,119,274	174,140
Provision for employees' end of service benefits	16	6,734,218	6,508,774
Non-current liability		11,087,563	11,237,769
Borrowings	14	453,834	7,383,790
Lease liabilities	15	1,840,158	2,021,920
Trade and other payables	17	120,559,521	169,033,628
Due to related parties	18(b)	-	157,971
Current liabilities		122,853,513	178,597,309
Total liabilities		133,941,076	189,835,078
TOTAL EQUITY AND LIABILITIES		**256,458,499**	303,363,478

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Consolidated statement of profit or loss and other comprehensive Income
For the year ended 31 December 2024

In Qatari Riyals

	Note	**2024**	2023
Revenue	21	211,215,669	269,352,123
Cost of sales	22	(138,545,907)	(202,711,525)
Gross profit		**72,669,762**	66,640,598
Other income	23	3,807,440	717,300
General and administrative expenses	24	(44,480,804)	(39,299,471)
Impairment of trade receivables	9	(5,858,940)	-
Selling and distributing expenses	25	(2,670,874)	(5,193,141)
Listing expenses		(1,855,734)	(1,311,082)
Operating profit		21,610,850	21,554,204
Finance cost	26	(245,499)	(1,824,832)
Profit before tax		**21,365,351**	19,729,372
Income tax	27	(11,413)	-
Profit for the year		**21,353,938**	19,729,372
Other comprehensive income		-	-
Total comprehensive income for the year:		**21,353,938**	19,729,372
Total profit or comprehensive income attributable to:			
Owners of the Company		21,353,938	19,731,668
Non-controlling interest		(5,155)	(2,296)
		21,348,783	19,729,372
Earnings per share:			
Basic and diluted earnings per share (QAR)	28	**0.25**	0.39

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Consolidated statement of changes in equity
For the year ended 31 December 2024

In Qatari Riyals

	Share capital	Capital contribution (*)	Legal reserve	Retained earnings	Total	Non-controlling interest	Total
Balance at 1 January 2023	5,000,000	732,151	2,500,000	69,058,959	77,291,110	-	77,291,110
Transfer of capital contribution to capital **	732,151	(732,151)	-	-	-	-	-
Transfer from retained earnings to capital **	45,847,927	-	-	(45,847,927)	-	-	-
Transfer from related parties' "shareholder**	32,919,922	-	-	-	32,919,922	-	32,919,922
	79,500,000	(732,151)	-	(45,847,927)	32,919,922	-	32,919,922
Comprehensive income							
Profit for the year	-	-	-	19,731,668	19,731,668	(2,296)	19,729,372
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	19,731,668	19,731,668	(2,296)	19,729,372
Other movements				(2,355,337)	(2,355,337)	(13,739)	(2,369,076)
Transfer to legal reserve	-	-	1,347,973	(1,347,973)	-	-	-
Transactions with the owners:							
Dividends paid (Note 12)	-	-	-	(14,042,928)	(14,042,928)	-	(14,042,928)
Balance at 31 December 2023	84,500,000	-	3,847,973	25,196,462	113,544,435	(16,035)	113,528,400
Balance at 1 January 2024	84,500,000	-	3,847,973	25,196,462	113,544,435	(16,035)	113,528,400
Comprehensive income							
Profit for the year	-	-	-	21,353,938	21,353,938	(5,155)	21,348,783
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	21,353,938	21,353,938	(5,155)	21,348,783
Transfer to legal reserve	-	-	2,135,394	(2,135,394)	-	-	-
Contribution to Social and Sports Fund (Note 19)	-	-	-	(533,848)	(533,848)	-	(533,848)
Transactions with the owners:							
Dividends paid (Note 12)	-	-	-	(11,825,912)	(11,825,912)	-	(11,825,912)
Balance at 31 December 2024	**84,500,000**	-	**5,983,367**	**32,055,246**	**122,538,613**	**(21,190)**	**122,517,423**

*) Capital contribution represents the amount transferred from shareholders' accounts during 2023.

**) In accordance with the shareholders' decision dated 31 December 2023, the Company's share capital was increased by transferring QAR 33,652,073(QAR 732,151 from the capital contribution account, QAR 32,919,922 from due to related parties - shareholders) and QAR 45,847,927 from retained earnings.

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

Consolidated Statement of Cash Flows
For the year ended 31 December 2024

In Qatari Riyals

	Note	2024	2023
Cash flow from operating activities			
Profit before tax		21,365,351	19,729,372
Adjustments for:			
- Depreciation of property and equipment	5	958,356	852,711
- Depreciation of right-of-use assets	6	1,918,486	1,918,487
- Impairment of trade receivables	9	5,858,940	-
- Gain on disposal of property and equipment		-	(6,875)
- Write off inventory during the year	8	(109,288)	(2,134,727)
- Provision for slow moving inventories	8	200,000	1,593,265
- Provision for employees' end of service benefits	16	1,215,764	3,061,528
- Finance cost	26	245,499	1,824,832
- Profit from Islamic deposits	23	(1,670,071)	(200,389)
-Tax	27	(11,413)	-
		29,971,624	26,638,204
Changes in:			
- Inventories		11,714,704	(5,317,868)
- Trade receivables and other prepayments		37,559,965	(113,294,160)
- Due from related parties		(1,348,757)	14,881,508
- Due to a related party		(157,971)	31,473,327
- Trade and other payables		(48,474,107)	98,550,063
Cash generated from operating activities		**29,265,458**	52,931,074
Employees' end of service benefits paid	16	(990,320)	(825,198)
Finance cost paid		(496,006)	(1,949,138)
Net cash generated from operating activities		**27,779,132**	50,156,738
Cash flow from investing activities			
Acquisition of intangible assets	7	(337,780)	(212,334)
Acquisition of property and equipment	5	(394,268)	(1,130,156)
Acquisition of subsidiary, net of cash acquired		-	(1,114,199)
Proceed from sale of property and equipment		-	86,480
Profit received from Islamic deposits	23	1,670,071	200,389
Net cash used in investing activities		**938,023**	(2,169,820)
Cash flow from financing activities			
Proceeds from interest-bearing loans and borrowings		-	67,948,137
Repayment of interest-bearing loans and borrowings	14	(11,250,740)	(59,431,115)
Payment of principal portion of lease liabilities	15	(2,089,686)	(2,089,686)
Payment of principal portion of finance lease		(2,154)	(2,160)
Dividends paid		(11,825,912)	(14,042,928)
Net cash used in financing activities		**(25,168,492)**	(7,617,752)
Net increase in cash and cash equivalents		**3,548,663**	40,369,166
Cash and cash equivalents at 1 January		64,404,669	24,035,503
Cash and cash equivalents at 31 December	10	**67,953,332**	64,404,669

Non-Cash Transactions:	2024	2023
Capital increase	-	79,500,000
Acquisition of subsidiary	-	(32,919,922)

1. REPORTING ENTITY

Qatar Electronic Systems Company Q.P.S.C (Techno Q) (the "Company"), is a public shareholding company registered in the State of Qatar under commercial registration no. 18116.

The Company's registered office is located at P.O. Box 18860, Doha, State of Qatar.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

The Company was initially incorporated as a limited liability company. On 22 May 2024, the Company's legal status was converted from a limited liability company to a Public Shareholding Company after obtaining the necessary approvals from the shareholders and the regulatory authorities in the State of Qatar. On 6 June 2024, Qatar Financial Markets Authority ("QFMA") approved the listing of the Company's ordinary fully paid-up shares in the Venture Market of Qatar Stock Exchange and the trading of the shares commenced on 26 June 2024.

The Company's principal activities, which remain unchanged from previous year, included providing systems integrator specializing in Audiovisual, extra low voltage, broadcast infrastructure, IT business solutions, lighting systems and hospitality solutions.

The parent company of the Group is Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

The shareholding of the subsidiaries as at the current and comparative reporting dates were held as follows

Subsidiary Name	**Country of incorporation**	**31 December 2024**	31 December 2023
Techno Q Security Systems W.L.L*	State of Qatar	100%	100%
Quality for Integrated Systems L.L.C.	Oman	98%	98%
International Modern Dev. Contracting Co. L.L.C	Saudi Arabia	100%	100%

*Techno Q Security Systems W.L.L was acquired under attested purchase contract dated May 14, 2023.The parent company's control over the subsidiary began on January 1, 2023.

These consolidated financial statements were approved and authorised for issuance by the board of directors on 25 March 2025.

2. Basis of preparation

a) Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention.

c) Functional and presentation currency

These consolidated financial statements are presented using the currency of the primary economic environment in which the Company operates (the "functional currency"). The Company has the Qatari Riyal ("QAR") as its functional currency.

2. Basis of preparation (continued)

d) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards requires that management make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future.

Information about critical judgments in applying accounting policies, assumptions and estimation uncertainties that have the most significant effect on the amount recognized in the consolidated financial statements are described as follows:

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

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

Valuation of lease liabilities and right-of-use assets

Extension and termination options are included in several leases across various classes of right-of-use asset. These terms are used to maximise operational flexibility in terms of managing contracts. In cases where lease contracts have indefinite term or are subject to auto renewal, lease term is determined considering the business case and reasonably certain renewal of lease. The present value of the lease payments is determined using the discount rate representing the incremental borrowing rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-to-use asset in a similar economic environment. Estimates and judgements are involved in determination of incremental borrowing rate.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. The determination of what can be considered impaired requires judgement. As at the reporting date, management did not identify any evidence from internal reporting indicating impairment of an asset or class of assets and there were no significant adverse changes in the market that could have an adverse effect on its assets. If such indication exists, then management performs an impairment test. The determination of recoverable amounts require management to make significant judgments, estimations and assumptions.

Provision for expected credit losses

The "expected credit loss" (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of financial assets measured at amortised cost (trade and other receivables, due from related parties, and cash balances). Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The magnitude of the loss in case there is a default is also an estimate of the loss arising on default; it is based on the difference between the contractual cash flows due and those that the Group would expect to receive.

2. Basis of preparation (continued)

e) Newly effective amendments and improvements to standards

This table lists the recent changes to the IFRS accounting Standards that are required to be applied by an entity with an annual reporting period beginning on 1 January 2024.

Effective date	New accounting standards or amendments
1 January 2024	• Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases.
	• Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements.
	• Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements.

The adoption of above amendments had no material impact on the Group's consolidated financial statements

f) IFRS requirements not yet effective, but available for early adoption

The table lists the recent changes to the IFRS accounting standards that are required to be applied for annual period beginning after 1 January 2024 and that are available for early adoption in annual periods beginning on 1 January 2024

Effective date	New accounting standards or amendments
1 January 2025	• Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates
1 January 2026	• Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. • Annual Improvements to IFRS Accounting Standards.
1 January 2027	• IFRS 18 Presentation and Disclosure in Financial Statements • IFRS 19 Subsidiaries without Public Accountability: Disclosures
To be confirmed	• Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures ***

*** The effective date for these amendments was deferred indefinitely. Early adoption continues to be permitted.

Management does not expect that the adoption of the above new and amended standards will have a material impact on the Group's consolidated financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following summary of material accounting policies have been consistently applied in the preparation of these consolidated financial statements, except if mentioned otherwise

a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interests ("NCI")

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) Contract assets / liabilities

A contract in progress at the end of the reporting period is recorded at the net amount of (i) costs incurred to the reporting date; plus or minus (ii) recognised profit less recognised losses to the reporting date; minus (iii) progress billings to the reporting date.

The contracts in progress are presented in the statement of financial position as "Contract assets" or "Contract liabilities", if the net amount calculated is positive or negative respectively.

Progress billings not yet paid by the customers are included within trade receivables under "Trade and other receivables". Invoice value retained by the customers in line with the contract terms are shown as "Retentions receivable from customers" in the statement of financial position. as current or non-current depending upon prospective collections. Amounts received on commencement of contracts based on related contract provisions are treated as contract liabilities and presented as "Advances received from customers.

Accrued revenue on contracts represents revenue that has been earned for work performed or services rendered but has not yet been invoiced, in line with the terms of the contract.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of revenue	Nature, timing of satisfaction of performance obligations, significant payment terms	Revenue recognition policies
Rendering of Services- Project revenue	Customer consumes the benefits as and when services are rendered by the Group. Invoices are usually issued upon completion of the job or as agreed in the specific contract.	Revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue is assessed based on the input method. The related costs are recognised in consolidated statement of income when they are incurred.
Revenue from sale of goods	Revenue is recognized at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Invoices are generated, and revenue is recognised at that point in time. Some contracts permit the customer to return an item. Return goods are exchanged only for new goods, i.e., no cash refunds are offered.	Revenue from sale of goods (i.e., retail sales) is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is recognized when the goods are delivered and have been accepted by the customers. Revenue is measured at the fair value of the consideration received.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

d) Expense recognition

An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statement of financial position as an asset, such as in the case of asset impairments.

e) Earnings per share

Earnings per share (EPS) is calculated by dividing the income attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

f) Finance costs

Finance costs comprise interest on borrowings. Borrowing costs are generally expensed in profit or loss using the effective interest method.

g) Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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 recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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 recognised in profit or loss.

Estimated useful lives of property and equipment are as follows:

Furniture and fixtures	5 Years
Motor vehicles	5 Years
Office equipment	5 Years
Leasehold improvements	3-5 Years

Depreciation method, residual value and useful lives of the equipment are reviewed at each reporting date and adjusted if appropriate.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

h) Inventories

Inventories are valued at the lower of cost or net realisable value after writing down of any slow-moving items. The cost of inventories is computed on a weighted average cost basis. Cost includes expenses incurred to bring the inventories to their present location and condition.

Goods in transit are recognized as part of inventory when the risks and rewards of ownership have transferred to the company. Costs associated with goods in transit, including freight, insurance, and duties, are included in the inventory cost.

Net realisable value is the estimated selling price in the ordinary course of the business less the estimated cost necessary to make the sale. Write down for slow moving inventories is determined by the management on the basis of ageing and after considering the expiry dates of the items.

i) Foreign currencies

Transactions in foreign currencies are translated into Qatari Riyal at the exchange rate prevailing at the date of the transaction. Monetary assets and monetary liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate prevailing at that date. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not retranslated.

J) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, current and call account balance with bank which has a maturity of less than three months.

k) Employees' end of service benefits

Defined benefit plan

The Group provides end of service benefits to its employees. The entitlement to these benefits is usually based upon the employees' length of service and the completion of a minimum service period. It is calculated in accordance with Qatari Labour Law and paid upon resignation or termination.

The expected costs of these are accrued over the period of employment. Management has estimated that the expected post-employment benefit obligation as at 31 December 2024 based on the requirements of IAS 19 "Employee Benefits is not significantly different from the amount charged by the Group. The provision is reassessed by management at the end of each year, and any change in the provision for the employees' end of service benefits is recognized in profit or loss

l) Financial instruments

i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

l) Financial instruments (continued)

ii)Classification and subsequent measurement

Financial assets

On initial recognition, financial assets are classified as measured at: amortised cost as they are held with the objective to collect contractual flows that meets SPPI test. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets – Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

l) Financial instruments (continued)

ii)Classification and subsequent measurement (continued)

Financial assets (continued)

Financial assets at amortised cost	are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial 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 in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting

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 legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

m) Impairment

Non-derivative financial assets

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

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.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 365 days past due. The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

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.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

m) Impairment (continued)

Non-derivative financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the Counterparty.
- a breach of contract such as a default or being more than 365 days past due;

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

n) Income tax

Taxes are calculated based on tax laws and regulations in jurisdictions in which the Group operates. The amount of the tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. Deferred tax assets are recognised for deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent it is probable that taxable profit will be available to utilise these. Deferred tax liabilities are recognised for taxable temporary differences. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

o) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group 's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

o) Leases (continued)

As a lessee (continued)

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group 's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Right-of-use assets that meet the definition of investment property are presented within investment property.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

p) Intangible asset

Enterprise Resource Planning Software expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, Software expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

a) Financial risk management

i. Risk management framework

The Group's management has overall responsibility for the establishment and oversight of the Group's risk management framework and has the responsibility for developing and monitoring the Group's risk management policies.

ii. 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 and arises principally from the Group's receivables from customers, bank balances and others.

The Group seeks to limit its credit risk with respect to banks by only dealing with reputable banks and with respect to customers by setting credit limits and monitoring outstanding receivables

The maximum exposure to credit risk at the reporting date was:

	Note	**2024**	2023
Trade receivables	9	92,087,224	94,149,557
Due from related parties	18(a)	1,707,085	358,328
Bank balances	10	67,924,540	64,375,877
Retention receivables	9	13,704,336	11,214,322
Contract asset	9	25,653,901	17,488,891
Accrued revenue	9	22,549,326	60,535,393
Notes receivable	9	5,236,025	12,642,929
		228,862,437	260,765,297

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk. The Group's revenue is attributable to customers originating from within Qatar. There is no concentration on credit risk attributable to a single customer.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

ii. Credit risk (continued)

Trade receivables (Continued)
As at 31 December, the aging of trade receivables that were not impaired and the following table provides information about the exposure to credit risk and ECLs for trade receivables from customers as at 31 December 2024.

31 December 2024	**Weighted average loss rate**	**Gross carrying amount**	**Loss allowance**	**Credit impaired**
Trade Receivables:				
Neither past due	0%	51,334,404	-	No
30 – 60 days past due	11.48%	16,113,767	1,849,057	No
61 – 90 days past due	32.57%	306,856	99,943	No
From 91days and more than 365 days past due	60 %	24,332,197	14,599,317	No
Total		**92,087,224**	**16,548,317**	

31 December 2023	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Trade Receivables:				
Neither past due	0%	63,945,817	-	No
30 – 60 days past due	9.09%	8,989,997	817,485	No
61 – 90 days past due	26.06%	1,534,756	399,925	No
From 91days and more than 365 days past due	31.17%	13,306,190	4,146,968	No
Specific	100%	6,372,797	6,372,797	Yes
Total		94,149,557	11,737,175	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Forward looking factors are based on the actual and forecast macro-economic factors (primarily GDP) and is continued to be positive.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

iii. Credit risk (continued)

Due from related parties

Management believes that, apart from in relation to those balances specifically provided for, there is limited credit risk from the receivable from related parties, because these counterparties are under the control and significant influence of the parent company, who is financially healthy.

Retention receivables

Retention receivables represent amounts contractually withheld by customers until project completion. These receivables are measured at amortized cost and assessed for impairment. Where the retention period exceeds 12 months, the receivable is discounted to reflect the time value of money, unless the effect is immaterial.

Bank balance

The Group held cash and cash equivalents of QR 67,924,540 at 31 December 2024 (2023: QR 64,375,877). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA3 to A3, based on accreditation rating agency.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

iii. 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. Management ensures, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group maintains adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following are the contractual maturities of financial liabilities at the reporting date. The amount are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreement, if any:

31 December 2024	**Carrying Amounts**	**Contractual cash flows**	**Less than 1 year**	**Above 1 year**
Non-derivative financial liabilities				
Borrowings	687,905	(687,905)	(453,834)	(234,071)
Trade and other payables	76,062,241	(76,062,241)	(76,062,241)	-
Lease liabilities	5,959,432	(8,532,884)	(4,179,372)	(4,353,512)
	82,709,578	**(85,283,030)**	**(80,695,447)**	**(4,587,583)**

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

iii. Liquidity risk (continued)

31 December 2023	Carrying Amounts	Contractual cash flows	Less than 1 year	Above 1 year
Non-derivative financial liabilities				
Borrowings	11,938,645	(13,135,710)	(7,785,518)	(5,350,191)
Trade and other payables	88,251,711	(88,251,711)	(88,251,711)	-
Lease liabilities	2,196,060	(2,263,827)	(2,089,686)	(174,140)
Due to related parties	157,971	(157,971)	(157,971)	-
	102,544,387	(103,809,219)	(98,284,886)	(5,524,331)

iv. 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 management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency. As the US Dollar is pegged with the Qatari Riyal, the Group is not exposed to currency risk when it transacts in this currency. Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

The Group 's exposure to foreign currency risk is mainly in EURO and GBP. The table below indicates the Group 's foreign currency exposure at 31 December, as a result of its monetary liabilities. The analysis calculates the effect of a reasonably possible increases of the QAR currency rate against the EURO and GBP with all other variables held constant, on the statement of comprehensive income (due to the fair value of currency sensitive monetary liabilities).

	Increase in currency rates against QAR	Effect on Profit QAR
2024 Balances in Euro and GBP	**+10%**	**(17,031)**
2023 Balances in Euro and GBP	+10%	(30,219)

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

Interest rate risk

The Group has interest rate risk arising from interest bearing assets in the nature of bank deposits. Management monitors the interest rate fluctuations on a continuous basis and acts accordingly. The Group's financial liability that is subject to interest rate risk is as follows:

	2024	2023
Floating interest rate instruments		
Financial Liabilities	**687,905**	11,938,645

The following table demonstrates the sensitivity of the separate statement of comprehensive income to reasonably possible changes in interest rates by 25 basis points, with all other variables held constant. The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates for one year, based on the floating rate financial assets and financial liabilities held at 31 December 2024. The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown.

	Changes in Basis Points	Effect on Profits /Equity
2024	**+25**	**17,198**
2023	+25	298,466

b) Capital management

The management policy is to maintain a strong capital base so as to maintain the shareholders, creditors and market confidence and to sustain future development of the business. The management monitors the return on capital, which the Group defines as profit for the year divided by total equity. There were no changes in the Group's approach to capital management during the year. The Group is not subject to any externally imposed capital requirements.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes as of and during the years ended 31 December 2024 and 31 December 2023. Capital comprises share capital, retained earnings and legal reserve, and is measured at QR 122,517,423 (2023: QR 113,528,400).

5. PROPERTY AND EQUIPMENT

	Furniture and fixtures	Motor vehicle*	Office Equipment	Leasehold Improvements	Total
Cost					
Balance at 1 January 2023	5,079,852	2,364,650	6,384,812	4,626,667	18,455,981
Additions	38,183	947,059	144,914	-	1,130,156
Additions from acquiring subsidiary company	-	350,000	40,490	-	390,490
Disposals	-	(464,845)	-	-	(464,845)
Balance at 31 December 2023	5,118,035	3,196,864	6,570,216	4,626,667	19,511,782
Balance at 1 January 2024	5,118,035	3,196,864	6,570,216	4,626,667	19,511,782
Additions	56,268	115,900	175,934	46,166	394,268
Balance at 31 December 2024	**5,174,303**	**3,312,764**	**6,746,150**	**4,672,833**	**19,906,050**
Accumulated depreciation					
Balance as at 1 January 2023	5,018,662	927,442	5,662,926	4,318,947	15,927,977
Depreciation	23,776	502,336	238,168	88,431	852,711
Depreciation from acquiring subsidiary company	-	350,000	12,590	-	362,590
Disposals	-	(385,240)	-	-	(385,240)
Balance at 31 December 2023	5,042,438	1,394,538	5,913,684	4,407,378	16,758,038
Balance as at 1 January 2024	5,042,438	1,394,538	5,913,684	4,407,378	16,758,038
Depreciation	28,610	610,333	228,373	91,040	958,356
Balance at 31 December 2024	**5,071,048**	**2,004,871**	**6,142,057**	**4,498,418**	**17,716,394**
Carrying amounts					
At 31 December 2024	**103,255**	**1,307,893**	**604,093**	**174,415**	**2,189,656**
At 31 December 2023	75,597	1,802,326	656,532	219,289	2,753,744

* The balance of motor vehicles, totalling QAR 687,905 (2023: QAR 1,589,584) is mortgaged with a local bank.

6.Right-Of-Use Assets

The following amounts are included in the right-of-use assets in the statement of financial position and general and administrative expenses in the statement of comprehensive income:

	2024	2023
Cost		
As at 1 January	5,435,713	2,717,857
Additions / Acquisition of subsidiary	5,785,292	2,717,856
At 31 December	**11,221,005**	5,435,713
Accumulated depreciation		
At 1 January	3,357,352	719,432
Depreciation from Acquisition of subsidiary	-	719,433
Depreciation	1,918,486	1,918,487
At 31 December	**5,275,838**	3,357,352
Carrying amounts	**5,945,167**	2,078,361

7.INTANGIBLE ASSETS

Intangible assets as at 31 December 2024, represents an enterprise resource planning Software that is currently under customisation amounting to QR 1,652,998 (2023: QR 1,315,218).

8.INVENTORIES

	2024	2023
Finished goods	14,523,603	24,216,058
Good in transit	66,263	2,307,088
Less: Provision for slow moving inventories	(4,338,247)	(4,247,535)
	10,251,619	22,275,611

The Movement in the provision for slow moving inventories is as follows:

	2024	2023
At 1 January	4,247,535	1,771,052
Acquisition of a subsidiary company (*)	-	3,017,945
Provision during the year	200,000	1,593,265
Write off during the year	(109,288)	(2,134,727)
At 31 December	**4,338,247**	4,247,535

(*) Techno Q Security Systems W.L. L was acquired under attested purchase contract dated May 14, 2023.The parent company's control over the subsidiary began on January 1, 2023.

9. TRADE AND OTHER RECEIVABLES

	2024	2023
Trade receivables *	97,323,249	106,792,486
Retention receivables	1,369,302	4,917,280
Accrued revenue	22,549,326	60,535,393
Contract assets (1)	25,653,901	17,488,891
Advances to suppliers	23,142,779	23,927,604
Prepayments	128,545	345,555
Other receivables	804,824	1,610,471
Less: Allowance for expected credit losses	(16,548,318)	(11,737,175)
	154,423,608	203,880,505

* Trade receivables included notes receivables QR 5,236,025 (2023: QAR12,642,929).

At 31 December 2024, accounts receivable amounting to QR 16,548,318 (2023: QR 11,737,175) were impaired.

The movement in the allowance for expected credit losses of trade accounts receivable is as follows:

	2024	2023
At 1 January	11,737,175	9,487,061
Acquisition of a subsidiary	-	3,101,867
Provided during the year	5,858,940	-
Write off	(1,047,797)	(851,753)
At 31 December	**16,548,318**	11,737,175

Retention receivables presented in the consolidated statement of financial position as follows:

	2024	2023
Current Portion	1,369,302	4,917,280
Non-Current Portion	12,335,034	6,297,042
	13,704,336	11,214,322

(1) As at 31 December 2024, contract assets amounted to QR 25,653,901 (2023: QR 17,488,891). The movement is as follows:

	2024	2023
Value of the work done at cost plus attributable profits	216,563,578	313,375,253
Less : Progress Billings	(190,909,677)	(295,886,362)
At 31 December	**25,653,901**	17,488,891

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flows compromise the following balances:

	2024	2023
Cash on hand	28,792	28,792
Current accounts	22,924,540	45,615,877
Islamic deposits*	45,000,000	18,760,000
	67,953,332	64,404,669

* These Islamic deposits are held with local banks with original maturity ranging less than three months.

11 SHARE CAPITAL

	2024	2023
Authorized and fully Paid-up Capital (84,500,000 shares@ QR 1 each)	**84,500,000**	84,500,000

All shares are of same class and carry equal voting rights.

12 DIVIDENDS

The Board of Directors has proposed a cash dividend QR 12,000,000 for the year ended 31 December 2024 (2023: cash dividend QR 11,825,912 was approved and paid). The proposed dividends are subject to the approval of the General Assembly Meeting.

13 LEGAL RESERVES

In accordance with Qatar Commercial Companies Law No.11 of 2015 and the Company's Articles of Association, 10% of the net profit for each year and premium on share issuance by the Company is to be transferred to legal reserve until the reserve equals 50% of the paid-up share capital and is not available for distribution except in circumstances specified in the above Law.

14 BORROWINGS

	2024	2023
Short term loans	453,834	7,383,790
Long term loans	234,071	4,554,855
	687,905	11,938,645

- Loans are denominated in Qatari Riyals.
- Short term loans include short term facilities obtained from local banks for the purpose of financing import purchases. These loans are repayable in 180 days to 362 days and carry interests at commercial rates. These loans have been secured against previous founding shareholders personal guarantees.

14 BORROWINGS (CONTUNUED)

The movement for loans were as follows:

	2024	2023
At 1 January	11,938,645	26,692,047
Additional loans obtained	-	44,677,713
Paid during the year	(11,250,740)	(59,431,115)
	687,905	11,938,645

15 LEASE LIABILITIES

	2024	2023
Finance Lease obligation	-	2,154
Lease liability pertaining to right-of-use asset	5,959,432	2,193,906
Total Lease Liabilities	**5,959,432**	2,196,060

Set out below movement of the lease liability pertaining to right-of-use assets:

	2024	2023
At 1 January	2,193,906	2,045,049
Addition / Acquisition of subsidiary company	5,785,292	2,045,049
Interest on lease liabilities	69,920	193,494
Payments during the year	(2,089,686)	(2,089,686)
At 31 December	**5,959,432**	2,193,906

Presented in the consolidated statement of financial position as follows:

	2024	2023
Current Portion	1,840,158	2,021,920
Non-Current Portion	4,119,274	174,140
	5,959,432	2,196,060

The following are the amounts recognised in the consolidated statement of comprehensive income.

	2024	2023
Depreciation on right-of-use assets (note 6)	1,918,486	1,918,487
Lease interest	69,920	193,494
	1,988,406	2,111,981

16 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

Movement in the provision recognised in the consolidated statement of financial position is as follows:

	2024	2023
At 1 January	6,508,774	4,272,444
Acquisition of subsidiary company	-	2,072,741
Provided during the year	1,215,764	988,787
Payments made during the year	(990,320)	(825,198)
At 31 December	**6,734,218**	6,508,774

17 TRADE AND OTHER PAYABLES

	2024	2023
Trade payables	21,006,089	38,405,995
Advances from customers	25,630,267	49,488,010
Contract liabilities *	34,421,605	30,448,197
Retention payable	2,859,681	1,622,653
Accruals and other payables	18,333,165	31,293,907
Contribution to social and sports fund (Note 19)	533,848	-
Other provisions	17,774,866	17,774,866
	120,559,521	169,033,628

* As at 31 December 2024, contract liabilities movement is as follows:

	2024	2023
Progress billings	412,880,357	333,131,898
Less: Contract costs incurred to date	(378,458,752)	(302,683,701)
At 31 December	**34,421,605**	30,448,197

18 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard (IAS) No. 24 Related Party Disclosures. Related parties comprise companies under common ownership and/or common management and control, key management personnel, entities in which the shareholders have controlling interest affiliates, and other related parties.

Transactions with related parties

Name	**Nature of transactions**	**2024**	2023
Other related party	**Payment**	**3,371,225**	3,485,513
Shareholder	**Payment and distributions**	**10,938,509**	17,002,682
	Acquisition of a subsidiary	**-**	32,919,922

(a) Due from related parties

Name of Party	**2024**	2023
Choices Trading - Other related party	**1,707,085**	358,328

(b) Due to related parties

Name of Party	**2024**	2023
Al Jaidah brothers – Shareholder	**-**	157,971

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2024	2023
Long -term benefits	-	-
Short-term benefits	9,528,859	2,763,000
	9,528,859	2,763,000

19 Contribution To Social And Sports Fund

In accordance with Law No. 13 of 2008, as amended by Law No. 8 of 2011 and related clarifications issued in January 2010, the Group is required to contribute 2.5% of its annual net consolidated profit to the Social and Sports Fund (S.S.F).

During the year, the Group appropriated an amount of QR 533,848 (2023: QR Nil) to the S.S.F representing 2.5% of the consolidated profit for the year attributable to equity holders of the parent.

20 COMMITMENTS

Future minimum lease payments:

The future expenditure commitments in respect of operating lease rentals are as follows:

	2024	2023
Payable within one year	**749,006**	335,000

21 REVENUE

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2024	2023
Type of goods or services:		
Project revenue	198,853,145	253,526,472
Showroom and retail sales	12,362,524	15,825,651
	211,215,669	269,352,123

	2024	2023
Timing of revenue recognition:		
Goods and services transferred over time	198,853,145	253,526,472
Goods transferred at a point in time	12,362,524	15,825,651
	211,215,669	269,352,123

	2024	2023
Geography revenue:		
Qatar	208,609,056	269,352,123
Oman	-	-
Saudia Arabia	2,606,613	-
	211,215,669	269,352,123

22 COST OF SALES

	2024	2023
Materials	80,748,376	136,328,813
Subcontract cost and provisions	29,527,256	41,731,793
Staff cost	23,528,731	22,686,176
Other direct cost	4,741,544	1,964,743
	138,545,907	202,711,525

23 OTHER INCOME

	2024	2023
Profit on sale of property and equipment	-	6,875
Profit from Islamic deposit	1,670,071	200,389
Miscellaneous income	2,137,369	510,036
	3,807,440	717,300

24 GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Salaries and related costs	23,097,289	22,335,550
Management remuneration	9,528,859	3,898,120
Board remuneration	150,000	-
Depreciation of property and equipment (Note 5)	958,356	852,711
Depreciation of right-of-use assets (Note 6)	1,918,486	1,918,486
Legal and professional fees	1,333,967	1,325,761
Rent	1,440,347	1,589,595
Electricity and fuel	574,640	618,432
Travelling expenses	195,680	161,364
Repairs and maintenance	487,787	373,518
Immigration expenses	1,032,990	864,632
Communication costs	749,848	725,784
Training costs	541,938	364,009
Printing and stationery	504,163	499,139
Insurance	177,382	387,386
Provision for slow moving inventories (Note 8)	200,000	1,593,265
Bank Charges	108,262	739,079
Miscellaneous expenses	1,480,810	1,052,640
	44,480,804	39,299,471

25 SELLING AND DISTRIBUTING EXPENSES

	2024	2023
Sales commission	1,325,889	4,565,037
Advertising costs	810,944	253,131
Sales promotion expenses	534,041	374,973
	2,670,874	5,193,141

26 FINANCE COST

	2024	2023
Forex gain / (loss)	24,195	(103,229)
Interest expenses	221,304	1,928,061
	245,499	1,824,832

27. INCOME TAX

Amounts recognized in the consolidated comprehensive income:

	2024	2023
Current tax expense		
Corporate income tax	11,413	-
Deferred tax expense (income)		
Origination and reversal of temporary differences	-	-
Recognition of previously unrecognized tax losses	-	-
	-	-
Total income tax expense	**11,413**	-

28. BASIC AND DILUTED EARNINGS PER SHARE

The earnings per share amounts are calculated by dividing the profit for the period attributable to Owners of the Company by weighted average number of ordinary shares outstanding during the period.

The basic and diluted earnings per share are the same as there were no dilutive effects on earnings.

	2024	2023(Restated*)
Profit for the year attributable to Owners of the Company	21,353,938	19,729,372
Weighted average number of shares outstanding during the year	84,500,000	50,847,927
Basic and diluted earnings per share	**0.25**	0.39

*The share capital for the year ended 31 December 2023 was 50,847,927 shares, consisting of 5,000,000 ordinary shares and 45,847,927 bonus shares issued.

29. SEGMENT REPORTING

BUSINESS SEGMENTS

The Company has three significant business which is engaged in the design, supply and installation of audio-visual displays, security, hospitality, IT infrastructure, lighting services, fire security system and control systems.

Year Ended 31 December 2024:

Description	**AV-ELV**	**Business solutions**	**Others**	**Total**
Revenue	143,465,911	23,990,206	47,566,992	215,023,109
Cost and expenses	(131,183,408)	(18,067,544)	(44,406,806)	(193,657,758)
Net profit	**12,282,503**	**5,922,662**	**3,160,186**	**21,365,351**

Year Ended 31 December 2023:

Description	**AV-ELV**	**Business solutions**	**Others**	**Total**
Revenue	180,207,242	25,486,897	64,375,284	270,069,423
Cost and expenses	(172,627,389)	(19,311,857)	(58,400,805)	(250,340,051)
Net profit	7,579,853	6,175,040	5,974,479	19,729,372

29. SEGMENT REPORTING (CONTINUED)

GEOGRAPICAL SEGMENTS

The Company operates in the State of Qatar, the Saudi Arabia, and Oman. The Company's operations in the Saudi Arabia and Oman are not significant.

30. CONTINGENCIES

At 31 December 2024, the Group had contingent liabilities amounting to QR 86,657,532 (2023: QR 103,915,123) in respect of bank guarantees and letters of credit arising in the ordinary course of business.

31. FAIR VALUE MEASUREMENT

The Company's financial assets (trade receivables, retention receivables, due from related parties and cash at bank) and financial liabilities (lease liabilities, due to related parties, financing credit facilities, and trade and other payables) are measured at amortised cost, Management believes that the carrying values of these financial assets and financial liabilities as at the reporting date are a reasonable approximation of their fair values.

32. COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year consolidated financial statement to enhance comparability with the current year's financial statement. As a result, certain line items have been amended in the consolidated statement of comprehensive income and the related notes. Such reclassifications do not affect the previously reported profit, gross assets, or equity.

Below table shows the reclassifications made during the year:

	Balance before reclassification	Reclassification	Balance after reclassification
Assets:			
Non-Current:			
Trade and other receivables	-	6,297,042	6,297,042
Current:			
Trade and other receivables	210,177,547	(6,297,042)	203,880,505
	210,177,547	**-**	**210,177,547**
Profit or loss:			
Cost of sales	(201,569,997)	(1,141,528)	(202,711,525)
General and administrative expenses	(38,560,393)	(739,078)	(39,299,471)
Finance cost	(3,705,438)	1,880,606	(1,824,832)
	(243,835,828)	**-**	**(243,835,828)**

www.technoq.com

Techno Q
Your Dedicated Partner