This Listing Prospectus is dated 6 June 2024

and was approved by the Qatar Financial Markets Authority on 06 June 2024

Listing Prospectus

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

a Qatari Public Shareholding Company

incorporated on March 6, 1996 and holding commercial registration number 18116

Listing of 84,500,000 ordinary fully paid-up shares in Qatar Electronic Systems Company (Techno Q) Q.P.S.C. on the Venture Market of the Qatar Stock Exchange

For a listing price of QAR 2.9

The listing price includes the nominal value of QAR 1 per share and a premium of QAR 1.9 per share

The listing constitutes 100% of the authorised and issued share capital of Qatar Electronic Systems Company (Techno Q) Q.P.S.C.

The principal types of investors targeted by this Listing Prospectus include all investors, Qatari and non-Qatari, eligible to purchase shares in accordance with the applicable rules of the Qatar Stock Exchange, Qatar Financial Markets Authority and applicable law

The estimated first date of trading is expected within the month of June 2024,

subject to the terms and conditions set out in this Listing Prospectus, the Qatar Financial Markets Authority and other provisions of applicable law

Listing Advisor
Consulting Haus LLC

Qatar Legal Advisor
Sharq Law Firm

International Legal Advisor
Eversheds Sutherland (International) L.L.P.

Financial Evaluator
Deloitte & Touche – Qatar Branch

External Auditor
KPMG

IMPORTANT DISCLAIMERS

This Listing Prospectus has been prepared in accordance with the requirements of the QFMA and shall be valid for a period of six months from the date of QFMA's approval of this Listing Prospectus (as specified on the cover page hereof). The potential Investor shall be aware of the risks that may result from investment in such companies and shall take his investment decision after consulting an independent legal or financial expert.

This is an English translation of the Arabic Listing Prospectus. However, this translation is unofficial and has not been approved by the QFMA and is considered only a draft that is provided as guidance for non-Arabic speakers.

Qatar Financial Markets Authority Disclaimer

The QFMA shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Listing Prospectus, and the QFMA explicitly disclaims any liability whatsoever for any loss which could be incurred by any person taking decisions upon reliance on the whole or part of details or information of this Listing Prospectus.

The QFMA also shall bear no liability towards any party in relation to the Company's evaluation analysis including the estimated values or assumptions that the Financial Evaluator had based their estimates on, as well as any results reached based on those estimates and assumptions. The QFMA do not make any ratifications as to the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the analysis results and the offering value. The QFMA's role is limited to ensuring the implementation of the Rules for External Auditors and Financial Evaluators issued by the QFMA's Board of Directors.

Ministry of Commerce and Industry Disclaimer

The MOCI, as the regulator of commercial companies in the State of Qatar, shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Listing Prospectus, and the MOCI explicitly disclaims any liability whatsoever for any loss which could be incurred by any person taking decisions upon reliance upon the whole or part of details or information of this Listing Prospectus.

The MOCI, as the regulator of commercial companies in the State of Qatar, shall bear no liability towards any of the parties in relation to the Company's evaluation analysis, including the estimated values or assumptions on which the Financial Evaluator based their estimates on, as well as any results reached based on these estimates and assumptions. The MOCI will not provide any ratifications regarding the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the analysis results and the offering value. The MOCI's role is limited to ensuring the implementation of the provisions of the Commercial Companies Law No. 11 of 2015.

Qatar Stock Exchange Disclaimer

The QSE shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Listing Prospectus, and the QSE explicitly disclaims any liability whatsoever for any loss which could be incurred by any person taking decisions upon reliance on the whole or part of details or information of this Listing Prospectus.

The QSE shall bear no liability towards any party regarding the Company's evaluation analysis, including the estimated values or assumptions that the Financial Evaluators had based their estimates on, as well as any results reached based on those estimates and assumptions. The QSE will not provide any ratifications related to the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the analysis results and the offering value. The QSE's role is limited to ensuring that the transactions conducted on the Company's shares are completed pursuant to the QSE Rulebook.

The QSEVM is a market for small and growing companies in Qatar. The potential Investor shall be aware of the risks that may result from investment in such companies and shall take his investment decision after consulting an independent legal or financial expert.

Listing Advisor's Declaration

The Listing Advisor confirms, to the best of its knowledge based on the information provided by the Founders, the appointed members of the Board of Directors and the Senior Executive Management and after conducting a due diligence screening, that the information disclosed in this Listing Prospectus at the date of this Listing Prospectus is correct and complete and does not include misleading or incomplete information.

Declaration of Responsibility

We, the Founders, the members of the Board of Directors and the Senior Executive Management of Qatar Electronic Systems Company (Techno Q) Q.P.S.C., whose names and signatures are mentioned below, hereby jointly and severally assume full responsibility for the information and details mentioned herein, and we hereby declare that we have taken reasonable care to ensure that the information and details included in this Listing Prospectus are correct, clear, similar to the facts and contains no omission of any information that would make the information less significant, comprehensive and sufficient.

Founders

Name	**Signature**
Al Jaidah Brothers Co WLL	
Abdulla Mohdshafeea M H Al-Ansari	
Zeyad Mohamed I Al- Jaidah	
Mohamed Ibrahim M I Jaidah	
A. Latif Mohd I Jaidah	
Salah Mohd I Al-Jaidah	
Tariq Mohd I Aljaidah	

Board of Directors			
Name	**Position**	**Date of Appointment**	**Signature**
A. Latif Mohd I Jaidah	Chairman	20 May 2024	
Tariq Mohd I Aljaidah	Vice Chairman	20 May 2024	
Salah Mohd I Al-Jaidah	Board Member	20 May 2024	
Abdulla Mohdshafeea M H Al-Ansari	Board Member	20 May 2024	
Zeyad Mohamed I Al- Jaidah	Board Member	20 May 2024	
Ahmad Abdulla A Al-Abdulla	Board Member	20 May 2024	
Nasser Hassen F H Al-Ansari	Board Member	20 May 2024	
Hesham Ismaeel A M Abdulrahman	Board Member	20 May 2024	

Senior Executive Management			
Name	**Position**	**Date of Appointment**	**Signature**
Abdulla Mohdshafeea M H Al-Ansari	Chief Executive Officer	March 1996	
Zeyad Mohamed I Al- Jaidah	Managing Director	March 1996	
Elie Antonios Yaacoub	Chief Financial Officer	May 2023	
Mohamad Sadaka	Chief Legal and Compliance Officer	June 2010	
Mohanad I I Abughalwa	Head of Projects	May 2008	
Jaikrishna Pillai	Head of Strategy	December 2008	

Information on Risk Factors

In order to obtain information on the risks that the Investors should take into consideration, please refer to the risk analysis mentioned in this Listing Prospectus ("Risk Factors") from pages 56 to 81.

Summary of Key Dates Relating to the Listing

Date of Constitutive General Assembly of the Company: 20 May 2024
Date of Issuance of the Company's Updated Commercial Registration Certificate: 22 May 2024
Estimated First Date of Trading on the QSEVM: within the month of June 2024

IMPORTANT NOTICE

IMPORTANT: You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached document (the "**Listing Prospectus**"). In accessing the Listing Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

This document has been prepared solely in connection with the proposed listing of 84,500,000 shares (the "**Shares**") issued by Qatar Electronic Systems Company (Techno Q) Q.P.S.C. (the "**Company**") and the proposed admission of the Shares to trading on the Venture Market of the Qatar Stock Exchange ("**QSEVM**"). The Company confirms that the information in this document is neither inaccurate nor misleading and is consistent with the information required to be in the Listing Prospectus pursuant to the applicable rules of the Qatar Financial Markets Authority ("**QFMA**"). Copies of the Listing Prospectus will, following publication, be available at the registered office of the Company in Doha, Qatar.

This Listing Prospectus does not constitute an offer or solicitation to buy, subscribe or sell the securities described herein, and no securities are being offered or sold pursuant to this Listing Prospectus.

Additional points to be noted

All summaries of documents or provisions of documents provided in this Listing Prospectus should not be relied upon as being comprehensive statements in respect of such documents. All equity investments carry market risks to varying degrees. The value of any security can fall as well as rise depending on market conditions. Potential investors (the "**Investors**") should read the risk analysis set out on pages 56 to 81 of this Listing Prospectus.

This is an unofficial English translation of the Arabic Listing Prospectus. No reliance should be placed on the English translation as it has not been approved by the QFMA and is considered only a draft that is provided as guidance for non-Arabic speakers.

Statement of Investment Risk

Prior to investing in the Shares, prospective Investors should carefully consider the risk factors relating to the Company's business and the technology, electronic systems, security services and lighting sectors in Qatar, together with all other information contained in this Listing Prospectus. The Company's Board of Directors and Senior Executive Management believe that the risks mentioned in this Listing Prospectus are the material risks facing the Company and its business. However, these risks and uncertainties are not the only issues that the Company faces; additional risks and uncertainties not presently known to it or that it currently believes not to be material may also have a material adverse effect on the Company's financial condition or business success. If any combination of these risks actually occurs, the Company's business, financial condition, cash flows and results of operations could be adversely affected and may result in bankruptcy or liquidation. If this occurs, the market price of the Shares may decline and Investors could lose part, or all of their investment. Additionally, this Listing Prospectus contains forward-looking statements that are also subject to risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Company as described below. It should also be noted that the risks below are to an extent interrelated. The occurrence of one risk may trigger other risks to materialise. For example, if there is a material downturn in the Qatari economy, the Company could incur substantial operational losses and could, in turn, experience an increased need for liquidity and as a result become over-leveraged. Each of these is a separate risk described below but demonstrates the interconnection between these and other risks to which the Company is exposed. In order to obtain more information on the risks which Investors in the Shares must take into consideration, please refer to the risk analysis set out in this Listing Prospectus on pages **56 to 81.**

Unless the context otherwise requires, capitalised terms used in this Listing Prospectus have the same meaning given on pages 10 to 14 of this Listing Prospectus. This Listing Prospectus relating to the Company is prepared in accordance with the QFMA Listing Rules and the Companies Law. The Arabic Listing Prospectus has been approved for printing and circulation by the QFMA. This Listing Prospectus relates solely to the Listing. At an EGA held in Doha, Qatar on 25 April 2024, the Shareholders unanimously approved the conversion of the Company from a limited liability company into a public shareholding company and to list and admit all of the Shares of the Company being 84,500,000 shares for trading on the QSEVM.

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1. GLOSSARY OF DEFINED TERMS

"Advisors"	The International Legal Advisor, the Qatar Legal Advisor, the Listing Advisor, the Financial Evaluator and the External Auditor
"Articles"	Memorandum and articles of association of the Company, as amended and restated from time to time
"AI"	Artificial intelligence
"Combined Audited Financial Statements"	The combined audited financial statements for the Group for the year ended 31 December 2022
"Board" or "Board of Directors" or "BoD"	The board of directors of the Company
"CAGR"	Compounded Annual Growth Rate
"Capex"	Capital expenditure
"CGA"	Constitutive General Assembly
"Commercial Law"	Commercial Law No. 27 of 2006, as amended from time to time
"Companies Law"	Commercial Companies Law No. 11 of 2015, as amended from time to time
"Company"	Qatar Electronic Systems Company (Techno Q) Q.P.S.C., a Qatari public shareholding company holding commercial registration number 18116
"COVID-19"	Coronavirus Disease 2019 caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).
"Director"	A member of the Board
"EBITDA"	Earnings before interest, tax, depreciation and amortization
"EGA"	Extraordinary General Assembly of the Shareholders of the Company
"EOSB"	End of service benefits
"External Auditor"	KPMG LLC, having its registered address at Building 240, 25 C Ring Road, Street 230, Fareej Bin Dirham, Doha, Qatar
"Financial Evaluator"	Deloitte & Touche – Qatar Branch, with registered address at Al Ahli Bank – Head Office Building, Sheikh Suhaim bin. Hamad Street, Al Sadd Area, PO Box 431, Doha, Qatar

"Foreign Investment Law"	Law No 1 of 2019 regulating the investment of non-Qataris in the economic activities as amended from time to time
"Founders"	Means the founders of the Company as listed in *Section 6 (The Company)*
"Framework Agreement"	Common VAT Agreement of the States of the Gulf Cooperation Council
"FY"	Financial year
"G&A"	General and Administrative expenses
"GCC"	The Cooperation Council for the Arab States of the Gulf (often referred to more informally as the Gulf Cooperation Council). The member states of the GCC are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates
"GDP"	Gross domestic product
"General Assembly"	The general assembly of all of the Shareholders of the Company
"Government"	The Government of the State of Qatar
"Group"	Together, the Company and the Subsidiaries
"Group Member"	The Company or any of the Subsidiaries, as the case may be
"H1"	First six months of a financial year
"ICT"	Information and communication technology
"IFRS"	International Financial Reporting Standards
"IMF"	International Monetary Fund
"Income Tax Law"	The Income Tax Law No. 24 of 2019, as amended from time to time
"International Legal Advisor"	Eversheds Sutherland (International) LLP, having its registered address at 12th Floor, Qatar Financial Centre, P.O. Box 24148, Doha, Qatar
"Investor"	A natural or corporate person subscribing to the Shares and/or trading the Shares on the QSE
"IoT"	Internet of Things
"ISA"	International Standards on Auditing

"ISAE"	International Standards on Assurance Engagements.
"IT"	Information technology
"Jurisdiction"	Is a region that has its own set of laws and is subject to its own court system
"KPI"	Key performance indicators
"KSA"	Kingdom of Saudi Arabia
"Labour Law"	Labour Law No.14 of 2004, as amended from time to time
"Listing"	The listing of 84,500,000 Shares on the QSEVM in accordance with the provisions of the Articles and after obtaining all necessary regulatory approvals
"Listing Advisor"	Consulting Haus LLC, having its registered address at 16th Floor, Tower 2, The Gate Mall, West Bay, Doha, Qatar
"Listing Prospectus"	This document, including any supplement hereto or amendment hereof
"m"	million
"Management"	The Group's management team
"MENA"	Middle East and North Africa
"MOCI"	The Ministry of Commerce and Industry of the State of Qatar
"MDICC"	Modern Development International Contracting Company WLL, a limited liability company incorporated in KSA and holding commercial registration 1010853085.
"MOI"	The Ministry of Interior of the State of Qatar
"MOL"	The Ministry of Labour of the State of Qatar
"NATO"	North Atlantic Treaty Organisation
"N/A" or "n/a"	Not applicable
"OGA"	Ordinary General Assembly of the Shareholders
"Pro Forma Financial Information"	Unaudited pro forma compiled consolidated financial information of the Company for the year ended 31 December 2021, 31 December 2022 and 30 June 2023

"QAR" or "Qatari Riyal"	Qatari Riyals, being the lawful currency of the State of Qatar
"Qatar" or the "State"	The State of Qatar
"Qatar Legal Advisor"	Sharq Law Firm, having its registered address at Alfardan Office Tower, Level 22, West Bay, P.O. Box 6997, Doha, Qatar
"QCB"	Qatar Central Bank
"QCSD"	Qatar Central Securities Depository and also known as Edaa
"QFC Law"	Qatar Financial Centre Law No.2 of 2009
"QFMA"	Qatar Financial Markets Authority
"QFMA Listing Rules"	QFMA Securities Offering & Listing Rulebook issued by the Board of Directors of QFMA under decision number (4) of 2020
"QFMA Corporate Governance Code"	QFMA's Corporate Governance Code for Companies listed on the QSEVM issued by the QFMA board pursuant to decision no. (5) of 2016
"QIS"	Quality For Integrated Systems LLC, a limited liability company incorporated in the Sultanate of Oman and holding commercial registration 1147656
"QNV 2030"	Qatar National Vision 2030
"QSE"	Qatar Stock Exchange
"QSEMM"	means the Main Market of QSE as per the QFMA Listing Rules
"QSE Rulebook"	QSE Rulebook (June 2023)
"QSEVM"	means the Venture Market of QSE as per the QFMA Listing Rules
"Regulators"	means the Single Window Capital Market Committee of the Qatar Financial Markets Authority and/or the Qatar Financial Markets Authority and/or the Qatar Stock Exchange
"Consolidated Financial Information"	The condensed consolidated interim financial information of the Group as at and for the six month period ended 30 June 2023
"Senior Executive Management"	The chief executive officer (or any other adopted nomination including the managing director) and the other executive managers under the direct supervision of the chief executive officer or the managing director, in each case of the Company

“Shares”	84,500,000 Shares with a nominal value of QAR 1 each and a premium of QAR 1.9
“Shareholders”	Shareholders of the Company
“S&P”	Standard & Poor’s
“Subsidiaries”	Each of: Techno Q For Security Systems WLL, a limited liability company incorporated in Qatar and holding commercial registration 124712;and Modern Development International Contracting Company WLL, a limited liability company incorporated in KSA and holding commercial registration 1010853085; and Quality For Integrated Systems LLC, a limited liability company incorporated in the Sultanate of Oman and holding commercial registration 1147656; and Tek Headquarters LLC, a limited liability company incorporated under the Qatar Financial Centre and holding commercial registration 02301
“TH”	Tek Headquarters LLC, a limited liability company incorporated under the Qatar Financial Centre and holding commercial registration 02301
“TQSS”	Techno Q For Security Systems WLL, a limited liability company incorporated in Qatar and holding commercial registration 124712
“US”, “USA”, “United States” or “United States of America”	The United States of America, including its territories and possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island, the Northern Mariana Islands and US Minor Outlying Islands) and any state of the United States, the District of Columbia and other areas subject to US jurisdiction
”US$”, “USD” or “US Dollar”	United States Dollars, being the lawful currency of the United States
“VAT”	Value Added Tax
“WACC”	Weighted average cost of capital
“WC 2022”	FIFA World Cup 2022, held in Qatar between November and December 2022
“YOY”	Year-over-year

2. IMPORTANT DETAILS

The aim of this Listing Prospectus is to present material information in relation to the Listing, which may assist potential Investors once the Shares are listed to make an appropriate decision as to whether or not to invest in the Shares of the Company. Investors should not consider this Listing Prospectus a recommendation by the Company or the Listing Advisor to buy the Shares on the QSEVM. Each Investor is responsible for obtaining his or her own independent professional advice by a legal or financial expert on the investment in the Shares and for conducting an independent valuation of the information and assumptions contained herein using appropriate analysis or projections. No person has been authorised to make any statements or provide information in relation to the Company or the Shares other than the persons whose names are so indicated in this Listing Prospectus. Where any other person makes any statement or provides information it should not be taken as authorised by the Company. The Advisors are acting for the Company in connection with the matters described in this Listing Prospectus and are not acting for any other person. The Listing Advisor does not bear any legal or professional responsibility, of any kind, for the accuracy and completeness of the financial statements included in the Listing Prospectus, where these financial statements have been audited by another auditor.

The Company was initially incorporated as a limited liability company on 6 March 1996. During the Extraordinary General Assembly held on 25 April 2024, the Company's shareholders adopted QAR 245,050,000 as the approximate value of the Company's assets and liabilities and confirmed the conversion of the Company into a Qatari public shareholding company and the listing of its entire issued share capital on the QSEVM. On 6 May 2024, the Memorandum of Association and Articles of Association of the Company (the "**Articles**") were authenticated by the Ministry of Justice under authentication numbers 2024/108933 and 2024/108950. On 15 May 2024 the Minister of Commerce and Industry issued the ministerial resolution number 44 of 2024 approving the conversion of the Company into a Qatari Public Shareholding Company. On 20 May 2024 the Constitutive General Assembly of the Company declared the final conversion of the Company into a Qatari public shareholding company. The Company is registered and incorporated in Qatar with commercial registration number 18116. The Company holds, directly, all of the issued share capital of two (2) subsidiaries, which are referred to in this Listing Prospectus as TQSS (Qatar) and MDICC (KSA). The Company also holds, directly, 98% of the issued share capital of one (1) subsidiary, which is referred to in this Listing Prospectus as QIS (Sultanate of Oman) and 51% of the issued share capital of one (1) subsidiary, which is referred to in this Listing Prospectus as TH (Qatar)[1]. Prior to the Listing, there has been no public market for the Shares. As at the date of this Listing Prospectus and immediately prior to the Listing, the issued and paid-up share capital of the Company is QAR 84,500,000 divided into 84,500,000 ordinary shares. Each share has a nominal value of QAR 1. The Listing price includes the nominal value of QAR 1 per share and a premium of QAR 1.9. The authorised share capital of the Company is QAR 84,500,00. The legal and commercial name of the Company is Qatar Electronic Systems Company (Techno Q) Q.P.S.C. and its registered office is located at Barwa Commercial Avenue, Safwa Landmark 2, Mesaimeer, P.O. Box 18860 Doha, Qatar. The Company has submitted an application to the Regulators to list the Shares on the QSEVM. Trading in the Shares on the QSEVM is expected to commence during June 2023. This Listing is subject to the Company's Articles and the applicable laws of Qatar. Potential Investors are required to carefully review the entire contents of this Listing Prospectus

[1] 49% is owned by Mutasam Akhtar Abbasi, holding the British nationality.

prior to making an investment decision regarding the Shares, taking into account all facts described therein in light of their own investment considerations.

The distribution of this Listing Prospectus and the Listing of the Shares may, in certain Jurisdictions, be restricted by law or may be subject to prior regulatory approvals. This Listing Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Company or the Listing Advisor to purchase any of the Shares in any Jurisdiction outside of Qatar or from or within the Qatar Financial Centre. This Listing Prospectus may not be distributed in any Jurisdiction where such distribution is, or may be deemed, unlawful. The Company, the Founders, the Board of Directors, the Senior Executive Management and the Listing Advisor require persons into whose possession this Listing Prospectus comes to inform themselves of and observe all such restrictions. None of the Company, the Founders, the Board of Directors, the Senior Executive Management or the Listing Advisor accept any legal responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase the Shares by any person, whether or not a prospective purchaser of the Shares is in any Jurisdiction outside of Qatar, and whether or not such offer or solicitation was made orally or in writing, including by electronic mail.

No action has been or will be taken in any Jurisdiction other than Qatar that would permit a public offering of the Shares, or possession or distribution of this Listing Prospectus or any other offering material in any country or Jurisdiction other than Qatar, where action for that purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this Listing Prospectus nor any other offering material or advertisement in connection with the Shares may be distributed or published in or from any country or Jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or Jurisdiction. Persons into whose possession this Listing Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Listing Prospectus and the Listing and sale of the Shares, including those in the paragraphs below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such Jurisdiction. This Listing Prospectus does not constitute an offer to buy any of the Shares to any person in any Jurisdiction to whom it is unlawful to make such offer or solicitation in such Jurisdiction.

THE SHARES TO BE LISTED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAW OF ANY STATE OR TERRITORY OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAW.

Neither this Listing Prospectus, nor any other document issued in connection with the Listing, may be passed on to any person in the United Kingdom. All applicable provisions of the Financial Services and Markets Act of 2000, as amended, must be complied with in respect of anything done in relation to the Shares in, from, or otherwise involving the United Kingdom.

No person is or has been authorised to give any information or to make any representations other than the information and those representations contained herein in connection with the Listing. If given or made, such information or representations must not be relied upon as having been authorised by the Company, the Listing Advisor or any of their respective legal or accounting advisers. Each prospective Investor should conduct their own assessment of the Listing and consult their own independent professional advisers. Neither the delivery of this Listing Prospectus nor any sale made hereunder shall, under any circumstances, constitute a recommendation to purchase Shares or a confirmation that the information contained herein is correct as of any time subsequent to its date. The content of this Listing Prospectus may, however, still be subject to change until the completion of the Listing. If required, these changes will be made through an amendment to this Listing Prospectus. The Listing Advisor is acting for the Company in connection with the matters described in this document. The Listing Advisor is not acting for any other person and will not be responsible to any other person for providing the protections afforded to customers of the Listing Advisor or for advising any other person in connection with the matters described in this Listing Prospectus.

2.1 Eligible Investors

Following the Listing, trading in the Shares shall be open to both Qatari and non-Qatari investors in accordance with the QSE Rulebook, QFMA Listing Rules, the Articles and subject to the restrictions stated in the Foreign Investment Law in respect of foreign shareholders' ownership in listed companies whereby foreign ownership should not exceed 49% of the share capital unless an exemption to exceed such percentage is obtained from the Government.

2.2 Forward-looking Statements

This Listing Prospectus contains certain forward-looking statements. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “goal”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual outcomes to differ materially from those contemplated by the relevant forward-looking statement.

These forward-looking statements are based on assumptions that the Board has made in light of its experience in the sector in which it operates, as well as its experience of historical trends, current positions, expected future developments and other factors which the Board believes are appropriate under the circumstances. As prospective Investors read and consider this Listing Prospectus, they should understand that these statements are not guarantees of future performance or results. They involve risks, uncertainties and assumptions. Although the Board believes that these forward-looking statements are based on reasonable assumptions, prospective Investors should be aware that many factors could affect the Company's actual financial position or financial performance and cause actual results to differ materially from those in the forward-looking statements. These factors include, among other things, those discussed under Section 5 (Risk Factors) of this Listing Prospectus.

Important factors that could cause actual results to differ materially from the Company's expectations include, amongst others:

- the Company's future results of operations and financial condition;
- the Company's future business development;
- the Company's acquisition and expansion strategy;
- the general economic and business conditions, domestically and internationally;

- external competition; and
- future market opportunities.

Due to these factors, the Board cautions that prospective Investors should not place undue reliance on any forward-looking statements. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time-to-time, and it is impossible to predict these events or how they may affect the Company and its business. Except as required by the rules and regulations of the QFMA or the rules of the QSE, the Board has no duty to, and does not intend to, update or revise the forward-looking statements in this Listing Prospectus after the date of the Listing Prospectus. The Company advises prospective Investors and Shareholders to track any information or announcements made by it after Listing through the QSE's website at www.qe.com.qa.

2.3 Presentation of Financial, Industry and Market Data

Historical financial data

The Company's financial year runs from 1 January to 31 December. Copies of the Combined Audited Financial Statements of the Group for FY 2022, the Consolidated Financial Information for H1 2023 along with the Pro Forma Financial Statements are included in *Section 20 (Auditor's Report, Financial Statements and Pro Forma Financial Information)* of this Listing Prospectus.

The Combined Audited Financial Statements and the Consolidated Financial Information of the Group were prepared in accordance with International Financial Reporting Standards ("IFRS") and the audit was conducted in accordance with International Standards of Auditing ("ISA"), as stated in their reports included elsewhere in this Listing Prospectus.

ISA 700: Forming an opinion and reporting on financial statements

- The auditor shall form an opinion on whether the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.
- In order to form that opinion, the auditor shall conclude as to whether the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.
- The auditor shall evaluate whether the financial statements are prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework. This evaluation shall include consideration of the qualitative aspects of the entity's accounting practices, including indicators of possible bias in management's judgments.
- The auditor shall evaluate whether the financial statements adequately refer to or describe the applicable financial reporting framework.

ISA 800, Special considerations: Audits of financial statements prepared in accordance with special purpose frameworks

- This ISA deals with special considerations in the application of those ISAs to an audit of financial statements prepared in accordance with a special purpose framework.

- This ISA is written in the context of a complete set of financial statements prepared in accordance with a special purpose framework.
- This ISA does not override the requirements of the other ISAs; nor does it purport to deal with all special considerations that may be relevant in the circumstances of the engagement.

Pro Forma Financial Information

The Pro Forma Financial Information included in this Listing Prospectus in *Section 20 (Auditor's Report, Financial Statements and Pro Forma Financial Information)* was prepared to illustrate the impact of the Company's acquisition of TQSS (the "Transaction") on 16 May 2023, as set out in Note 2 to the Pro Forma Financial Information, on the Company's combined financial performance for the year ended 31 December 2021 and 31 December 2022 respectively, as if the Transaction had taken place as at 1 January 2021. The External Auditor issued a compilation report on the Pro Forma Financial Information in accordance with International Standard on Assurance Engagements ("ISAE"), which is included elsewhere in this Listing Prospectus.

ISAE 3420: Assurance engagements to report on the compilation of proforma financial information included in a prospectus

This ISAE deals with reasonable assurance attestation engagements undertaken by a practitioner to report on the responsible party's compilation of proforma financial information included in a prospectus.

The ISAE applies where:

- Such reporting is required by securities law or the regulation of the securities exchange ("relevant law or regulation") in the Jurisdiction in which the prospectus is to be issued; or
- This reporting is generally accepted practice in such Jurisdiction.

The Company acquired TQSS from its shareholders on 16 May 2023. In order to provide a better representation of the Group, certain statement of profit and loss data of the Group disclosed in this Listing Prospectus is based on the Pro Forma Financial Information of the Company considering TQSS as part of the Group prior to the Group's corporate restructuring effective date of 16 May 2023.

Alternative Performance Measures ("APMs")

This Listing Prospectus contains references to certain performance measures that are not defined under IFRS, including EBITDA, EBITDA margin, G&A to gross profit and other income, net cash/(borrowings) and non-cash working capital. The Company believes that the APMs included in this Listing Prospectus provide useful supplementary information to both Investors and to the Senior Executive Management, as they facilitate the evaluation of underlying operating performance and financial position across financial reporting periods. However, Investors should note that, since not all companies calculate the APMs presented by the Company in this Listing Prospectus in the same manner, these APMs may not always be directly comparable to performance measures used by other companies.

The APMs contained in this Listing Prospectus should not be considered in isolation and are not measures of financial performance or liquidity under IFRS. These APMs should not be considered as an alternative to revenues, profit or loss for the period or any other performance measures derived in accordance with IFRS or as an alternative to profitability or cash flow from operating, investing or financing activities or any other measure of liquidity derived in accordance with IFRS. Non-IFRS measures do not necessarily indicate whether cash flow will be sufficient or available for cash requirements and may not be indicative of actual results of operations. In addition, the APMs in this Listing Prospectus may not be comparable to other similarly titled measures used by other companies. Because of the discretion that the Company and other companies have in defining these measures and calculating the reported amounts, care should be taken in comparing these measures with similar measures used by other companies.

The definition and method of calculation of each of these measures are summarised in the following table:

Non-IFRS financial measure	**Description and computation methodology**	**Rationale**
EBITDA	Calculated as profit for the year/period, adding back: tax expense, depreciation of right-of-use assets; depreciation on investment property; depreciation of property and equipment; amortisation of intangible assets; amortisation of utilization right advance; interest on lease liabilities and finance costs	Performance measure
Gross margin	Calculated as gross profit divided by revenue	Performance measure
EBITDA margin	Calculated as EBITDA divided by revenue	Performance measure
G&A to Gross Profit and Other Income	Calculated as general and administrative expenses divided by sum of gross profit and other income	Performance measure
Net Cash/(borrowings)	Calculated as bank balances and cash less sum of current portion of interest-bearing loans and borrowings and non-current portion of interest-bearing loans and borrowings	Liquidity measure
Gross Profit (excluding direct permanent employee costs) and Other Income per	Sum of Gross Profit and other income less direct permanent employee costs, divided by total number of permanent employees at the end of the relevant	Performance Measure

employee	period	
Non-cash working capital	Sum of inventories and trade and other receivables balances as at the year/period end less sum of accounts payables and accruals and lease liabilities balances as at the year/period end	Liquidity Measure
Debt to Equity	Calculated as the sum of current portion of interest-bearing loans and borrowings and non-current portion of interest-bearing loans and borrowings divided by total equity	Performance measure

Currency of presentation

The pegged exchange rate is US$ 1.00 = QAR 3.64. The peg to the US Dollar has been maintained by the QCB at the same rate since 1980. However, there can be no assurance that the US Dollar peg will be maintained going forward, or that the peg will be retained at its current rate. Any de-pegging of the Qatari Riyal from the US Dollar, or its re-pegging at a different rate, could result in a significant fluctuation and revaluation of the Qatari Riyal relative to the US Dollar and, by extension, to other GCC currencies pegged to the US Dollar. The currency used in presenting the financial information in this Listing Prospectus is the Qatari Riyal.

Rounding

Certain numerical figures included in this Listing Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

Industry and market data

Unless stated otherwise, industry and market data used throughout this Listing Prospectus has been obtained from third-party industry publications and/or websites. Although it is believed that industry data used in this Listing Prospectus is reasonable and reliable, it has not been independently verified and therefore, its accuracy and completeness is not guaranteed and its reliability cannot be assured.

2.4 Contact Information of the Company

Qatar Electronic Systems Company (Techno Q) Q.P.S.C.	Address: Barwa Commercial Avenue, Safwa Landmark 2, Mesaimeer, P.O. Box 18860 Doha, Qatar Website: www.technoq.com/investor-relations/ Email: investorrelations@technoq.com

2.5 Contact Information of the Company's Advisers

Listing Advisor Consulting Haus LLC	Address: 16th Floor, Tower 2, The Gate Mall, Westbay, Doha, Qatar Website: https://consulting-haus.com
Qatar Legal Advisor Sharq Law Firm	Address: Alfardan Office Tower Level 22, West Bay, P.O. Box 6997, Doha, Qatar Website: https://www.sharqlawfirm.com/
International Legal Advisor Eversheds Sutherland (International) LLP	Address: QFC Tower Diplomatic Area, West Bay, Office 1201, 12th floor, P.O. Box: 24148 Doha, Qatar Website: https://www.eversheds-sutherland.com/global/en/index.page?
Financial Evaluator Deloitte and Touche – Qatar Branch	Address: Al Ahli Bank – Head Office Building, Sheikh Suhaim bin Hamad Street, Al Sadd Area, P.O. Box 431, Doha, Qatar Website: https://www2.deloitte.com/qa
External Auditor KPMG LLC	Address: Building 240, 25 C Ring Road, Street 230, Fareej Bin Dirham, Doha, Qatar Website: https://home.kpmg/qa/en/home.html

3. SUMMARY OF THE LISTING AND SHARES

Warnings	This summary should be read as an introduction to this Listing Prospectus. Any decision to invest in the securities should be based on consideration of the Listing Prospectus as a whole by the Investor, including in particular the Risk Factors section.
Legal and commercial name	Qatar Electronic Systems Company (Techno Q) Q.P.S.C.
Share capital	QAR 84,500,000
Company's current operations and principal activities	The Company is licensed by the MOCI to offer the following activities: • Maintenance of electronic devices; • Trading in security and safety equipment; • Electrical works (electrical equipment) such as extending wires, making connections and repairing them; • Trading in electrical tools; • Trading in equipment and computer network devices; • Maintenance of firefighting alarm and safety equipment; • Trading in home furniture and furnishings; • Trading in electronic tools and devices; • Trading in lighting tools and supplies; and • Installation of firefighting, alarm and safety devices and equipment.
Number of subsidiaries and associated companies under the Company	4 subsidiaries. Please refer to *Section 6 (The Company)* for details on the Subsidiaries.
Main operating Subsidiary of the Company	Techno Q for Security Systems WLL.
Currency of the Shares to be listed	The Shares will be denominated in Qatari Riyals.
Estimated Listing price	QAR 2.9 which include QAR 1 of nominal value and a premium of QAR 1.9.
Securities listed	Ordinary shares. The Company has only one class of ordinary shares.
Amount and percentage of the Listing	84,500,000 shares being listed, which represent 100% of the total share capital of the Company. On the date of Listing and up to one year post Listing, the Founders are allowed to trade no more than 30% of their Shares so that the tradable shares in the first year after Listing shall not exceed 40% of the total issued and paid-up capital. The Founders or major shareholders are prohibited to collectively reduce their percentage of ownership to less than 40% of the issued and paid up capital until two years have elapsed from the date of Listing, owing to temporary share retention obligations imposed on the Founders in line with applicable QFMA Listing Rules, regulations, guidelines, instructions, waivers, resolutions and exemptions issued by the QFMA from time to time, in this respect.
Reasons for the Listing; use of Listing proceeds	The Directors believe that the Listing of the Shares is part of the Group's strategic growth plans as well as enhance its brand and market position. In addition, the Directors want to ensure the Group's longevity by establishing a governance framework and operating models in-line with the Group's sustainability and succession planning goals.
Eligible investors	All investors, Qatari and non-Qatari, permitted to trade in the Shares in accordance with the QSE Rulebook, QFMA Listing Rules, the Articles and otherwise not prohibited by applicable law, including the Foreign Investment Law which prohibits foreign ownership from exceeding 49% of the total

	share capital of the Company unless an exemption is obtained from the Qatari Council of Ministers upon a recommendation of such exemption being granted by the Minister of Commerce and Industry.
Minimum/maximum number and value of Shares which may be purchased by eligible investors (if any)	Except for the owners of Shares in the Company prior to the conversion of the Company into a Qatari public shareholding company identified as founders in Section 11 (*Management, Shareholders and Corporate Governance*) of this Listing Prospectus (the "Founders") or companies owned or controlled by the Founders, a shareholder cannot own either directly or indirectly more than 5% of the total shares of the Company.
Listing restrictions and Jurisdictions	No shares of the Company may be offered for subscription, sale or purchase, or be delivered, subscribed for, sold or delivered, and this Listing Prospectus and any other listing material in relation to the Listing and the Company's securities may not be disclosed or circulated, in any Jurisdiction where to do so would breach any securities law or regulation of such Jurisdiction or give rise to any obligation to obtain any consent, approval or permission, or to make any application, filing or registration in such Jurisdiction. Shares will be listed only on the Venture Market of the Qatar Stock Exchange and no Shares will be offered or listed in any other markets.
Rights attached to the Shares	The Shares will rank pari passu in all respects with each other, including for voting and dividend rights and rights on return of capital. Please refer to *Section 22 (Summary of the Company's Articles of Association)* in relation to shareholder rights in relation to the Company.
Shareholders prior to the Listing	There are 27 shareholders of the Company, including the Founders. Please refer to *Section 11 (Management, Founders, Other Shareholders and Corporate Governance*) for a description of major shareholders and the Founders.
Intended shareholding structure post-Listing	Other than the conversion of the Company from a Qatari limited liability company to a Qatari public shareholding company and changes to the shareholders from time to time due to transactions on the Qatar Stock Exchange, there are currently no anticipated changes to the shareholding or corporate structure of the Company from the structure disclosed in *Section 6 (The Company).*
Listing Date	Within the month of June 2024.
Estimated expenses charged to Investors	None.
Restrictions on transferability	Except with respect to any share retention requirements imposed by applicable law on the Founders, the Shares are freely transferable.
Shares the Company has previously listed	None.

4. ARRANGEMENTS FOR ADMISSION AND TRADING

Prior to the Listing, the Company submitted an application to the Regulators to list the Shares on the QSEVM. Trading in the Shares will be effected on an electronic basis as per the electronic trading system adopted by the QSE.

After the Listing, and following commencement of trading in the Shares on the QSEVM, all institutions and individuals will be allowed to purchase shares in accordance with the applicable laws and the rules of the QSE . The Shares may be freely traded and transferred in accordance with the QSE Rulebook in compliance with the applicable laws of Qatar and the rules and regulations of the QFMA. The latter includes, amongst other things, limitations on foreign ownership in an aggregate amount of no more than 49% of the total share capital of the Company at any time unless an exemption to exceed such percentage is obtained from the Government. The Company will also register with QCSD upon Listing.

Trading in Shares accepted on the QSE will be subject to an annual three-day cycle (T+2) in accordance with the QCSD rules and the procedures of delivery versus payment (DVP) in accordance with the procedures adopted by the relevant market where such Shares are listed.

5. EXECUTIVE SUMMARY

5.1 Business Overview

The Company

Qatar Electronic Systems Company (Techno Q) (Q.P.S.C.) was initially incorporated as a limited liability company on 6 March 1996 under commercial registration number 18116. The Company was thereafter converted into a public shareholding company on 15 May 2024 by virtue of the decision of the Minister of Commerce and Industry issued under number 44 of 2024.

The Company was first established with a view to provide the Qatari market with state-of-the-art theatre technology and related global trends and has since positioned itself as an industry-leading systems integrator, specializing in the design, installation, testing, operations and maintenance of integrated system solutions for a wide variety of client types, including government and educational institutions, healthcare organizations and corporate clients.

The Company offers its services across various technology solutions, namely:

- audio visual;
- building controls;
- fire and security systems;
- lighting solutions;
- broadcast; and
- hospitality management solutions.

In accordance with the Company's ambitions and mission to innovate and following the Company's success in the system integration industry, the Company introduced a security systems division for the provision, installation and maintenance of security system solutions (such as CCTV camera, control rooms and other security systems). The security systems division witnessed significant growth since its establishment and, as a result, was incorporated as an independent company in October 2018 as Techno Q For Security Systems WLL ("**TQSS**") registered under the commercial registration number 124712 and licensed by MOI to undertake security systems integration, security systems equipment and security systems maintenance projects. TQSS operates in the business of trading in security and safety accessories, as well as the installation, commissioning, maintenance and trading of cameras and other surveillance devices in Qatar.

Business combination between the Company and TQSS

In October 2018, TQSS was established to undertake ELV security systems projects which include the provision, installations, design and maintenance of ELV hardware and software. TQSS was owned by Al Jaidah Brothers WLL and Abdulla Al Ansari (two of the Company's founders and sole owner at the time).

On 16 May 2023, Al Jaidah Brothers WLL and Abdulla Mohshafeea M H Al Ansari transferred their ownership of TQSS to the Company at book value, as part of a corporate restructuring exercise of the Group. As a result, TQSS became a wholly owned subsidiary of the Company. TQSS was grouped under the Company in order to consolidate the investments made in TQSS.

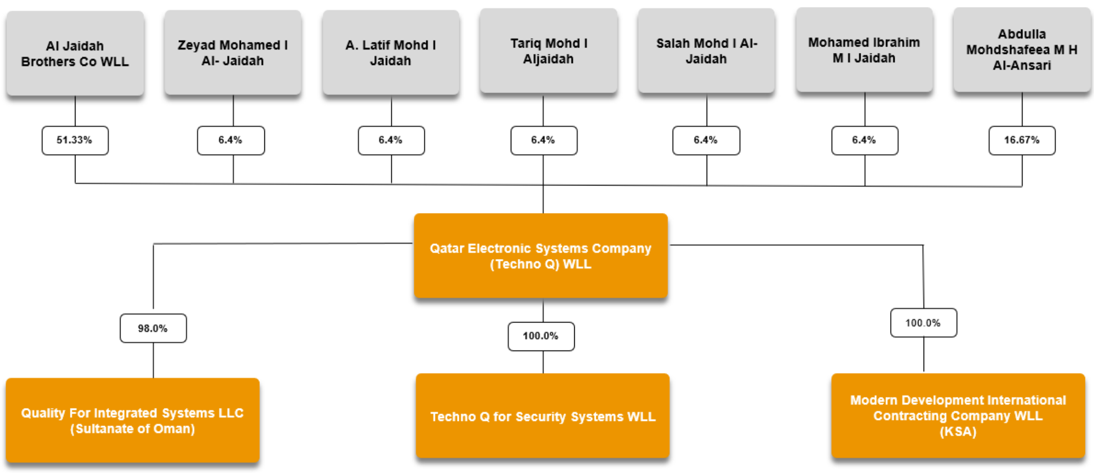
5.2 Corporate Structure

Following its conversion to a Qatari public shareholding company and as at the date of this Listing Prospectus, the Company is owned by its seven (7) original founders and twenty (20) shareholders.

The Company has two (2) fully owned subsidiaries, which are TQSS and MDICC. It also owns 98% of the issued share capital of a subsidiary in Oman, known as QIS. Additionally the Company owns 51% of the issued share capital of a subsidiary in Qatar known as TH (Qatar).

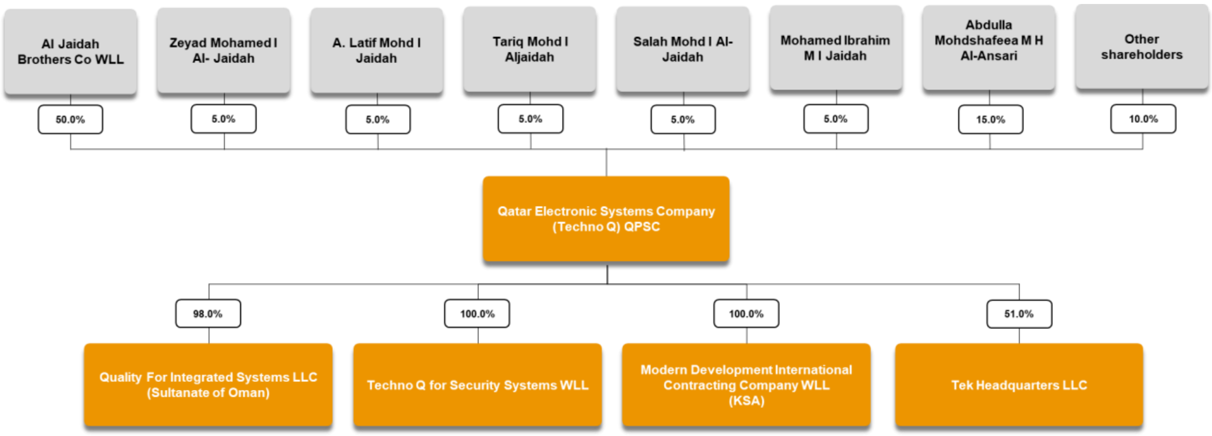
Pre-Conversion Shareholding Structure

The chart below illustrates the shareholding structure of the Company and the Subsidiaries prior to its conversion to a Qatari public shareholding company.



Post-Conversion and Pre-Listing Shareholding Structure

The chart below illustrates the shareholding structure of the Company and the Subsidiaries following the Company's conversion to a Qatari public shareholding company and immediately prior to the Listing:



New shareholders

Following the conversion of the Company to a Qatari public shareholding company by virtue of the Minister of Commerce and Industry decision number 44 of 2024 dated 15 May 2024, the Founders individually transferred, for the purpose of fulfilling the direct listing requirements, the ownership of some of their shares through private sale transactions. The Founders transferred 10% of the total share capital of the Company to twenty (20) shareholders by virtue of sale and purchase agreements which were recorded in the Company's special shareholders' register, a copy of which is deposited at QCSD, QSE and QFMA. For further details regarding the new Shareholders, kindly refer to *Section 11.3.2* below.

5.3 Competitive Strengths

The following sections present the main factors that Management believes will assist them in benefiting from the local, regional and international trends in relation to AV, ELV, hospitality management and lighting sectors. These differentiating factors are:

- Comprehensive portfolio of ICT solutions and services;
- Robust client base and local experience;
- Quality and customer experience;
- Efficient project management;
- Human capital;
- Efficient inventory management system;
- Market growth; and
- Relationships with key international brands.

5.4 Growth plans and strategy

In alignment with Qatar's National Vision 2030 and Qatar's Digital Government Strategy 2020, the Company seeks to maintain its position as leading ICT solutions provider through a number of strategic initiatives, which include:

- continuously growing by building on its long-term business relationships with a number of global names within the ICT and lighting industries as well as its high-profile clients within the governmental and private sectors;
- continuously seeking new long term business relationships with regional and global technology providers to complement its service offerings;
- diversifying revenue streams through incorporation of new value-add services;
- enhancing internal data management in order to generate analysis on information that guarantees the sustainability and enhancement of the Company's operations;
- continuously rethinking internal processes to enable better efficiencies;
- ensuring transparency in decision making and relationship between the management and the Company's shareholders and board of directors;
- striving for excellence and customer satisfaction throughout projects and after-sale support services;
- driving and implementing sustainable business initiatives through integration of economic, environmental, social and governance priorities into the Company's objectives, ongoing activities and planning, with the aim of creating long-term value for the Company, its stakeholders and the wider society within which the Company operates, while protecting, sustaining and enhancing the natural resources that will be needed in the future; and
- increasing efforts on the Group's expansion strategy to neighbouring markets, mainly KSA, where the Group established a 100% owned subsidiary at the beginning of 2023 (i.e. MDICC) to focus on AV, ELV and hospitality related projects, as well as Oman, where the Group holds 98% equity interest in QIS to focus on similar projects in this neighbouring country.

5.5 Financial overview

The financial position of the Company, as reflected in the Combined Audited Financial Statements and the Consolidated Financial Information, is summarized below. Management have also highlighted selected operational and performance metrics under this section. For further details, please refer to *Section 20 (Auditor's Report and Financial Statements)* and *Section 21 (Management Discussion and Analysis)* of this Listing Prospectus.

Overview of the Income Statement

	Amount (QAR'000)		
	FY21	FY22	H1 23
Total revenue	196,589	330,916	125,895
Gross profit	56,215	73,422	33,162
Profit for the year	20,879	33,620	12,093

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Overview of the balance sheet

	Amount (QAR'000)		
	FY21	FY22	H1 23
Total assets	294,048	326,058	330,309
Total liabilities	207,737	215,847	257,337
Total equity	86,311	110,211	72,972
Cash and bank balances	69,760	55,187	47,369

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Overview of the statement of cash flows

	Amount (QAR'000)		
	FY21	FY22	H1 23
Net cash from operating activities	60,206	7,395	8,062
Net cash from investing activities	5,376	(1,673)	(1,397)
Net cash from financing activities	(20,891)	(20,296)	16,669
Net change in cash and cash equivalent	**44,691**	**(14,574)**	**23,334**
Cash and cash equivalent as at 1 January	25,070	69,760	24,036
Cash and cash equivalent as at period end	**69,760**	**55,187**	**47,369**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Selected Ratios

	Amount (QAR'000)		
	FY21	FY22	H1 23
Gross margin	28.6%	22.2%	26.3%
EBITDA margin	12.9%	11.4%	11.4%
Net profit margin	10.6%	10.2%	9.6%
G&A to gross profit and other income	53.9%	51.7%	57.5%
ROA	7.1%	10.3%	3.8%
ROE	24.2%	30.5%	17.0%

Source: Management

5.6 Risk factors

The business of the Company has inherent risks including the following ones:

- Risks pertaining to the market in which the Group operates;
- Regulatory risks;
- Risks specific to the operations of the Group;
- Specific risks relating to the Shares; and
- Other unidentified risks.

For more details, please see *Section 8 (Risk Factors)* of this Listing Prospectus.

6. THE COMPANY

6.1 Brief History

The Company

Qatar Electronic Systems Company (Techno Q) (Q.P.S.C.) was initially incorporated as a limited liability company on 6 March 1996 under commercial registration number 18116. The Company was thereafter converted into a public shareholding company on 15 May 2024 by virtue of the decision of the Minister of Commerce and Industry issued under number 44 of 2024.

The Company was established with a view to provide the Qatari market with state-of-the-art theatre technology and related global trends. The Company has since positioned itself as an industry-leading systems integrator, specializing in audio visual, building controls, fire and security systems, lighting, information technology, broadcast and hospitality management solutions.

In accordance with the Company's ambitions and mission to innovate and following the Company's success in the system integration industry, the Company introduced a security systems division for the provision, installation and maintenance of security system solutions (such as CCTV camera, control rooms, and other security systems). Given the success of this division the Company decided in October 2018 to set it up as an independent company, which was incorporated as Techno Q for Security Systems WLL ("**TQSS**"), registered under the commercial registration number 124712 and licensed by MOI to undertake security system integration and security systems maintenance projects. TQSS operates in the business of trading in security and safety accessories, the installation, commissioning, maintenance and trading of cameras and other surveillance devices in Qatar.

To support its success story, the Company sealed a number of marquee trademarks such as distributorship of leading global lighting solutions and other IT equipment providers. Some of the strategic clients of the Group are public authorities and leading healthcare, sport and cultural providers in Qatar. Further details in this regard are provided under *Section 6.4* below.

The chart below illustrates the Company's development from its establishment to date.

1996	The Company's establishment as a home theatre and AV equipment store.
1996	The Company sold its first large-scale AV system to BMW showroom in Qatar.
1999	The Company introduced the security systems division with ELV, anti-shoplifting equipment and CCTV cameras.
2004	The Company was awarded a marquee project of setting up the AV systems in Khalifa Stadium, which was the Company's first engagement in the sports industry.
2008	The Company launched the lighting division together with Philips being appointed as Philips' official product distributor in Qatar.
2010	The Company was awarded a contract with a value of approximately QAR 100m for the provision of AV systems and lighting equipment for Qatar National Convention Center.
2012	Given the Company's award of a few projects in the Sultanate of Oman, QIS was incorporated in the Sultanate of Oman.[2]
2015	The Company was awarded its first large scale residential project which included the provision of CCTVs and security systems for Barwa Village.
2018	The Company was appointed by the organiser of a large football international sporting event to provide and upgrade security systems and CCTVs for 7 stadiums.
2019	Given MOI's requirements for obtaining a separate license in relation to security systems activities, the Company decided to incorporate TQSS as a specialized, stand-alone company for the trading and contracting of safety and security accessories.
2023	TQSS is acquired by the Company from its shareholders at the time as part of the corporate restructuring process of the Group carried out for the purpose of the Listing.
2023	In January 2023, the Group established a wholly owned limited liability company (MDICC) in KSA to act as its portal towards geographic expansion into KSA.
2024	The first tender for a project worth 1.3 million was awarded to MDICC in KSA by a government hospital
2024	In June 2024, the Company entered into a 51.0% strategic partnership with TH[3], a company specialised in computer programing and IT consultancy services, as part of the Group's growth strategy across verticals not currently covered by it.

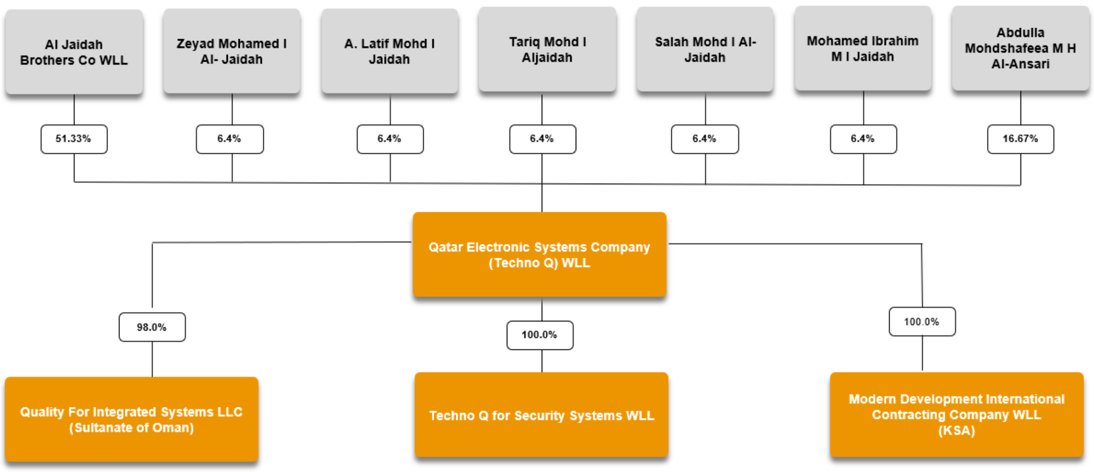
Group restructuring

Historically, TQSS was owned by Al Jaidah Brothers WLL and Abdulla Mohdshafeea M H Al-Ansari (two of the Company's Founders). On 16 May 2023, Al Jaidah Brothers WLL and Abdulla Mohdshafeea M H Al-Ansari sold TQSS to the Company. As a result of this corporate restructuring exercise, TQSS became a wholly owned subsidiary of the Company which is owned in turn by the same main owners Al Jaidah Brothers Company WLL and Abdulla Mohdshafeea M H Al-Ansari. TQSS was grouped under the Company in order to integrate business activities under one single parent company.

6.2 Corporate Structure

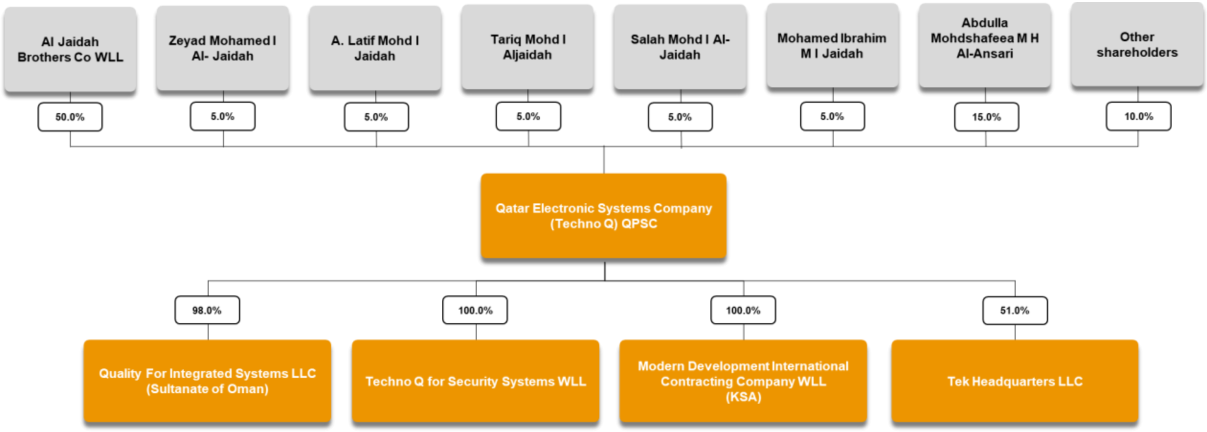
Pre-Conversion Shareholding Structure

The chart below illustrates the shareholding structure of the Company prior to its conversion to a Qatari public shareholding company as well as the Subsidiaries before the Group restructuring.



Post-Conversion and Pre-Listing Shareholding Structure

The chart below illustrates the shareholding structure of the Company following its conversion to a Qatari public shareholding company and immediately prior to the Listing as well as its effective direct ownership interest in the Subsidiaries after the Group restructuring.



6.3 Strategic Objectives of the Group

Objective

The object of the Company under the Companies Law is to carry out the following activities:

- Maintenance of electronic devices;
- Trading in security and safety equipment;
- Electrical works (electrical equipment) such as extending wires, making connections and repairing them;
- Trading in electrical tools;
- Trading in equipment and computer network devices;
- Maintenance of firefighting alarm and safety equipment;
- Trading in home furniture and furnishings;
- Trading in electronic tools and devices;
- Trading in lighting tools and supplies; and
- Installation of firefighting, alarm and safety devices and equipment.

The object of TQSS under the Companies Law is to carry out the following activities:

- Import of cameras and security equipment;
- Installation and maintenance of security equipment;

- Installation, maintenance and activation of security surveillance equipment;
- Trading of security equipment; and
- Trading of cameras and security surveillance equipment.

Vision

With its continuing search for innovation and revolutionary technologies, the Company aims to be the first choice for integrated, low-current systems solutions in Qatar, in addition to audio-visual systems, hospitality management systems and lighting.

Mission

- Provide all clients with reliable, professional and innovative system integration solutions, through dedicated and personalized services;
- Contribute to the technological development of Qatar, by introducing innovative systems solutions;
- Exceed clients' expectations in quality and services; and
- Continuous training and investment in the Company's resources.

Strategy

In alignment with Qatar's National Vision 2030 and Qatar's Digital Government strategy 2020, the Group seeks to maintain its position as leading ICT solutions provider through a number of strategic initiatives, which include:

- Continuously growing by building on the Group's long-term business relationships with a number of global business relationships as well as its high-profile clients within the governmental and private sectors;
- Continuously seeking new long term business relationships with regional and global technology providers to complement its service offerings;
- Diversifying revenue streams through incorporation of new value-add services;
- Enhancing internal data management in order to generate analysis on information that guarantees the sustainability and enhancement of the Company's operations;
- Continuously rethinking internal processes to enable better efficiencies;
- Ensuring transparency in decision making and relationship between the management and the Company's shareholders and board of directors;
- Striving for excellence and customer satisfaction throughout projects and after-sale support services;
- Driving and implementing sustainable business initiatives through integration of economic, environmental, social and governance priorities into the Company's objectives, ongoing activities and planning, with the aim of creating long-term value for the Company, its stakeholders and the wider society within which the Company operates, while protecting,

sustaining and enhancing the natural resources that will be needed in the future; and

- Increasing efforts on the Group's expansion strategy to neighbouring markets, mainly KSA, where the Group established a 100% owned subsidiary (i.e. MDICC) at the beginning of 2023 to focus on AV, ELV and hospitality related projects, as well as Oman, where the Group holds 98% equity interest in QIS to focus on similar projects in this neighbouring country.

6.4 List of awards

Awards	Description	Year
Dahua Technologies	Partner of the year	2023
Huawei	Growth partner of the year	2023
Jumbo & Bosch	Best performance	2023
Gallagher	Sales completion	2023
CORPORATE LIVEWIRE PRESTIGE AWARDS	Best in integrated system solution (Middle East)	2022
Dahua Technologies	Partner of the year	2022
MILESTONE DIAMOND PARTNER	Awarded the diamond partner award	2022
HUAWEI	Strategic Partner of the year	2022
INAVATE AWARDS	Best healthcare project. The Inavate awards are the most sought after honours for system integrators, consultants and technology managers working in the professional AV industry	2021
SIGNIFY	Best distribution partner	2021
SIGNIFY	Best stockist partner	2021
AVIXA AWARDS	Golden partner	2021

HUAWEI	Growth partner of the year	2021
MILESTONE DIAMOND PARTNER	Awarded the diamond partner award	2021
CORPORATE LIVEWIRE PRESTIGE AWARDS	Best in integrated system solution (Middle East). The Corporate livewire Prestige Awards celebrates enterprises consisting of localized business and sole traders that have thrived in their highly competitive community and have proven their success during the past 12 months	2021
ISO	Information security management systems	2021
SIGNIFY	Outstanding performance of the year	2020
SENNHEISER	Appreciation award	2020
INAVATE AWARDS	Best government project. The Inavate Awards are the sough after honours for systems integrators, consultants and technology managers working in the professional AV industry	2020
CORPORATE LIVEWIRE PRESTIGE AWARDS	Best in integrated system solutions (Middle East). The Corporate Livewire awards celebrates enterprises consisting of localized business and sole traders that have thrived in their highly competitive community and have proven their success during the past 12 months	2020
AVIXA AWARDS	Best flexible space experience. The global AV Experience Award program recognizes the innovative integration of content, space and technology to create or enhance an experience	2020
AVIXA AWARDS	Provider of excellence	2020
AVIXA AWARDS	Qatar University Sports and Events complex. The Company was recognized for its outstanding AV professionals and for their contribution to the industry	2020

6.5 Founders

The Founders of the Company are:

- Al Jaidah Brothers Co. WLL;
- Abdulla Mohdshafeea M H Al-Ansari;
- Zeyad Mohamed I Al- Jaidah;
- Mohamed Ibrahim M I Jaidah;
- A. Latif Mohd I Jaidah;
- Salah Mohd I Al-Jaidah; and
- Tariq Mohd I Aljaidah.

6.6 Senior Executive Management

The Group's growth story was built on its human resource assets and its capability of retaining its senior management members.

The CEO and the Managing Director have extensive experience in ICT and have been with the Group since its establishment in 1996 (28 years), while its Head of Projects and Head of Strategy have all been supporting the Group for the past sixteen (16) years. The Chief Legal and Compliance Officer (CLCO) joined the Company fourteen (14) years ago.

The other members of the Senior Executive Management team have long standing experience with reputable firms in Qatar and the region.

6.7 Competitive Strengths of the Group

The following sections present the main factors that the Group believes will assist them in benefiting from the local, regional and international trends in relation to the AV, ELV, hospitality management and lighting sectors. As the Group is one of the longest standing groups operating in those sectors with over 28 years of experience, it believes that it is in a good position to benefit from the growing economic trends and market requirement for the services provided.

- *Comprehensive portfolio of ICT solutions and services*

(i) AV and ELV

The Group has the longest running AV and ELV divisions in Qatar operating for more than 28 years. The Group develops bespoke integration systems which are designed to identify and take advantage of the synergies within a business and provides the benefits from having one experienced team developing an integrated set of solutions.

The Group is classified as Category 1 by the Government Procurement Regulatory Department at the Ministry of Finance, which allows the Group to apply for government related tenders/projects.

(ii) Hospitality

The Group is one of the market leaders in the provision of hospitality IT solutions utilizing the most popular software and hardware used across hospitality, food and beverage and retail sectors (such as MICROS-Fidelio Financials, Infor for retail and FCS for hotel management). In addition to supply of comprehensive IT solutions, the Group provides ongoing support and maintenance services.

(iii) Lighting

The Group has been the main distributor of a leading global provider of lighting products in Qatar since 2008. Although non-exclusive, the Group is currently the sole distributor of light bulbs from such leading global provider of lighting products to retailers. The Company has developed a large distribution network for lighting products with more than 250 "tier 1" distributors and a number of "tier 2" wholesale distributors.

- *Robust client base and local experience*

Over its 28 years of operations, the Group has built a large client base from both the private and public sectors. Given the sensitivity of the security business, the Group has established long-lasting and trustworthy relations with its clients, thus enabling it to achieve brand loyalty. The Group has a strong presence in the education market due to its integration of AV and ELV systems along with its security systems, which positions the Group as the preferred long term business relationship for education related clients. Moreover, for the same reasons, the Group has created a significant footprint in the healthcare market and is the go-to long term business relationship for large healthcare institutions such as Hamad Medical Corporation.

Some of the other strategic clients are public authorities and leading healthcare, entertainment and cultural providers in Qatar.

- *Quality and customer experience*

The Group's main objective when undertaking any project is to provide their clients with bespoke solutions that perfectly fit their needs. By ensuring that the equipment used is best-in-class from globally renowned suppliers along with a 24/7 emergency maintenance and support hotline, the Group aims to not only meet its clients' expectations but exceed them regardless of the type, size and scale of the project being undertaken.

- *Efficient project management*

Efficient project management skills, in-depth experience and transparent communication channels have been a hallmark for the Group in its past and current projects. Combined with effective staff deployment and monitoring, this has allowed the Group of completing the most complex tasks and projects in a timely manner.

- *Human capital*

Management believes that the Group's employees are the main driver behind the success of the business. The team consists of qualified and certified engineers, complemented by a dynamic and resourceful sales team. The Group has also invested in a highly skilled support team with 24/7 maintenance support and hotline for its clients.

The Group has furthermore put in place a robust training scheme to support its employees in building their capabilities and ensure continuous client satisfaction.

- *Efficient inventory management system*

Based on its current business model, the Group creates bespoke and customized solutions for its clients based on their respective needs and demands. This supports the Group in maintaining limited inventory and avoids it from undergoing impairments due to obsolete technology.

- *Market growth*

The Group believes that the market sectors in which they operate is anticipated to grow in the coming years as a result of the following factors:

(i) development and growth of the Qatari economy as a whole;

(ii) Qatar's National Vision 2030 is expected to yield high demand for AV, ELV, lighting and hospitality solution as the tourism, education and healthcare sectors are expected to continue their growth and have a larger contribution to the country's economy;

(iii) the need to align various businesses and establishment with the latest technologies in relation to automation, lighting, POS systems, AV integrated systems and security related systems; and

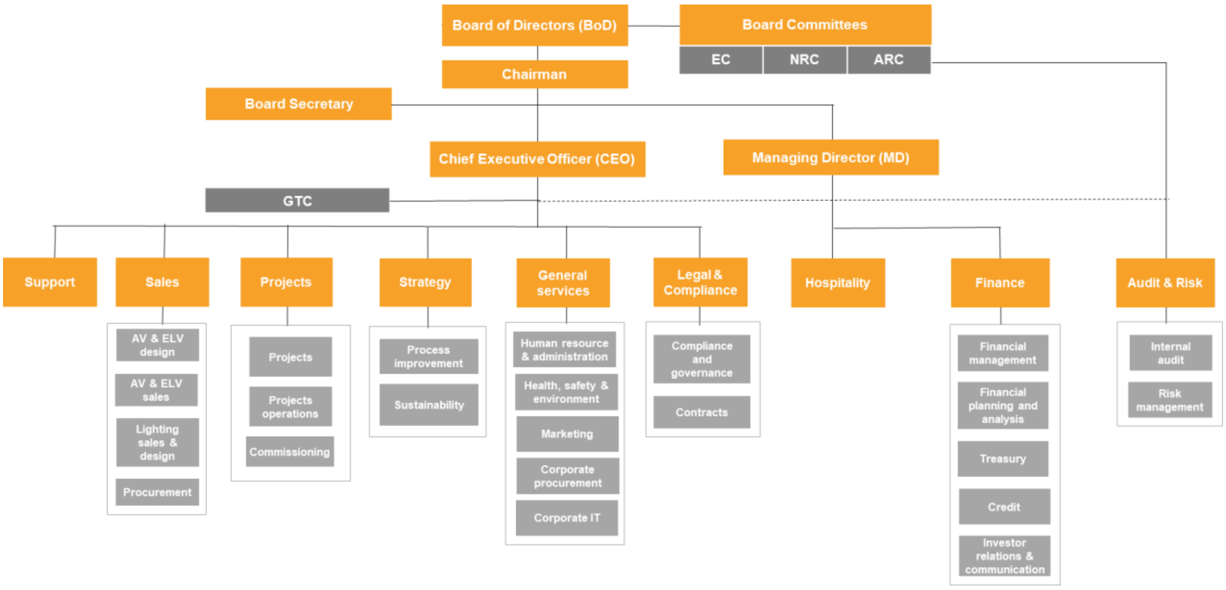
(iv) the increased need for security surveillance systems in-line with recent governmental initiative in this regard

- *Long term business relationships for key brands*

The Group strives to develop a clear brand identity to deliver high-quality, secure and trusted services to its customer base. This is further demonstrated in the longstanding relationships it holds with a number of well known global brands in the sectors of hospitality, AV, ELV and lighting. The products offered by the Company through these global brands include, but are not limited to, databases and cloud computing systems, enterprise software, enterprise resource planning (ERP) software, human resource management software, customer relationship management (CRM) software, enterprise performance management systems, supply chain management systems, projectors, cameras, video conferencing systems, video management software, outdoor screens, and intrusion detection systems.

6.8 Organisation structure of the Company

The Company's organisational structure is set out as below. For more details regarding Board of Directors, committees and management, please refer to *Section 11 (Management, Shareholders and Corporate Governance).*



6.9 Employees at Group level

6.9.1 General information

In addition to Abdulla Mohdshafeea M H Al-Ansari and Zeyad Mohamed I Al- Jaidah, the following summarises the number of full-time employees working in the Group as of 31 March 2024:

Name of department	Number of employees
Management	2
Administration	30
Finance	19
Internal audit	1
HR	6
Sales	10
Support	136
Operations	93
Legal	3
Marketing	2
Business support	30
Lighting	7
Warehouse	13
Procurement	9
Total	**360**

Source: Management

Furthermore, the following table provides a summary of the length of service of the Group's employees:

Length of service	Number of employees	% of total permanent employee headcount*
> 20 Years	4	1.11%
> 10 Years	64	17.78%
> 5 Years	69	19.17%
< 5 Years	223	61.94%
Total	**360**	**100.0%**

Source: Management

6.9.2 Professional development of staff

Management considers that staff is the most valuable asset of the Group and is committed to ensuring all staff undergo ongoing professional training for the duration of their employment with the Group. Emphasis on staff training and development is regarded as a major non-monetary benefit of the employment package and serves to retain professional staff with high standards. The Group's training and development strategy ensures staff acquire relevant capabilities to enable the Group to meet its existing and future business objectives.

Management adopts four main methods for staff development:

1. Specific technical product training to enable employees to design, install and program products or systems. This type of training takes place when a new product is launched or when a new project has been awarded;

2. Soft skills training, which is provided to most staff, depending on their roles within the Group and the needs of their roles;

3. Annual appraisal. This provides staff with direct recommendations from their line managers on how to improve their output and efficiency and provides them with a platform to discuss any specific improvement or coaching areas; and

4. Career path plan. This training is typically relevant when an employee assumes a new role in the business. This training is run to prepare the employee for a new role (typically a higher-ranking role in the organization) which requires certain skills.

Training programs are either run by the Group internally, manufacturers of certain products and software or training institutes, depending on the topic and complexity of the training.

6.10 Information systems

The Group features advanced IT systems in order to offer its products and services to customers in an efficient and reliable manner.

The Company does not have material proprietary IT property and utilizes third party software under licence.

The Group has recently adopted Microsoft Dynamics Finance & Operations (D365) as its Enterprise Resource Planning software system. Pending completion of its integration (which is expected to finalise during Q4 2024), it is being utilised in parallel with the Group's existing system.

6.11 Quality assurance

It is the policy of the Group to provide reliable and quality products to their customers to meet their requirements with minimal environmental impact whilst ensuring, by proficient design, that these goals are achieved at lowest possible cost, thus supporting the profitability of the Group's operations.

Management realize that these policies and objectives can only be successfully implemented through participation of the Group' staff and managers who are specialized and experienced in the fields related to production and marketing of the Group's products and services.

To enable all personnel to exercise their commitments and to achieve quality-oriented work, the Group has established a Quality Management System in compliance with the requirements of ISO 9001:2015. Management perceive this system as dynamic, ever-developing structure facilitating the development of the Group's business.

6.12 Business history and description

6.12.1 Business history

The following diagram provides a summary of when the Company and TQSS were incorporated:

1996	The Company's establishment as a home theatre and AV equipment store.
1996	The Company sold its first large-scale AV system to BMW showroom in Qatar.
1999	The Company introduced the security systems division with ELV, anti-shoplifting equipment and CCTV cameras.
2004	The Company was awarded a marquee project of setting up the AV systems in Khalifa Stadium, which was the Company's first engagement in the sports industry.
2008	The Company launched the lighting division together with Philips being appointed as Philips' official product distributor in Qatar.
2010	The Company was awarded an approximately QAR 100m for the provision of AV systems and lighting equipment for Qatar National Convention Center.
2012	Given the Company's award of a few projects in the Sultanate of Oman, QIS was incorporated in the Sultanate of Oman[4].
2015	The Company was awarded its first large scale residential project which included the provision of CCTV and security systems for Barwa Village.

[4] Currently a non-operating entity

2018	The Company was appointed by the organiser of a large international sporting event to provide and upgrade security systems and CCTVs for 7 stadiums.
2019	Given the MOI's requirements for obtaining a separate licence in relation to security systems activities, the Company decided to incorporate TQSS as a specialized, stand-alone company for the trading and contracting of safety and security accessories.
2023	TQSS is acquired by the Company from its shareholders at the time as part of the corporate restructuring process carried out for the purpose of the Listing.
2023	In January 2023, the Company established a wholly owned limited liability company (MDICC) in KSA to act as its portal towards future geographic expansion into KSA.
2024	The first tender for a project worth 1.3 million was awarded to MDICC in KSA by a government hospital.
2024	The Company enters into a 51.0% strategic partnership with TH[5], a company specialised in computer programing and IT consultancy services, as part of the Group's growth strategy across verticals not currently covered by it.

6.12.2 Qatar Electronic Systems Company (Techno Q) Q.P.S.C. – Business history and description

a) Overview

In its initial operating phase, the Company's activities comprised of the provision, installation and maintenance of home theatre systems for residential projects. Thereafter, the Company expanded its service offering and grew its operations to cover public and commercial establishments and venues such as offices, hospitals, conference centres, stadiums, showrooms, museums, etc.

b) Service offering

The Company provides integrated design solutions which cover the design, supply, installation and maintenance of the following:

Audio Visual

AV services comprise the provision of the following integrated solutions:

- Video walls, display panels and large LED screens;
- Digital signage;
- Video conferencing platforms;

5 Recently established, non-operating entity

- Recording and streaming solutions;
- Control rooms;
- Control systems and interfaces;
- Smart classroom systems;
- Auditorium and multipurpose halls;
- Presentation systems;
- Public address systems;
- Interactive video systems;
- Meeting rooms, conference rooms and board rooms;
- IPTV, SMATC, and music systems;
- Table-top applications for voting;
- Congress and simultaneous interpretation systems; and
- Sound reinforcement.

Lighting systems

Lighting systems service involves the sale of lighting system equipment and integrated software systems. The lighting systems segment comprises the following services:

- Indoor lighting for offices, industrial complexes, warehouses, educational and healthcare institutions, residential, retail and commercial centres, hotels, large performance arenas (such as football stadiums) and stage venues;
- Outdoor lighting for stadiums, sport facilities, streets and highways, public areas and plazas, parks and architectural lighting and façade lighting;
- Environmentally sustainable LED lighting;
- Latest technology, energy efficient lighting products and luminaries, and
- Customizable lighting control and dimming solutions.

Hospitality

The hospitality segment relates to the provision and maintenance of equipment and systems used by companies operating in the hospitality segment (F&B, retail, property management, etc.). The Company offers the following services under this segment:

- Property management;
- Central hotel solutions; and
- Restaurant management solutions.

c) Full time employees

The Company had 226 employees as at 31 March 2024, with the largest department being the operations department. Other than the dedicated operation and sales personnel, the rest of the Group's functions are centralised at the level of the Company.

d) Separate financial information of the Company

			Amount (QAR'000)
As at December 31	FY21	FY22	H1 23
Total revenue	90,867	170,639	61,010
Gross profit	27,981	43,783	16,442
Net profit	9,270	16,653	4,971
Total assets	125,805	159,123	240,104
Total liabilities	60,982	81,832	164,798
Shareholder's equity	64,824	77,291	75,306
Cash balance	14,149	24,036	21,951

Source: Management

e) Marquee projects

Client name	Revenue stream	Description	Value (incl. variation orders)	Completion date
Confidential counterparty	AV	Special race electronics system	QAR87.3 million	2023
Confidential counterparty	AV	Provision and installation of CATV & IPTV systems	QAR25.6 million	2021
Confidential Counterparty	Support	Support and maintenance of light systems	QAR 23.6 million	2027
Lusail Real Estate Development Co. W.L.L	AV	Supply & installation of additional outdoor mesh media screens	QAR17.1 million	2021
Confidential Counterparty	Support	Support services of AV systems	QAR 11.3 million	2026
Confidential counterparty	AV	Supply, installation, testing and commissioning of AV equipment	QAR7.2 million	2024
Confidential counterparty	AV	AV system, SMATV, PAVA and broadcasting cabling	QAR6.8 million	2022
Confidential counterparty	AV	AV systems solutions	QAR6.7 million	2021
Confidential counterparty	AV	AV system provision and installation	QAR6.4 million	2022
Hamad Medical Corporation	Support	Comprehensive maintenance contract for ACS for 5 years	QAR5.9 million	2026
Confidential counterparty	Support	Technical standby	QAR5.9 million	2022

		support services for a large international sporting event		
Confidential counterparty	AV	AV systems solutions	QAR5.2 million	2023
Confidential counterparty	AV	LED screen	QAR4.6 million	2021
Confidential counterparty	Hospitality	Development of catering software system for a large international sporting event	QAR3.0 million	2022

Source: Management

f) Existing projects and completion rate

Number of projects under implementation	381
Total value of projects under implementation (Qatari Riyals)	160,071,437
Completion rate as of 31 March 2024	59.8%
Remaining revenues from projects under implementation (Qatari riyals)	64,301,953

Source: Management

6.12.3 Techno Q for Security Systems WLL – Business history and description

a) Overview

Security systems have been part of the Group's operations since 1999 and have since seen significant growth due to increased demand with the introduction of laws mandating the use of security systems in various types of establishments in Qatar.

To respond to this increasing demand within security services, and capitalise on the business opportunities it created, TQSS was established as a specialized, stand-alone company for the trading and contracting of safety and security accessories under commercial registration number 124712 on 28 October 2018.

TQSS was established to undertake ELV security systems projects which include the provision, installations, design and maintenance of ELV hardware and software. Prior to its acquisition by the Company in May 2023, TQSS was owned by Al Jaidah Brother WLL and Abdulla Mohdshafeea M H Al-Ansari (two of the Company's founders and sole owner at the time).

b) Service offering

TQSS provides a wide range of security systems products and service offerings, which include:

ELV, security and building controls

The ELV segment involves the design, sale and maintenance of ELV equipment such as CCTV cameras (and other equipment) and integrated software solutions to work in parallel with the hardware provided to the customer. ELV services include the following:

- CCTV systems;
- Access control and intrusion alarm systems;
- Physical security systems;
- Perimeter fences and security protection systems;
- Building management systems;
- Voice evacuation systems;
- Fire alarm systems;
- Intercom systems;
- Anti-shoplifting security systems;
- Master clock systems;
- Extreme long-range infrared thermal cameras; and
- Lighting and dimming control systems.

c) Full-time employees

TQSS had 134 employees as at 31 March 2024, with the largest department being the staff relating to support services segment. Other than the dedicated operation and sales personnel, the rest of TQSS's functions are centralised at the level of the Company.

d) Separate financial information of TQSS

			Amount (QAR'000)
As at December 31	**FY21**	**FY22**	**H1 23**
Total revenue	105,722	160,276	64,885
Gross profit	28,235	29,639	16,720
Net profit	11,609	16,966	7,445
Total assets	196,344	178,825	157,920
Total liabilities	174,857	145,905	124,642
Shareholder's equity	21,488	32,920	33,278
Cash balance	55,611	31,151	25,418

Source: Management

e) Marquee Projects

Client name	Revenue stream	Description	Value (Incl. variation orders)	Completion date
Confidential counterparty	ELV	Security access control system	QAR100.0 million	2023
Hamad Medical Corporation	ELV	CCTV and ACS provision and installation	QAR94.2 million	2024
Confidential counterparty	ELV	Overlay CCTV turnkey solution at official & non-official sites phase 2 & 3	QAR42.4 million	2022
Confidential counterparty	ELV	Access control and physical security systems	QAR21.0 million	2024
Confidential counterparty	ELV	Access control and physical security systems	QAR20.8 million	2023
Confidential counterparty	ELV	CCTV and access control systems	QAR 17.9 million	2023
Confidential counterparty	ELV	Overlay CCTV turnkey solutions	QAR14.9 million	2021
Confidential counterparty	ELV	Supply, delivery and installation of security equipment	QAR12.9 million	2021
Generic Engineering Technologies and Contracting WLL	ELV	CCTV provision and installation	QAR 12.5 million	2025
Confidential counterparty	ELV	Event network products and services	QAR12.3 million	2022
Confidential Counterparty	ELV	Installation and full provision of facial recognition camera systems	QAR 11.9 million	2024
Confidential Counterparty	ELV	Installation and full provision of facial recognition camera systems	QAR 6.1 million	2024
Generic Engineering Technologies and Contracting WLL	ELV	CCTV provision and installation	QAR 5.7 million	2022
Confidential counterparty	Support	Electronic security system maintenance	QAR5.4 million	2024
Confidential counterparty	ELV	CCTV provision and installation	QAR4.5 million	2022
Confidential counterparty	ELV	CCTV and access control systems	QAR4.5 million	2022
Confidential counterparty	ELV	CCTV provision and installation	QAR3.5 million	2023

Source: Management

f) Existing projects and completion rate

Number of projects under implementation	83
Total value of projects under implementation (Qatari Riyals)	251,908,319
Completion rate as of 31 March 2023	56.9%
Remaining revenues from projects under implementation (Qatari Riyals)	108,639,269

Source: Management

6.12.4 Quality For Integrated Systems LLC – Business history and description

a) Overview

In 2012, the Company obtained two projects in the Sultanate of Oman, and to enable it to complete these projects and given the increasing importance of the Omani market, the Company established QIS under commercial register no. 1147656 dated June 9, 2012 of which it owns 98% with the outstanding 2% being owned by Abdulla Mohdshafeea M H Al-Ansari (one of the Company's founders).

In 2017, with the beginning of the political rift between the State of Qatar and some of its neighbouring countries, the Company's management was leveraged on QIS as a centre for its imports instead of the United Arab Emirates. With the start of World Cup 2022 related projects in the State of Qatar, the Management decided to focus all its resources on those projects, thus freezing the activities of QIS at that point in time.

In 2023, the management decided, as part of its geographic diversification strategy, to redirect its consideration to the Omani market and thus revive the activities of QIS. It is to be noted that QIS has no ongoing projects in Oman, as at the date of this Listing Prospectus.

b) Service offering

QIS provides the following service offerings:

- Development of computer network;
- Retail sale in specialized stores of computers and non-customized software;
- Wholesale of photographic, optical goods and watches; and
- Wholesale of musical instruments, games and toys and sports goods.

c) Separate financial information of QIS

Due to the freezing of the activities of QIS over the past years, its financial position includes only the value of equity amounting to 164,678 Omani Rials as at 31 December 2023.

d) Marquee Projects

Client name	Revenue stream	Description	Value (Incl. variation orders)	Completion date
Confidential counterparty	ELV	Lecture hall systems and Internet television	638,900 Omani Rials	2014
Confidential counterparty	ELV	Providing and installing solutions for audio-visual systems and digital signage screens	572,600 Omani Rials	2012

Source: Management

7. VALUATION METHODOLOGY

The valuation of the Company was prepared to be submitted as part of the Company's application to the Regulators regarding the Listing of the Company's Shares on the QEVM, to satisfy one of the application requirements in accordance with the Rules for Independent Auditors and Financial Evaluators of Listed Companies, as well as the QFMA Listing Rules, and it should not be used by any other party or for any other purpose. It was not prepared for Investors to rely on or use to make investment decisions. It is the responsibility of potential Investors in the Company to make their own assessment of the valuation of the Company, whether they should invest in the Company and whether they consider that the Listing price of the Shares accurately reflects the value of the Company. The day-to-day trading price of the Shares after the Listing may be greater or less than the initial Listing price of the Shares and may or may not necessarily accurately reflect the underlying value of the Company. In particular, potential Investors must read and understand this Listing Prospectus in its entirety, including the section titled "Risk Factors".

<table>
<tr><th>#</th><th>Description</th><th colspan="3">Explanation</th></tr>
<tr><td>1.1</td><td>Name and experience of the financial evaluator</td><td colspan="3">Name: Deloitte & Touche – Qatar Branch

Experience: Deloitte & Touche – Qatar Branch experience spans over 72 years. It has more than 370 professional staff based in Qatar headed by 19 partners. Some of Deloitte & Touche – Qatar Branch's recent transactions include the valuation of QLM and listing of Al Falah Educational Holding on QEVM. Deloitte & Touche – Qatar Branch has worked closely with QFMA in the past.</td></tr>
<tr><td>1.2</td><td>Purpose of the evaluation</td><td colspan="3">The valuation was prepared to be submitted as part of the Company's application to QFMA/other regulatory authorities regarding the listing of the Company's shares on QEVM, to satisfy one of the application requirements.</td></tr>
<tr><td rowspan="3">1.3</td><td rowspan="3">Evaluation methods used in the study and the suitability of each of them to the nature of the Company's activity</td><td>Method</td><td>Explanation</td><td>Suitability</td></tr>
<tr><td>DCF</td><td>We utilised the DCF as the primary methodology to assess the value of TQ and TQSS as at 30 June 2023.

The free cash flows to the firm are discounted over the forecast period by an appropriate Cost of Capital ("CoC") to arrive at an estimate of the Enterprise Value ("EV") of the TQ and TQSS.

The equity value of TQ and TQSS was then computed by adjusting the EV for cash, debt and surplus assets/liabilities.</td><td>This DCF methodology considers projected future cash flows (including growth, profitability, etc.).

An appropriate discount rate is applied to the expected cash flows to the firm to determine the EV, which is adjusted for net debt (cash) and surplus assets/liabilities to reach the equity value.</td></tr>
<tr><td>Book value</td><td>MDICC and QIS were considered at their net book value as at the valuation date based on Management's confirmation</td><td>MDICC and QIS are non-operational and hence management confirmed that their</td></tr>
</table>

			that their NBV is fair representation of their FMV as at the valuation date	NBV is a fair representation of their FMV as at the valuation date
		Sum of the parts ("SOTP")	The value of the TQ group is the sum of the values of TQ, TQSS, MDICC and QIS	The value of components of the group are summed to reach to the value of the Group as a whole
		Market Approach	We used the market approach only to cross check our implied multiples under the Sum of the Parts approach. We conducted a screening exercise to identify similar publicly listed companies that provide extra low voltage and audio visual in the region. Due to the lack of sufficient number of regionally listed peers, we expanded our search to include other emerging markets and developed markets as well. We observed the trading EV/EBITDA (three years average) multiple for the selected comparable companies and applied it to the financials of the Group for the purpose of the cross check as mentioned above.	Useful as a supplementary valuation methodology or as a cross-check.
1.4	**The Company's strengths, weaknesses, opportunities, and challenges**	**Strengths:** ▪ Established brand for more than 27 years; ▪ Comprehensive portfolio of ICT solutions and services; ▪ Robust client base and local experience; ▪ Provides highest quality products and customer experience; ▪ Efficient project management; ▪ Highly qualified human capital; ▪ Efficient inventory management system; and ▪ Excellent relationships with key international brands. **Weaknesses:** ▪ High concentration on AV/ELV projects; ▪ High geography concentration; and ▪ Dependency on imports for sale of equipment. **Opportunities:** ▪ The Group is looking into the KSA and Oman markets to support its growth;		

		▪ The Group's involvement in a number of landmark projects raised market awareness to the Group's brand; and ▪ Large infrastructure projects part of Qatar's growth strategy and QNV 2030 will support the Group's growth. **Threats:** ▪ Downturn in large infrastructure projects leading to subdued demand; ▪ Supply chain shocks leading to non-fulfilment of orders; and ▪ Lack of availability of locally trained staff to respond to unforeseen opportunities.
1.5	**The Company's competitive advantages and its market share locally and regionally**	**Competitive advantage** ▪ Established brand presence of over 28 years in Qatar. ▪ Agreements with leading global agencies and vendors. ▪ Highly experienced executive management team with focus on investment in workforce capabilities. ▪ Efficient project management skills. ▪ Comprehensive portfolio of ICT solutions and services.
1.6	**The assumptions and principles upon which the study is based in relation to growth rates, comparative growth rates for similar companies or for the sector, discount rates, and profit multiples**	The valuation was mainly based on the following: a) information received from the management of the the Group including but not limited to historical financial performance, market and industry specific insights, business plans and financial projections (and the underlying assumptions). Such information is the sole responsibility of the management of the Group. Prospective Financial Information ("PFI", being any financial information about the future) relates to the future and involves estimates, assumptions and uncertainties. PFI is based on information available at the time of its preparation. Accordingly, the PFI will not include unanticipated events after the date on which it was prepared, including, but not limited to, changes in law and regulations, changes in government policies and changes in accounting standards. The attainment of the predicted results depends upon successful implementation of the underlying strategies by the management of the Group and the realisation of the underlying assumptions including any operational improvements. Events and circumstances frequently do not occur as expected and actual results are likely to be affected by events beyond the control of the management of the Group resulting in differences between the predicted and the actual results. Such differences are normal and may be material. Accordingly, no opinion is expressed, and no assurance is provided as to the achievability of the financial forecasts provided by the management of the Group; and b) other publicly available information. Whilst there is no reason to believe that this information is not reliable or accurate; its accuracy, completeness or correctness is not warranted. The weighted average cost of capital ("WACC") was calculated based on the cost of equity (which is estimated using the Capital Asset Pricing Model) and the cost of debt. Key inputs used in the discount rate estimation are implied risk-free rate (based on the yield of US government bonds), unlevered beta and debt to equity ratio (based on the observed beta and D/E for the comparable companies and data published by Damodaran for the relevant industry), market risk premium,

		country risk premium (based on data published by Damodaran), specific risk premium and cost of debt (based on the lending rates in Qatar and the Company's actual cost of debt). Terminal value is estimated based on the Gordon Growth Model whereby the terminal growth rate is assumed to be in line with the long-term inflation estimates for Qatar as per EIU. We conducted a screening exercise to identify similar publicly listed companies. The following benchmarking exercises were carried out: • Operational benchmarking, including business model, geographic exposure, etc; and • Financial benchmarking considering key financial metrics, such as revenue growth, gross profit margin and EBITDA margin. The median EV/EBITDA (3 yrs.avg.) multiple observed for the comparable public companies in emerging and developed markets is 9.4x.
1.7	**Other**	The basis of the valuation was the fair market value, which is defined as per the International Valuation Standards as the price expressed in terms of cash equivalent, at which a property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open market and unrestricted market, when neither is under a compulsion to buy or sell and when both have reasonable knowledge of the relevant facts. The valuation was on 100% of the equity interest in the Group as at 30 June 2023, on a marketable, controlling and "as-is" basis (before considering any discounts that may be applicable for Listing purposes). The business plan and other information provided by the management of the Group were utilised in applying the adopted valuation approaches. This valuation methodology is a brief disclosure. Full details are mentioned in the valuation report. Any valuation is subjective and dependent on a number of factors including the valuation methodologies used, the business plan provided by the management of the Group and its underlying assumptions, market driven factors (such as regulation, demand and supply dynamics), etc.

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8. RISK FACTORS

Prior to investing in the Shares, prospective Investors should carefully consider the risk factors relating to the Group's business and the security services industry in Qatar, together with all other information contained in this Listing Prospectus. The Company's Board of Directors believes that the following risks are the principal risks inherent to the Company and its business.

However, these risks and uncertainties are not the only issues that the Group faces; additional risks and uncertainties not presently known to the Company or that it currently believes not to be material may also have an adverse effect on the Company's financial condition or business success. If any combination of these risks occur, the Group's business, financial condition, cash flows and results of operations could be adversely affected and consequently the value of the Shares. Additionally, this Listing Prospectus contains forward-looking statements that are also subject to risks and uncertainties. The Company's actual results could differ from those anticipated in these forward-looking statements.

The risks listed below are to an extent interrelated. The occurrence of one risk may trigger other risks to materialise. For example, if there is a substantial downturn in the Qatari economy, the Company could incur significant operational losses and could, in turn, experience an increased need for liquidity and, as a result, become over-leveraged.

Where reference is made to the "Company", the "Group" or a "Subsidiary" in this section, it shall not be implied that the risk being described is limited to that specific entity or those specific entities. A risk which is identified as being applicable or relevant to any member of the Group may be applicable or relevant, whether in equal measure or otherwise, to one or more other members of the Group and/or to the Group as a whole.

The risks listed below are broadly categorized as follows:

- Risks pertaining to the market in which the Group operates;
- Risks specific to the operations of the Group;
- Risks specific to the industry in which the Group operates;
- Regulatory risks;
- Risks relating to the Shares; and
- Other risks.

8.1 Risks pertaining to the market in which the Group operates

8.1.1 Risks related to the diversification of Qatar's economy

Although Qatar's economy remains dependent on hydrocarbons, the Government has been working towards diversifying the economy in recent years, in line with QNV 2030. QNV 2030 is a comprehensive economic vision that outlines a path for the future development of Qatar's economy and is based on shifting Qatar's economy from a hydrocarbon-driven economy to a global diversified economy. The first such large-scale diversification initiative, the FIFA World Cup 2022, saw the State of Qatar embarking on a number of legislative and infrastructure changes. These are intended to continue attracting business and associated workforce as well as visitors for future mega-events (such as the upcoming twenty-fourth edition of the Asian Games to be held in Qatar in 2030) but also in general.

However, there can be no assurance that Qatar's efforts to diversify its economy and reduce its dependence on hydrocarbons will be successful. A failure to diversify the economy would make the economy more susceptible to the risks associated with the sectors in which the economy is concentrated and any downturn in such sectors could result in the slowdown of the entire economy which, in turn, could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.2 Risk related to a deterioration in economic conditions in Qatar and globally

Despite recent improvements in the global economy, the macro-economic situation remains unpredictable, and the Group is unable to anticipate future changes or outlooks with any degree of certainty. Any regional or global economic slowdown, a market crisis, or protracted periods of instability might generally have a significant and negative impact on the Group's operations, financial situation, and cash flow.

In particular, a slowdown in economic activity brought on by a deterioration of global market and economic conditions could have spill-over effects on the economic environment in Qatar and may negatively affect the Group's business in a number of ways, such as: conditions in the credit markets may affect the Group customers' capacity to fulfil their obligations, which in turn may lead to an increase in bad debts and a corresponding negative impact on the Group's working capital. Whilst it is difficult to foresee how a general downturn in the world economy may specifically affect the Group, it may generally have a material negative effect on the Group's operations, financial situation, and future prospects.

Additionally, changes in unemployment, significant inflationary or deflationary shifts, disruptive regulatory or geopolitical events, and a decline in consumer confidence and/or spending could all lead to increased volatility and diminished expectations for the economy, including the market for the Group's business, and result in demand or cost pressures that could also adversely impact the Group's business, operating results, financial condition, and profitability.

8.1.3 Economic risks related to operating in the MENA region

The economic outlook for Qatar and the wider MENA region remains uncertain. Global concerns over issues such as inflation, geopolitical issues, terrorism, energy costs, commodity costs, the availability and cost of credit and sovereign debt levels have contributed to diminished expectations for national and global economies in the medium to long term. Energy revenues underpin the GCC economy as a whole and to an extent facilitate the development of other sectors of the regional economy. Deterioration in the price of oil and gas, or any developments which limit the ability of GCC countries to freely export their oil and gas products, would reduce revenues flowing to these countries.

The current level of uncertainty and the pace of growth may also negatively affect the level of demand for all products in the market, which in turn could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.4 Political concerns in the broader MENA region

The MENA region as a whole has long been, and is currently, subject to a number of geopolitical and security risks. In particular, with effect from the first half of 2011, a number of countries and territories in the MENA region have experienced significant civil unrest - in some cases leading to violent disorder – prompting foreign political and military intervention and/or culminating in a change of government.

The Group operates primarily within Qatar which has not witnessed the civil unrest or disorder experienced elsewhere in MENA, although between mid-2017 and early 2021 a diplomatic rift within the region resulted in the closure of airspace, land, and marine borders with Qatar which impacted economic and financial conditions in the country. While the diplomatic rift was successfully resolved by the Al-Ula Declaration on 5 January 2021, a resumption of, or development of new, intra-GCC rifts cannot be predicted with any certainty and if materialised may result in an adverse impact to the Group's prospects or business. By contrast, the diplomatic rift fostered a culture of entrepreneurial spirit and self-reliance within Qatar and allowed it to forge new long term international business relationships which have created new economic opportunities.

8.1.5 Risks related to reliance on certain markets

The Group's performance and future prospects are strongly linked to the economic climate in the primary markets in which it operates, whether directly or indirectly. As at the date of this Listing Prospectus, the Group operates primarily within the Qatari market which depends on natural gas and oil revenues to facilitate the development of other sectors of the economy and its national infrastructure. According to data published by the Qatar Central Bank in its Annual Macroeconomic Review Report 2022, the oil and gas sector contributed (on a real basis) nearly 38% of Qatar's GDP during the period 2020-

2022.[6]

Any adverse movement in the price of oil and gas, or any restrictions which limit the ability of Qatar to export its oil and gas products freely, would reduce revenues flowing to the State and may impede its ability to implement its development strategies. Similarly, adverse impacts on Qatar's ability to produce, market or export oil and gas products may in turn adversely impact the demand for, or the risks associated with, the Group's products and services.

In particular, Qatar is one of the largest liquefied natural gas ("LNG") exporters in the world. Volatility in the LNG price, the prices achieved and the volume of LNG sold, together or individually, have a significant impact on Qatar's national budget. The budget available and its allocation has an impact on the Qatari economy as a whole and depending on budgetary decisions made there may be a direct or indirect effect on the Group's business or prospects.

In early 2022, particularly following the Russian Federation's invasion of Ukraine, global oil prices spiked, briefly peaking at approximately USD 140 per barrel in early March 2022. In the short term, high energy prices may have favourable impact on the general economic climate in Qatar. However, in the longer term, higher energy costs may accelerate the development and deployment of renewable energy. This in turn may reduce demand for oil and gas, reducing their prices and as a result lowering incomes for oil and gas producers such as Qatar. This may have an impact on various sectors and businesses within Qatar, which may have an adverse effect on the Group.

Qatar has implemented a diversification strategy to reduce the State's dependence on the oil and gas sector.

Furthermore, the primary market in which the Group operates is an emerging market. This type of market is characterized by relatively high volatility across numerous macroeconomic measures, when compared to developed markets, which may impact the performance of the Group in this market and make it difficult to predict such performance. As at the date of this Listing Prospectus, the Group does not intend to operate outside of emerging markets.

If the Company is unable to address the issues arising from operating in emerging markets, this could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

8.1.6 Risk of changes to the Qatari Riyal, other regional currencies, pegging against the US dollar or floating of the Qatari Riyal may lead to currency instability

The Qatari Riyal has been formally pegged against the US Dollar at a fixed exchange rate of 3.64 Qatari Riyals per 1 U.S. Dollar. Several GCC countries also have their

6 QCB Annual Macroeconomic Review Report (2020), Table 1-1.

currencies pegged to the U.S. Dollar. In response to the ongoing volatility of oil prices internationally, oil producing countries with currencies that have been traditionally pegged to the U.S. Dollar have faced pressure to de-peg and, in certain cases, have de-pegged their currencies. There is a risk that, in response to the developments in oil prices or for other reasons, additional countries may choose to unwind their existing currency peg to the U.S. Dollar, both in the GCC and the wider region. Any future de-pegging could adversely affect Qatar's economy, which could also indirectly have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.7 Risks related to changes in the US Dollar pegging of the Qatari Riyal in on-shore and off-shore market trading from time to time

Notwithstanding the Qatari Riyal has been formally pegged against the US Dollar at a fixed exchange rate of 3.64 Qatari Riyals per 1 U.S. Dollar as described in *Section 8.1.6*, there is a risk that on-shore and off-shore market trades may operate a different counter rate from time to time. Any such fluctuations in the pegging rate could adversely affect Qatar's economy, which could also indirectly have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.8 Dynamic legislative environment in Qatar and risk of changes to laws or regulations

The Group is subject to a number of laws that govern its operations, most notably public health and safety, security services and civil defence laws. As a growing economy, Qatar has been witnessing a continuous process of updating and renewing its laws and regulations. This may be driven by the desire to improve such laws or regulations or the need to comply with certain international obligations. New laws and regulations may impose additional obligations on companies operating in Qatar. Although the Group pays careful attention to compliance with applicable regulations, there is a possibility that new laws and regulations may impose obligations on the Group that it may not be able to comply with. Furthermore, changes in the application and/or interpretation of existing regulations by the authorities could also happen at any time with little to no prior notice. Any inability to comply with such laws and regulations may have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects. Furthermore, any regulatory change such as the imposition of additional licensing requirements could reduce the Group's revenue and make it more costly to comply with new laws and regulations.

8.1.9 Risks relating to reliance on large-scale entertainment events

FIFA World Cup 2022 was held in Qatar between November and December 2022 ("WC 2022"). The Government of Qatar allocated significant capital spending towards projects related to WC 2022. These included a metro rail network, several stadiums, two new cities, expanded road networks, and several other large and small projects. Like the 2006 Asian Games, WC 2022 contributed significantly to the economic development in Qatar across a broad range of sectors. In turn, the Group benefited significantly from the inflow of business, expatriates and visitors brought on by the WC 2022.

The completion of infrastructure and other projects related to WC 2022 may potentially result in an outflow of expatriates. Unless significant new development projects arise in the coming years, the reduction in economic activity associated with infrastructure development and other projects could result in a smaller market in Qatar for the Group's products and services. This, in turn, could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

The twenty-fourth edition of the Asian Games to be held in Qatar in 2030 ("AG 2030") may continue attracting expatriates and business into Qatar post WC 2022. However, it is not possible to predict if that will be the case. Further, it is anticipated that most of the existing WC 2022 infrastructure will be utilised for the delivery of the AG 2030, thereby reducing the need for significant investment into infrastructure development and correlated expatriate workforce being required. As the uptake of the Group's services relies on population numbers, should the AG 2030 not be able to maintain or attract visitors and expatriates into Qatar post WC 2022, there may be decline in the demand for the Group's services. This could in turn cause a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

8.1.10 Risks related to epidemics or pandemics

At the end of 2019, an outbreak of Coronavirus disease ("**COVID-19**") began. COVID-19 was a contagious disease caused by severe acute respiratory syndrome coronavirus 2 ("SARS-CoV-2"). COVID-19 resulted in governments worldwide, including the government of Qatar, enacting emergency measures to combat the spread of the virus, including travel restrictions, government-imposed shelter-in-place orders, quarantine periods, social distancing, and restrictions on large gatherings. These measures were in place between 2020 to 2022, moderating in certain periods due to periods of decreased caseloads and as vaccines became more widely available in Qatar and vaccination rates increased.

It is not possible to predict if similar epidemics or pandemics, including additional variants of COVID-19, might break out in the future and whether they will have increased severity or vaccine resistance. While the impacts of COVID-19 on the Group's business in 2020 and 2021 may not have been as material as observed in other industries (see *Section 21 (Management discussion and analysis)*), if similar epidemics, pandemics or additional COVID-19 virus variants materialise, vaccination rates decline or vaccine protection is not durable or for other unforeseen factors the Government of Qatar elects to renew or implement new public health restrictions (including international travel restrictions, lockdowns or diminution or cessation of business operations), this may have an adverse impact on the Group's business or prospects.

8.2 Regulatory risks

8.2.1 General

In order to carry out and expand its business, the Company and its Subsidiaries must maintain or obtain a variety of licences, permits, accreditations, approvals and consents from various regulatory, legal, administrative and other authorities and agencies.

The processes for obtaining or maintaining these licences, permits, accreditations, approvals and consents relevant to the Group, are often lengthy, complex, unpredictable, subject to penalties, and costly.

The Group's ability to achieve its strategic objectives could be impaired if it is unable to maintain or obtain required licences, permits, accreditations, filing requirements, approvals and consents having an adverse impact on its financial position and/or market value of Shares.

The activities of the Company are regulated by Qatari laws and regulations, and following the Listing, the rules and regulations of the QFMA and the QSE, notably the QFMA Corporate Governance Code and the QSE Rulebook. Failure to comply with such laws or regulations may result in penalties or fines and may have a material adverse effect on business activities.

8.2.2 Risk related to non-renewal or revocation of TQSS's MOI licence

Law No. 19 of 2009 Relating to the Organisation of Special Security Services in Qatar (the "**Security Services Law**") regulates companies which provide security services, solutions or devices to end-users in Qatar, such as TQSS. MOI is granted broad powers under the Security Services Law to regulate and supervise the activity of security companies in Qatar. If, for any reason, MOI decides to revoke TQSS's licence or refuses to renew it, this could result in a material adverse effect on the Company's business, cash flow, financial condition, results of operations and future prospects due to the fact that a substantial part of its revenues its derived from TQSS's activity and clients.

8.2.3 Qatar's Commercial Law and proposed bankruptcy filing provisions

Investors should be aware that the Commercial Law addresses commercial affairs, competition, commercial obligations and contracts. The Commercial Law also provides comprehensive provisions addressing bankruptcy matters, permitting creditors to file claims against the majority of corporate entities, except for certain professional companies and companies that are at least majority owned by the State.

To the knowledge of the Company, this new insolvency regime remains untested to date, and it is uncertain how it would be implemented by the courts of Qatar. There can also be no assurance that a Qatari court would compel a bankruptcy administrator to perform any of the Company's obligations during an administration period.

The Commercial Law also enables Qatari courts to defer adjudication of a company's bankruptcy if the court decides that it is possible to improve that company's financial position during a period specified by the court or if judged to be in the interest of the national economy. In the event of an insolvency situation to be determined under Qatari law, shareholders and other equity holders of a company generally rank last behind creditors of the company concerned.

8.2.4 Risk related to implementation of Value Added Tax in Qatar

All GCC member states, including Qatar, are party to the Common VAT Agreement of the States of the Gulf Cooperation Council (the "**Framework Agreement**"). This treaty establishes a common framework amongst GCC member states as to the implementation and setting of rates of value added tax ("**VAT**"). However, individual GCC member states are yet to implement the framework through the issuance of domestic legislation.

As of the date of this Listing Prospectus, Qatar has not implemented legislation to give effect to the Framework Agreement and there is no VAT in Qatar and there is no publicly available guidance as to when Qatar may implement it. The planned implementation of VAT may have an impact on the Group's operations. It should be noted that whilst the GCC member states that have implemented VAT to date in relation to the Framework Agreement originally did so at the standard rate of 5%, Saudi Arabia raised VAT to 15% in 2020 and Bahrain raised VAT to 10% in 2022. If VAT is levied on the Group's products and services, this could have a material adverse impact on its revenues or prospects.

8.2.5 Risk associated with new international corporate minimum income tax

Based on the prevailing tax regulations and enforcement thereof for listed companies on the Qatar Stock Exchange, the Company's profits would be exempt from corporate income tax following the Listing (notwithstanding the annual contribution towards the Qatar Social and Sports Fund). However, there can be no assurance that the State of Qatar will not in the future introduce additional taxes, charges, or levies on the Company or that the current tax laws and regulations in Qatar will not be amended. In addition, while the Company benefits from a full exemption from corporation tax on its income, this exemption may be withdrawn due to the OECD BEPS 2.0, Pillar 2 programme and Qatar's support thereof, or otherwise. If any changes in tax laws occur, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.6 Risks related to employment requirements

The Labour Law gives priority of employment to Qatari workers as part of the national strategy for developing a competent Qatari workforce through education and training. The proportion of Qatari workers in each company is subject to the discretion of MOL, which has authority for granting approvals and issuing work permits for hiring of non-Qatari workers. A change in legislation or in the application of existing legislation may impact the Group's recruitment strategy. As the Group relies on foreign workforce to a substantial extent for its operations, if the Group is legally required to employ a higher proportion of Qatari nationals, the cost of training, employing and professionally developing such individuals is likely to be significantly higher than the cost currently incurred by the Group in this regard.

In mitigation, the Company has adopted and implemented appropriate risk management policies and procedures and reports to a Board which has extensive experience in managing its businesses. The Group will seek to comply with all legal requirements relating to Qatarization in a manner that does not compromise the products or services offered or delivered and that limits the risks to the Group.

8.2.7 Risks related to rises in the mandatory minimum wage

On 30 August 2020, Law No. 17 of 2020 Determining the National Minimum Wage for Workers and Domestic Workers (the "**Minimum Wage Law**") was issued in Qatar, setting a mandatory minimum wage for workers in Qatar. Companies operating in Qatar which employed workers below the new mandatory minimum wage were required to raise salaries in order to be compliant. With compensation and treatment of unskilled labor increasingly coming under scrutiny in the GCC, including Qatar, inflation and interest rates rising, there may be increases to the current mandatory minimum wage in order to keep pace. Should this be the case, the Group may suffer substantial costs in order to secure compliance with such mandatory raises, which may in turn result in a material adverse impact on its business, financial condition, and results of operations or prospects. However, Senior Executive Management expects such compliance costs to be widely incurred in the Qatari market, leading to a potential offset in the competitiveness of the Group's overall financial position in the market.

8.2.8 Risks related to mandatory private health insurance or other insurance coverage

On 18 October 2021, Law No 22 of 2021 Regulating Healthcare Services within the Country (the "**Mandatory Health Insurance Law**") was issued in Qatar, making private health insurance mandatory for all non-Qatari nationals in Qatar. Companies operating in Qatar which employed workers without health insurance or with health insurance coverage below the new mandatory minimum requirement were required to obtain or increase health insurance coverage for their employees in order to be compliant. New legislation may be introduced setting or raising mandatory minimum requirements for health or other worker-focused insurance coverage. Should this be the case, the Group may suffer substantial costs in order to secure compliance with such mandatory legislation, which may in turn result in a material adverse impact on its business, financial condition, and results of operations or prospects. Management expects such compliance costs to be widely incurred in the Qatari market, leading to a potential offset in the competitiveness of the Group's overall financial position in the market.

8.2.9 Pensions and end of service gratuities risks

As is common in the MENA region and the emerging markets in which the Group operates, the Group does not operate a Group pension plan or make contributions into pension schemes for its employees. However, the Group makes appropriate provisions in its financial accounts for statutory payments under all applicable laws relating to end of service gratuities. However, there can be no guarantee that the actual amount owed to an employee after the end of their employment with the Group will not exceed the amount provided for, or that legislative or regulatory changes in the markets in which the Group operates will not introduce additional benefits currently not provided for. The above risks, if they were to materialise, could have a material adverse effect on the Group's businesses, financial condition and results of operations.

8.3 Risks specific to the operations of the Group

8.3.1 Business strategy risk

The Company has established a business strategy, the details of which are set out in *Section 6 (The Company)* of this Listing Prospectus. If the Company is unable to successfully implement its strategy, or if the Company is unable to adjust its strategy to react to changes in the markets in which it operates, this could potentially have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.3.2 Risk of saturation of market and inability to grow

A primary assumption of Senior Executive Management in relation to the future development of the Company and the Subsidiaries is that they will, post-Listing, be able to develop and grow their respective businesses. However, there inevitably can be no assurance that such development and growth will occur. The inability of the Company and the Subsidiaries to develop new business is likely to have an effect on the value of the Shares and the ability of the Company to pay dividends.

8.3.3 New business development and risk

If the Company or the Subsidiaries in the future enter into new or expanded sectors or geographies there is a risk that there may be no or inadequate demand for those new or expanded sectors or geographies, that the profitability or other financial expectations associated with such sectors or geographies do not materialise and that costs associated with the development, marketing, offering, provision, and claims or disputes associated with such sectors or geographies cause losses to the Company.

8.3.4 Currency and FX risk

The majority of the operation of the Group is in Qatar where the local currency is pegged to the US Dollar, and the Group’s transactions are primarily in Qatari Riyals as well as in other major international currencies. The Group is exposed to currency exchange rate risk on receivables and payables that are denominated in other currencies, including the US Dollar. Any adverse movement in exchange rates could have a material adverse effect on the Group’s business, cash flow, financial condition, results of operations, and future prospects. As at the date of this Listing Prospectus, the Group benefits from a multi-currency cross-border hedging agreement entered into with Arab Bank PLC.

8.3.5 Risks related to profit rate fluctuations

The Group is a borrower under currently outstanding financing arrangements, and it is anticipated that it will continue to avail bank facilities, including facilities which may be subject to profit. If the applicable profit rates increase significantly, then this could have a material adverse effect on the Group's cash flow, financial condition, results of operations, and future prospects.

8.3.6 Risk of turnover of key employees / managers

There might be detrimental effects to the Group's business resulting from the loss or dismissal of key personnel and there is no guarantee that it will be able to attract and retain key personnel that will help it to achieve its business objectives. Should the Group not be able to retain or replace qualified key personnel, this could lead to the Group being unable to perform at its current levels, which in turn could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

In mitigation, the Group has installed a highly performing recruitment process and in-house development plan to continuously elevate the know-how of its employees and ensure availability of skilled staff.

8.3.7 Intellectual property risks

In the conduct of its business, the Group may rely on a combination of contractual rights with third parties and copyright, trademark, trade name, patent and other intellectual property rights laws to establish and protect its intellectual property. The Group may not be able to obtain adequate protection for all of its intellectual property in all relevant territories, and third parties may infringe on or misappropriate the Group's intellectual property. The Group may have to litigate to enforce and protect its copyrights, trademarks, trade names, patents, trade secrets and know-how or to determine their scope, validity or enforceability. In that event, the Group may be required to incur significant costs, and the Group's efforts may not be successful. The inability to secure or protect intellectual property could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

8.3.8 Risks related to the Group's management and information systems

The Group's information technology and accounting systems are designed to enable the Group to use its resources as efficiently as possible and monitor and control all aspects of the Group's operations. Although proper controls are in place to mitigate information technology and accounting system risks, any unlikely failure or breakdown in these systems could interrupt the Group's normal business operations and result in a significant slowdown in operational and management efficiency for the duration of such failure or breakdown or thereafter. Further, the Group cannot guarantee that the information technology and accounting systems currently employed by the Company and its Subsidiaries will continue to be adequate or appropriate (in whole or in part) for any future operations, or that they will not need replacement, amendment or upgrading, any of which could have a material adverse effect on the Group's businesses, financial condition and results of operations. Notwithstanding the above, the Directors believe that the Group's financial reporting systems are sufficient to ensure compliance with the requirements of the Regulators as a listed company.

As at the date of this Listing Prospectus, the Company is in the process of upgrading its EPR software from NAV to Microsoft D365 platform, with more features and functionalities.

8.3.9 Loss of key customers and/or suppliers and/or long term business relationships risks

The Group has, over several years in operation, built strategic relationships with various customers, suppliers and long term business relationships. Should these relationships breakdown, cease to exist or if there is any material modification to the contractual terms under which a Group Member provides or receives products or services or enters into business relationships which are not favourable to it, this could have a materially adverse effect on the Group's business or financial condition, results of operations or prospects.

8.3.10 Risks that may lead to developments in technology could result in the Group's operations becoming uncompetitive

Technologies and processes are being continuously developed in the technology and security sector worldwide. Significant developments in technology could result in existing technologies and processes utilised by any of the Group Members becoming uncompetitive, adversely impacting the competitiveness of the relevant Group Member, which may have a material adverse effect on that Group Member's business, financial condition, results of operations or prospects.

As at the date of this Listing Prospectus, the Group uses state-of-the art and innovative technology and has a practice of promptly keeping up to speed with technology development.

8.3.11 Risks of insufficient insurance coverage for the Group

The Group may be affected by a number of risks, including terrorist acts and war related events for which full insurance cover is either not available or not available on commercially reasonable terms. In addition, the severity and frequency of various other events, such as accidents and other mishaps, business interruptions or potential damage to its facilities, property and equipment caused by inclement weather, human error, pollution, labour disputes and natural catastrophes, may result in losses or expose a Group Member to liabilities in excess of its insurance coverage or significantly impair its reputation. The Group cannot assure investors that the respective insurance coverage of its members will be sufficient to cover losses arising from any, or all of such events, or that Group Members will be able to renew existing insurance cover on commercially reasonable terms.

Should an incident occur in relation to which a Group Member has no insurance coverage or inadequate insurance coverage, the particular Group Member could lose the capital invested in, and anticipated future revenues relating to, any property that is damaged or destroyed and, in certain cases, the particular Group Member may remain liable for financial obligations related to the impacted property. Similarly, in the event that any assessments are made against a Group Member in excess of any related insurance coverage that it may maintain, its assets could be subject to attachment, confiscation or restraint under various judicial procedures. Any of these occurrences could have a material adverse effect on the particular Group Member's business, financial condition, results of operations or prospects.

The Group maintains insurance policies where practicable, covering both assets and employees in line with general business practices in Qatar, with policy specifications and insured limits which are believed to be reasonable. There are, however, certain types of losses, such as among others communicable diseases, wars, acts of terrorism, professional indemnity, product liability, liabilities arising from demolition or dismantling of works, pollution, contamination and environment impairment that generally are not insured because they are either uninsurable or not economically insurable and the Group's properties could suffer physical damage from fire or other causes, resulting in losses that may not be fully compensated by insurance. Should an uninsured loss or a loss in excess of insured limits occur or should the Group's insurers fail to fulfil obligations for the sum insured, the Group could be subjected to irrecoverable costs to rectify the loss, pay compensation and/or lose capital invested in the affected property, as well as lose anticipated future revenue from that property. The Group would also remain liable for any debt or mortgage, indebtedness or other financial obligations.

8.3.12 Competition risks

The business in which the Group engages is competitive. The Group competes with local, regional and international companies. The Group believes that, at present, it is one of the leading security services companies operating in Qatar. There can be no assurance, however, that the Group will continue to compete successfully with its existing competitors, or with any new competitors. The highly competitive nature of the security services industry requires the Group to charge competitive market rates for its services. Any significant change in the competitive landscape may result in significant pressure on prices and operating margins, which could impact the Company's profitability and thus dividend distribution. Some of the key competitors of the Group are Mekdam Holding Group QPSC, Mannai Corporation QPSC, Salam Technology and Black Arrow Security Systems and Services WLL.

8.3.13 Performance risks

The success and profitability of each Group Member primarily depends on its ability to successfully execute its contracts. The Company has historically completed projects within budget while maintaining quality and best practice on a consistent basis. Any shortfall in project execution will adversely impact the Group's financial performance, reputation and future prospects. Failure to complete contractual work within the designated time schedule could potentially lead to monetary penalties or compensation to the relevant client, and could be due to various factors including some over which a Group Member does not have any control.

8.3.14 Risks related to the cancellation or significant delay of projects and contracts

The Group has, over several years in operation, built strategic relationships with various customers and suppliers. Should these relationships breakdown, cease to exist or if there is any material modification to the contractual terms under which a Group Member provides or receives products or services which are not favourable to it, this could have a material adverse effect on that Group Member's business, financial condition, results of operations or prospects.

8.3.15 Risks related to enforcement of performance bonds and guarantees

As security for the performance of its obligations under certain contracts, the Group has granted irrevocable, on-demand performance bonds and guarantees in favour of its customers (including some of its governmental customers). Please refer to *Sections 8.3.28 and 8.3.29* for further details. Whilst such performance bonds are standard in the market in Qatar, there is nevertheless a risk that if there is a breach, delay or non-performance which the counterparty determines is attributable to the Group, then the counterparty may encash such performance bonds. Due to the material value of such bonds, this may have a materially adverse impact on the Group's financial standing, liquidity, operating results and future performance.

8.3.16 Risks related to force majeure events outside of the Group's control

The Group's operations could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, fires or typhoons) or other catastrophic events, including: changes to predominant natural weather or prolonged periods of adverse weather conditions including floods and temperature extremes, hydrologic and climatic patterns (including, but not limited to, sea levels), major accidents (including, but not limited to, chemical, radioactive or other material environmental contamination), major epidemics affecting the health of persons in the MENA region and travel into the MENA region, fires resulting from faulty construction materials or criminal acts or acts of terrorism, including cybercrime and cyberterrorism.

The occurrence of any of these events at one or more of the developments serviced by the Group or at the Group's own infrastructure for its corporate organisation, other projects or developments associated with the Group, whether in Qatar or the MENA region more generally may cause disruptions to the Group's operations. In addition, such an occurrence may increase the costs associated with the Group's operations, may subject it to liability or impact its brand and reputation and may otherwise hinder the normal activity of its operations or of projects with which the Group is associated.

While the cost of such incidents may be covered by insurance, any such incidents could nevertheless have a material adverse impact on the Group's operations and adequate insurance cover itself for certain force majeure risks may be more expensive or unavailable.

The foregoing factors could have a material adverse effect on the Group’s business, results of operations and financial condition. The effect of any of these events on the Group’s financial condition and results of operations may be exacerbated to the extent that any such event involves risks for which the Group is uninsured or not fully insured.

8.3.17 Risks related to unanticipated costs related to compliance with health and safety laws

The Group is required to comply with health and safety standards in accordance with applicable laws and regulations in Qatar. The Group provides its workforce with occupational health and safety training and believes that its safety standards and procedures are adequate; however, accidents at sites or facilities may occur as a result of unexpected circumstances. If any of such circumstances were to occur, they could result in personal injury, business interruption, possible legal liability, and damage to the Group's business reputation and corporate image and, in severe cases, fatalities. Therefore, no assurance can be given that in the future the Group will not become subject to potential health and safety liability affecting its business, financial condition, and results of operations or prospects.

8.3.18 Risks that could subject the Group to liabilities as a result of any violation of the environmental and safety standards

The operation of the Group is subject to a range of environmental laws and regulations in Qatar. Compliance with such laws and regulations can be costly and the Group currently incurs costs, and will continue to incur costs, to comply with such requirements. Although the Group has initiated and maintained various safety and monitoring procedures at each construction and development site, should it fail to comply with such laws and regulations, it may be liable for significant penalties, even where such failure to comply is caused by, or attributable to, a third party. In addition, the contravention of any such environmental law or regulations could result in the potential damage or harm to, destruction or death (as the case may be) of, properties, production facilities, people and/or the environment. Any occurrence of environmental damage may result in a disruption of the Group’s work or services or cause reputational harm and significant liability could be imposed on the Group for damages, clean-up costs or penalties, which may have a material adverse effect on the Group’s business, financial condition, results of operations or prospects. In addition, there is no assurance that governmental authorities in Qatar will not enforce existing environmental laws and regulations more strictly than they have currently done or in the future impose stricter environmental standards, or higher levels of fines and penalties for violations, than those which are in effect at present. Accordingly, the Group is unable to estimate the future financial impact of compliance with or the cost of a violation of any applicable environmental laws or regulations. The occurrence of any of these events may cause disruption to the Group’s projects and operations and result in additional costs to the Group, which may have a material adverse effect on the Group’s business, financial condition, results of operations or prospects.

8.3.19 Litigation risks

As at the date of this Listing Prospectus, the Group is engaged in certain litigation. For further details, please refer to Section 19 (*Litigation*). Whilst the Group won all existing cases and the competent courts issued awards in its favour, there is nevertheless an award enforcement risk that some of the amounts awarded to the Group may not be paid to the Group. This could in turn cause the Group to incur a financial loss, which could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

8.3.20 Group supplier risks

The Group is dependent on its long-standing relationships with suppliers to supply it with high quality products in a consistent and timely manner. Delays, defaults or quality issues in the future could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects, including as a result of the Group's customers terminating contracts or invoking any contractual rights they might possess to claim damages and/or other remedies.

8.3.21 Group logistical risks

The Group imports products from suppliers outside Qatar. As such, the Group is reliant on effective transportation and logistical solutions to enable it to receive the products it requires to fulfil its contracts with customers in a timely manner.

The Group adopts several measures to mitigate the risks associated with its logistical arrangements; however, it cannot control any disruption caused by third parties or unexpected events. There is a risk that logistical disruption could cause the Group to be delayed in performing its contractual obligations towards customers, which could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

In addition, there is a risk that prices adopted by logistical solutions suppliers could increase. This could in turn impact the competitiveness and profitability of the services offered by the Group which could in turn lead to a negative effect on its business, cash flow, financial condition, results of operations, and future prospects.

8.3.22 Risks related to delay in payments and receivables

Whilst Senior Executive Management believes that the Group's recovery rate is currently above the market average, the Group may nevertheless suffer payment and receivables delay or loss. This may result in a material adverse impact on the Company's business and operations, including delay or shortfall in its own payments to suppliers, cashflow, overall financial situation and future growth prospects.

8.3.23 Risks related to the loss of standards certifications

The Group's customers require it to possess certain standards and quality certifications that are relevant to the industries in which the Group operates. Maintaining these certifications is crucial to allow the Group to win new contracts from its existing customers and to win new customers. Whilst the Group has systems in place to ensure that quality control and health and safety matters are strictly managed, there is a risk that existing certifications will not be maintained or that new certifications required by customers will not be obtained.

8.3.24 Risk related to financing agreements

The Company and TQSS have entered into facility agreements, Murabaha facility agreements and credit facilities with different banks for, inter alia, the purchase of Shariah' compliant commodities via Murabaha or the financing of vehicle purchases. These facility agreements contain market standard events of default. If such events of default were to occur, the facility agreements grant the relevant banks rights to accelerate payments and enforce security granted thereunder (including contracts for the assignment of proceeds) or terminate the relevant facility agreements. Were any of these rights to be exercised, this may cause a materially adverse impact on the Group's ability to perform its operation and fund its projects which may in turn result in a materially adverse impact on the Group's cashflow, financial condition, revenue or future growth.

As of date, the Group has entered into the following facility agreements with its relationship banks:

No.	Group Member	Counterparty	Contract type	Value (QAR)	Expiry date
1.	The Company	Confidential counterparty	Credit Facility Agreement relating to various credit facilities such as LC, LTR, LG and an overdraft.	Total accumulated limit to facilities: 30,500,000	Various tenor periods as per letter dated 20 June 2023. The Agreement is currently under a renewal process.
2.	The Company	Confidential counterparty	Credit Facility Agreement relating to various credit facilities such as LC, LTR, LG and an overdraft.	Total accumulated limit to facilities: 50,000,000	Various tenor periods as per principal Banking Facilities Agreement dated 25 March 2024.
3.	The Company	Confidential counterparty	Credit Facility Agreement relating to various credit facilities such as LC, LTR, LG and an overdraft.	Total accumulated limit to facilities: 55,000,000	Various tenor periods as per principal Credit Facility Agreement dated 5 February 2020 and most recent renewal notification addendum dated 25 March 2024.
4.	The Company	Confidential counterparty	Credit Facility Agreement relating to various credit facilities such as LC, overdraft,	Overall total: 57,035,500	Various tenor periods as per letter dated 8 June 2023. The Agreement is currently under a renewal process.

			tender guarantee and others.		
5.	The Company	Confidential counterparty	Facility Offer Letter relating to various credit facilities such as Murabaha Trade Finance, Commodity Murabaha, LC's and LG's.	Total accumulated limit to facilities: 35,841,000	Various tenor periods as per principal Facility Offer Letter dated 9 November 2021 and most recent renewal notification letter dated 19 February 2024.
6.	The Company	Confidential counterparty	Facility Offer Letter relating to various credit facilities such as Murabaha Trade Finance, Commodity Murabaha, LC's and LG's.	Total accumulated limited to facilities: 42,000,000	Various tenor periods as per principal Credit Facilities Agreement dated dated 9 June 2022 and most recent renewal notification letter dated 10 January 2024.
7.	TQSS	Confidential counterparty	Facility Offer Letter relating to various credit facilities such as Murabaha Trade Finance, Commodity Murabaha, LC's and LG's.	Total accumulated limit to facilities: 66,332,000	Various tenor periods as per principal Facility Offer Letter dated 1 November 2022 and most recent renewal notification letter dated 19 February 2024.

Source: Management

8.3.25 Risks related to key material suppliers

As is market-standard, the Company relies on its suppliers to provide several products and services to its customers, including, most notably, spare parts for electronic and security systems provided to end customers in Qatar. One or more of the Company's suppliers, for any reason, may not be able to continue providing the services they currently offer to the Company. Furthermore, if any of the Company's suppliers were to enter into exclusive agreements with the Company's competitors or if any of the agreements concluded between the Company and its suppliers are terminated or not renewed, the Company may not be able to enter into alternative contracts with other suppliers under similar terms and conditions to source the relevant products and services.

In addition, the Company operates on an informal basis with some of its key suppliers, which may result in unclear risk management, liability apportioning and enforceability of the Company's debts against entities with whom it conducts business. The aforementioned may all have an adverse impact on the Company's business, financial condition, cashflow and future prospects.

8.3.26 Risks relating to contracts made with governmental and semi-governmental

entities

The Group's business and revenue depend significantly on the services provided to governmental and semi-governmental entities. Contracts made with governmental and semi-governmental entities contain terms which are more onerous than the market standard terms for contracting with non-governmental or semi-governmental entities which favour the counterparty and which may materially impact the Group's business, cashflow, financial condition and future prospects, such as counterparty rights to terminate or suspend the performance of the contract (in whole or in part) at convenience. Beyond the terms themselves, contracts made with governmental and semi-governmental entities also carry certain risks for the Group which are inherent in the governmental and semi-governmental contracting process, such as delays in obtaining internal approvals for contracts and other economic and political factors that may affect the number, value and terms of the contracts awarded by governmental or semi-governmental entities.

In the event that the Group is unable to maintain good and stable relations with its clients in the governmental and semi-governmental sector for any reason, this may have a material adverse impact on the Group's business, revenue, future performance, future growth and financial position.

8.3.27 Risk of loss of key customers

The Company maintains a relatively wide client base across its business. However, the Company does have a substantial concentration of its revenue with some key clients. If one or more of these key clients decides to contract with the Company's competitors instead, then this would have a material adverse effect on the Company's business, cash flow, financial condition, results of operations and future prospects.

8.3.28 Risks related to the Company's key material customers

All contractual relationships contain inherent risks, therefore, the Company works to reduce the likelihood and impact of these risks by attempting to use neutral contractual terms and seeking to adhere to the obligations imposed on it under such contractual arrangements, such as by seeking to avoid delays in performance and to comply with notification obligations under the relevant contract.

No.	Counterparty	Contract Type	Contract Purpose	Value of the Contract (QAR)	Potential Risks
1.	Confidential Counterparty	Agreement	Agreement relating to Maintenance of Play LED Floodlighting System and Façade Lighting System	23,552,684	Payment of penalties per each day of delay capped at 10% of the contract value for delays may negatively impact the revenue, cashflow and financial standing of the Company. Termination for the counterparty's convenience may negatively affect the business and impact the revenue,

					cashflow and financial standing of the Company due to the high value of the contract.
2.	Confidential Counterparty	Agreement	Agreement relating to the Maintenance of Audio-Visual Systems	11,301,078	Payment of penalties per each day of delay capped at 10% of the contract value for delays may negatively impact the revenue, cashflow and financial standing of the Company. Termination for the counterparty's convenience may negatively affect the business and impact the revenue, cashflow and financial standing of the Company due to the high value of the contract.
3.	Confidential counterparty	Agreement	Supply, installation, testing and commissioning and maintenance of screens	7,200,000	Termination for the counterparty's convenience may negatively affect the business and impact the revenue, cashflow and financial standing of the Company due to the high value of the contract.
4.	Hamad Medical Corporation	Agreement	Agreement for comprehensive maintenance contract for ACS	5,876,940	Payment of uncapped indemnities for market-standard types of loss may negatively impact the revenue, cashflow and financial standing of the Company. Termination for the counterparty's convenience may negatively affect the business and impact the revenue, cashflow and financial standing of the Company due to the high value of the contract.

Source: Management

8.3.29 Risks related to the TQSS's key material customers

All contractual relationships contain inherent risks, therefore, TQSS works to reduce the likelihood and impact of these risks by attempting to use neutral contractual terms and seeking to adhere to the obligations imposed on it under such contractual arrangements, such as by seeking to avoid delays in performance and to comply with notification obligations under the relevant contract.

No.	Counterparty	Contract Type	Contract Purpose	Value of the Contract (QAR)	Potential Risks
1.	Generic Engineering Technologies and Contracting WLL	Work Order	Supply, installation, termination, testing and commissioning of CCTV system	12,530,000	The work orders' method of payment depends on post-dated checks. Although this may be common practice between the parties, there is a risk of the check being dishonoured if the counterparty account does not

					have sufficient funds to cover the payment. If a work order is for a large sum, not receiving a payment may negatively impact the revenue, cashflow and financial standing of TQSS.
2.	Confidential Counterparty	Agreement	Supply, delivery, installation, testing, commissioning, configuration, maintenance, civil works, handover, and documentation of facial recognition cameras	11,873,322	Payment of penalty of 0.1% per day of delay capped at 10% of the contract value for delays may negatively impact the revenue, cashflow and financial standing of TQSS.
3.	Confidential Counterparty	Letter of Award	Supply, delivery, installation, testing, commissioning, configuration, maintenance, civil works, handover, and documentation of facial recognition cameras	6,114,186	Payment of penalty of 0.25% per day of delay capped at 10% of the contract value for delays may negatively impact the revenue, cashflow and financial standing of TQSS.
4.	Hamad Medical Corporation	Agreement	Agreement related to SIC of CCTV Security Surveillance System including Associated Building and Site Works	94,161,000	Payment of liquidated damages at 1% per day of delay capped at 10% of the total contract price and uncapped indemnities for market-standard types of loss may negatively impact the revenue, cashflow and financial standing of TQSS.
5.	Confidential counterparty	Services Contract	Agreement for the Maintenance and Services on a Call-Off Basis for Extra Low Voltage Systems	5,391,324	The counterparty's payment obligation within a specific time period is on a best efforts basis which is not market standard and may affect TQSS's cashflow projections. Termination for the counterparty's convenience may negatively affect the business and impact the revenue, cashflow and financial standing of TQSS due to the high value of the contract. The counterparty may suspend services. Payment of uncapped indemnities against market-standard types of losses, claims and damages may negatively impact the revenue, cashflow and financial standing of the TQSS. Certain market and regional force

					majeure events are excluded, which may result in TQSS being penalised or terminated for breach of obligations which it may be unable to perform due to it being impossible to do so for reasons outside of its control. Such penalties or termination may negatively impact the business, revenue, cashflow and financial standing of TQSS due to the high value of the contract.

Source: Management

8.4 Specific Risks relating to the Shares

8.4.1 The Shares may not be a suitable investment for all Investors

Each potential Investor must determine the suitability of an investment in light of their own circumstances. In particular, each potential Investor should:

a. Have sufficient knowledge and experience to make a meaningful evaluation of the Shares, the merits and risks of investing in the Shares and the information contained in this Listing Prospectus or any applicable supplement;

b. Have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of their own particular financial situation, an investment in the Shares and the impact the Shares will have on their overall investment portfolio;

c. Have sufficient financial resources and liquidity to bear all of the risks of an investment in the Shares; and

d. Be able to evaluate (either individually or with the help of a financial advisor) possible scenarios for economic and other factors that may affect their investment and ability to bear the applicable risks.

8.4.2 Price volatility and listing price

The listing price of the Shares may not represent the value of the Company at all times. Whilst the valuation of the Company at the date of the Listing Prospectus is based on Board-approved business plans and adjusted for foreseeable risks, the Listing price of the Shares may not represent the value of the Company at all times. Post-Listing, the market price of the Shares may be volatile and change significantly within a relatively short time period, which could cause the value of an Investor’s investment to decline.

8.4.3 Newly established Venture Market and related illiquidity

The Company will be the second member admitted to listing on the QSEVM. There is a risk that public and investor awareness of the QSEVM is low, and that the investors may be cautious in their approach towards a relatively untested junior market.

Generally, shares listed on a junior growth exchange such as the QSEVM are also viewed as a riskier investment given the higher risks associated with investments in smaller companies, the usual absence of a long-term trading history and the fact that the admission requirements are less onerous than those for a main market listing.

A public market for the Shares does not currently exist and there can be no assurance that an active, liquid trading market will develop or be sustained following the Listing.

If an active, liquid trading market for the Shares does not develop or, if developed, is not sustained after the Listing, the liquidity and market price of the Shares could be adversely affected.

Despite being only the second admission to the QSEVM and there being no current liquid market for its Shares, the Board of Directors believe that the Company's track record of high growth and increased profitability would be well-placed to support the Listing. The Group's historical and expected continued growth is a testament to the Group's attractive market position and ability to grow organically.

8.4.4 Risk of substantial future sales of Shares by Founders and adverse impact on the share price

Sales of substantial amounts of the Shares in the QSE following the end of the lock-in period on the Founders Shares, or the perception that these sales will occur, could adversely affect the market price of the Shares. The sale of a substantial number of Shares by the Founders or generally by any other significant shareholder could have an adverse effect on the market for the Shares and result in a lower market price of the Shares.

8.4.5 Risk related to Founders' discretion to sell Shares

The Founders, having sold 10% of the Shares pre-Listing to the other shareholders as listed in *Section 11 (Management, Founders, Other Shareholders and Corporate Governance*) will be entitled to sell an additional amount of Shares post-Listing under and in accordance with the QFMA Listing Rules and any guidelines, instructions, waivers, resolutions and exemptions issued by the QFMA from time to time, in this respect. The remaining Company shares which are held by the Founders, will be locked for a period of one (1) year ("**First Lock In Period**") starting from the date of Listing. During the second year post-Listing, the Founders and major shareholders will need to retain, jointly and in aggregate, a certain amountof the total issued share capital of the Company ("**Second Lock In Period**") subject to and in accordance with the QFMA Listing Rules and any guidelines, instructions, waivers, resolutions and exemptions issued by the QFMA from time to time, in this respect. Sales of substantial amounts of the Shares on the QSE following the end of the First Lock In Period or the Second Lock In Period, or the perception that these sales will occur, could adversely affect the market price of the Shares. The sale of a substantial number of Shares by the Founders or generally by any other significant shareholder or, conversely, the illiquidity brought on by the lack thereof, could have an adverse effect on the market for the Shares and result in a lower market price for the Shares.

8.4.6 Risks relating to control and limitations on ownership

As at the date of this Listing Prospectus, the majority of the Shares of the Company are owned by the Founders. Upon Listing, the Founders might maintain control over Board decisions or at least influence Board decisions (including dividend policy, expansion plans, budget approval, the timing and amount of dividend payments (if any) and other material issues of the Company) and significant control over Shareholder decisions that require a majority decision of the Shareholders. Consequently, the Founders might retain a significant degree of control over the Company, the Subsidiaries and their operations. The Founders might, therefore, be able to influence all matters requiring Shareholder or Board approval. Founders could make changes in the business strategy and/or dividend policy of the Group which may adversely affect the market price of the Shares.

8.4.7 Emerging markets deemed to be more volatile and to carry more risk compared to developed countries and financial markets

A substantial proportion of the Company's current business is in Qatar. Investments in securities of issuers from emerging markets such as Qatar generally involve a higher degree of risk than investments in securities of issuers from more developed economies.

8.4.8 Qatar Stock Exchange is located in an emerging market with no guarantee of consistent liquidity

The QSE is substantially smaller in size and trading volume than longer established securities markets. The QSE has been open for trading since 1997 but its future success and liquidity in the market for the Shares cannot be guaranteed. Although QSE was upgraded by the Morgan Stanley Capital Index from frontier market to emerging market status, it remains a developing market. Brokerage commissions and other transaction costs on the QSE can be higher than those on other stock exchanges. In addition, the QSE and securities listed thereon, such as the Shares, have in the past been, and may in the future be, subject to a high degree of volatility with limited liquidity.

8.4.9 Risks related to future dividend policy

The Company's existing dividend policy may, for a variety of reasons (including, without limitation, the availability of distributable income, regulatory capital requirements, reserve requirements, capital expenditure plans, liquidity and other cash requirements in future periods), change in the future from year to year. As such, there is no assurance that the Company's existing dividend policy will remain the same and, consequently, that the Company will in the future pay dividends, or the amount of such dividend, if declared. Any decision to declare and pay dividends will be made at the discretion of the Directors and will depend on, among other things, applicable law, regulation, restrictions on the payment of dividends in the Company's financing arrangements, the Company's financial position, the Company's distributable reserves, regulatory capital requirements, working capital requirements, finance costs, general economic conditions, and other factors the Directors deem significant from time to time.

8.5 Unidentified or unanticipated risks

8.5.1 Unanticipated litigation and enforcement action risk

Companies are regularly subject to litigation, arbitration, enforcement action, penalties and other claims and allegations. Legal disputes with third parties, including all kinds of customers and suppliers, could result in adverse publicity and reputational harm, lead to increased regulatory supervision, affect the Group's ability to attract and retain customers, maintain its access to the capital markets, result in cease-and-desist orders, claims, enforcement actions, fines and civil and criminal penalties, other disciplinary action, or have other material adverse effects on the Group in ways that are not predictable. Extraordinary legal disputes may result in the Group having to pay higher than envisaged compensation, and this could have a material adverse effect on the Group’s business, cash flow, financial condition, results of operations, and future prospects.

The Company attempts to mitigate risks arising from litigation and enforcement by being proactive and meticulous in order to comply with its contractual, legal and regulatory obligations. It seeks to mitigate these risks by appointing appropriate legal advisors to advise on its operations and handle disputes that may arise with its clients and other parties from time to time.

8.5.2 Liquidity risks

Various events, including a delay in the realization of receivables or a sudden and sizable liability, could lead the Company to face short-term liquidity issues. These liquidity issues could lead to increases in the Company's financial expenses or otherwise hinder its business operations. If significant amounts of liquidity are required on short notice in excess of expected cash requirements, it may be difficult to sell less liquid assets in a timely manner. If the Company were forced to sell certain assets, it may be unable to sell them for the prices at which they were purchased and may be forced to sell them at significantly lower prices. These liquidity risks could affect the Company's ability to release capital to pay dividends to the Company and its shareholders. Any unexpected increases in liquidity requirements to which the Company is subject may increase its capital requirements. Sudden liquidity difficulties and any or all of the specific risks above could have a material adverse effect on the Company’s business, cash flow, financial condition, results of operations, and future prospects.

To mitigate the above risks, the Company seeks to maintain an up-to-date balance sheet that includes accurate data on its current assets and liabilities. It also seeks to monitor cash flow, which is the time between a company collecting its profits and paying its bills. Moreover, this is complemented by the Company’s proactive approach to managing these risks by establishing credit facilities with major banks, to ensure that the Company has the necessary financial resources readily available for any liquidity needs or client guarantees.

8.5.3 Risks related to inflation

Elevated inflation rate in the US on account of supply side constraints and accumulated stimulus over the years and in the rest of the world on account of USD strength, fuel and food shortages due to the Russia - Ukraine conflict and relating sanctions, is a significant development over the last period of 6 months. As the underlying factors can only be corrected over an extended period of time, the elevated inflation may lead to sustained cost driven stagflation. The impact for all businesses in general could be higher cost of production/services, higher prices, and demand contraction. Whilst higher prices may result in higher Group revenues due to an increase in the value of its underlying assets, there is nevertheless a risk that demand contraction and increased operating costs may lead to compensating margin pressures.

9. QATAR'S ECONOMIC ENVIRONMENT

Country profile

Qatar is an independent state in the Southern Arabian Gulf. Qatar shares a land border and maritime boundaries with Saudi Arabia and maritime boundaries with Bahrain, the UAE and Iran. Qatar covers an area of 11,493 square kilometres. Doha is the capital city of Qatar, the seat of government and Qatar's cultural, commercial and financial centre. It includes the country's main seaport and international airport and has an advanced road system linking it with the international road network. Based on Qatar's 2020 Census, Qatar had a total population of 2,846,118, indicating a 18.3 percent growth since the last census carried out in 2015 when Qatar had a total population of 2,404,776. A large portion of Qatar's population is comprised of non-Qatari nationals. According to Qatar Planning and Statistics Authority, as at January 2023 Qatar's total population stood at 2,954,947.

Qatar, which gained independence from the United Kingdom on 3 September 1971, was ruled by His Highness Sheikh Hamad Bin Khalifa Al-Thani from 27 June 1995 until 25 June 2013, on which date he handed power over to his fourth son, and the current Emir of Qatar, His Highness Sheikh Tamim Bin Hamad Bin Khalifa Al-Thani. During his reign, H.H. Sheikh Hamad implemented various initiatives designed to utilize Qatar's oil and gas resources in a responsible manner, thereby making rapid economic development and the construction of modern infrastructure possible in Qatar. During a period of rapid economic and social progress, Qatar has maintained its cultural and traditional values as an Arab and Islamic nation.

In terms of foreign relations and membership of international organisations, Qatar, together with Bahrain, Kuwait, Oman, Saudi Arabia and the UAE form the GCC. Furthermore, Qatar is a member of the Gas Exporting Countries Forum (which was established in 2008 and has its headquarters in Doha) and the United Nations. It is also a member of numerous international and multilateral organisations, including the IMF, the International Bank for Reconstruction and Development, the World Trade Organisation, the League of Arab States, The Organisation of the Islamic Conference, the Multinational Investment Guarantee Organisation and UNESCO.

On 23 December 2008, representatives of 11 gas producing nations, including Qatar, Russia and Iran, signed an intergovernmental memorandum and charter formally establishing the Gas Exporter Countries Forum (the "GECF"), which chose Doha as the future headquarters for its permanent secretariat. The GECF Secretary General commenced his duties in Doha in February 2010 and the GECF Liaison Office, which facilitates the affairs of the GECF, is also based in Doha. Apart from the regular Ministerial meetings, the first GECF gas summit was held in Doha in December 2011. The GECF's objectives include exchanging information on a broad range of issues such as new technologies, investment programmes, relations with natural gas consuming countries and environmental protection.

Qatar is an advocate for regional integration and is a member of the GCC, whose other members are Bahrain, Kuwait, the UAE, Oman and Saudi Arabia. In 2003, the GCC established a customs union under which Qatar applies a common customs tariff of 5.0 percent to most products, with a limited number of exceptions. In 2005, as part of the GCC, Qatar joined the Istanbul Cooperation Initiative, which is a North Atlantic Treaty Organisation ("NATO") initiative to enhance regional security in the broader Middle East.

Legal system

Over the last decade, Qatar's legal system has been significantly reformed by the enactment of various pieces of legislation intended to bring Qatari laws in line with international laws, standards and practices. Qatar's civil law addresses a wide range of matters including conflict of laws, contracts, rights and obligations, security, ownership and torts. Qatar's commercial law addresses commercial affairs and entities, competition, commercial obligations and contracts and commercial paper. The commercial law also addresses bankruptcy matters, permitting creditors to file claims against any corporate entity, except for certain professional companies and other companies that are at least majority owned by the Government. Finally, the Commercial Companies Law addresses the incorporation of companies, the ownership of shares, the liability of companies, equity holders and directors, capital contributions, payment of dividends, shareholder rights and obligations and general principles of corporate governance. The Commercial Companies Law also introduced the concept of a single member limited liability company and is not dissimilar to the company laws of more mature legal systems.

The Government has passed other significant legislation in recent years, including the Foreign Investment Law, the Central Bank Law, the Money Laundering Law, the Doha Securities Market Law (now the Qatar Stock Exchange Law) and the Qatar Financial Centre Law (the "**QFC Law**"), as well as competition, intellectual property, labour, data protection, arbitration, property and environmental laws.

Following the establishment of the QFC in 2005, the QFC Law established a legal and regulatory regime to govern the QFC that is generally parallel to and separate from Qatari laws and the Qatari legal system, except for Qatari criminal law. The QFC has established its own rules and regulations applicable to, among others, financial services companies, and which cover topics such as employment, companies, anti-money laundering, contracts and insolvency. In accordance with the rules and regulations of the QFC, the QFCRA regulates, authorises and supervises banking, financial and insurance related businesses carried on, in or from the QFC in accordance with legislative principles of an international standard, modelled closely on those used in London and other major financial centres. In addition, the Qatar International Court and Dispute Resolution Centre comprises the QFC Civil and Commercial Court, the Regulatory Tribunal and the Dispute Resolution Centre. The QFC Civil and Commercial Court deals with matters arising under the QFC Law. The QFC Regulatory Tribunal hears appeals against the decisions of the QFC Authority and other QFC institutions. The Dispute Resolution Centre offers international arbitration and mediation services.

Qatar is also strengthening the private sector by undertaking regulatory reforms aimed at improving Qatar's business climate and creating an environment that will support enterprise creation, private competition and foreign direct investment, which includes taking steps such as liberalising the telecommunications sector and creating special economic free zones. In addition, Qatar has sought to increase the country's attractiveness to foreign direct investment by implementing laws that allow more foreign participation in the domestic economy. In addition to the Government establishing the QFC, the Foreign Capital Investment Law and its implementing regulations have introduced significant changes to the previous model regulating foreign direct investment. The restriction that had originally been imposed on foreigners owning more than 49 percent of private Qatari companies' total share capital (except in limited circumstances) has now been removed by the Foreign Investment Law, save that the Ministry of Commerce and Industry will now be required to approve any such shareholding. The Minister of Commerce and Industry will publish a list of activities in which foreign ownership above 49% will be permitted.

In 2018, a new income tax law (Qatar Law No. 24 of 2018) (the "**Income Tax Law**") replaced Law No. 21 of 2009 on Income Tax. The Income Tax Law became effective from 13 December 2018. Under the Income Tax Law (which is applicable outside the QFC), taxable income in any taxable year is now taxed at a flat tax rate of 10%, except for certain agreements relating to petrochemical industries that are taxed at a rate of 35%. The previous 7% withholding tax rate has been removed and a single withholding tax rate of 5% will now apply to payments made to non-residents for royalties and services that are performed in Qatar without a permanent establishment. However, Qatari companies which are 100% owned by Qataris do not pay income tax. The Executive Regulations to the Income Tax Law were issued in December 2019 through Ministerial Decision No. 39 of 2019.

Economic overview

Qatar is one of the most prosperous countries in the world, with nominal GDP per capita of USD 87,662 in 2022, according to the World Bank and a population of 3.1 million as at December 2023, according to the Qatar Planning and Statistics Authority.

For most of the past two decades, Qatar was one of the fastest growing economies of the world. Such growth was driven by the development of its important natural gas reserves, including the production and export of liquified natural gas ("**LNG**"). In particular, Qatar lifted a self-imposed moratorium on the development of the world's biggest natural gas field, the "North Field" in April 2017 after more than a decade. The North Field is shared with Iran and Qatar plans to raise its LNG production to 110mtpa in the near future. The planned expansion of the North Field production signals a new era of growth, which will further boost Qatar's leading global position.

Although Qatar is focused on ensuring optimal and sustainable development and commercialisation of the oil and gas sector, which continues to be the backbone of the economy, one of the cornerstones of Qatar's current economic policy is a commitment to diversify the overall economy so that Government revenues from the oil and gas sector are supplemented by an increased percentage of Government revenues from non-oil and gas-related activities. As set forth in the National Vision 2030, Qatar's long-term economic objectives include developing its infrastructure and strengthening its private sector. This was reflected in the 2021 budget, allocating a large share of the budget to education (QAR17.4 billion) and health services (QAR 16.5 billion).

In recent years, Qatar has used its budget surpluses to diversify the economy through increased spending on infrastructure, social programmes, healthcare and education, which have modernised Qatar's economy. Qatar's economic growth has also enabled it to diversify its economy through domestic and international investment into different classes of assets. This diversification will be important to Qatar's future as the growth rate of Qatar's revenue from the oil and gas sector is expected to stabilise, given the completion of several of Qatar's long-term hydrocarbon investment programmes.

In 2005, Qatar established the Qatar Investment Authority (the "**QIA**") to propose and implement investments for Qatar's growing financial reserves, both domestically and abroad. Through the QIA, Qatar has invested in private equity, the banking sector, real estate, publicly traded securities and alternative assets. With its growing portfolio of international and domestic long-term strategic investments, the QIA has continued to develop Qatar's economic diversification strategy while contributing to the nation's significant economic expansion. In December 2010, Qatar was awarded the right to host the Federation Internationale de Football Association (FIFA) 2022 World Cup, which provided opportunities for Qatar to invest in further developing its infrastructure and diversifying its economy and which is expected to bring the economic benefits intrinsic to holding such a large-scale competition.

The following tables illustrate certain key macro-economic data for Qatar:

	2018A	2019A	2020A	2021A	2022E	2023F
GDP						
Nominal GDP (US$ m)	183,335	176,371	144,411	179,571	225,716	228,356
Nominal GDP (QR m)	667,339	641,991	525,657	653,638	821,604	831,214
Real GDP growth (%)	1.2	0.7	-3.6	1.5	3.4	2.5
GDP Parameters						
Gross national savings (% of GDP)	49.7	44.9	39.6	48.2	52.2	50.4
Volume of export of goods & services (% change)	4.8	0.2	-0.4	-2.0	3.6	-1.8
Volume of imports of goods & services (% change)	4.6	1.9	-8.9	1.5	3.4	2.5
Population and income						
Population (m)	2.8	2.8	2.7	2.6	2.9	2.6
GDP per head (US$ at PPP)	91,679	91,023	91,541	95,274	96,605	101,026

	2018A	2019A	2020A	2021E	2022F	2023F
Fiscal indicators (% of GDP)						
Central government revenue	34.5	37.0	35.7	33.5	37.2	40.2
Central government expenditure	28.9	32.5	34.7	29.4	28.6	28.4
Central government primary net borrowing	7.1	6.3	3.4	5.9	9.9	13.2
General government gross debt	52.2	62.1	72.6	58.4	46.0	44.5
Prices and financial indicators						
Exchange rate QR:US$ (end-period)	3.64	3.64	3.64	3.64	3.64	3.64
Exchange rate QR:€ (end-period)	4.17	4.09	4.47	4.12	-	-
Consumer prices (end-period; %)	0.3	-0.7	-2.7	2.3	3.5	3.2

Source: International Monetary Fund, Note: A - Actual, E – Estimate, F - Forecast

Impact of coronavirus (COVID-19)

The State of Qatar had a high rate of infection from COVID-19; however, the death rates were well contained compared to most other countries. When cases of COVID-19 infection appeared in neighbouring countries, Qatar issued a package of policies to contain the virus and its effect on public health and a package of economic measures to mitigate its negative repercussions on the Qatari economy. In addition, the high specialization of the country in LNG (Qatar being the World's largest LNG exporter) and the limited interactions with its neighbours following reduced diplomatic ties, mitigated the impact of COVID-19 according to the World Bank.

More widely, the coronavirus pandemic has derailed global growth. According to the IMF latest projections, the Qatar economy was expected to recover by 3.4 percent in 2022. The economy was also expected to benefit from hosting the FIFA World Cup 2022, which was expected to lead to a boost in tourism and non-oil economic activity.

Qatar's additional economic initiatives

Qatar has undertaken various economic reforms in recent years. In terms of food security, it further developed local businesses to boost its food production. Qatar also established a residency plan and waived entry visa requirements for citizens of 80 countries. With regard to its logistics sector, Qatar inaugurated a new port along its Gulf coast which is intended to enable Qatar to become a regional transport hub. To diversify its industry and become more independent, Qatar initiated a government project aimed at fast-tracking the establishment of more manufacturing companies and factories in Qatar as well as projects focusing on the development of the tourism infrastructure across the country to ensure a favourable visitor experience.

Qatar was ranked number 77 among 190 economies in the ease of doing business, according to the 2020 World Bank annual ratings, which puts it in the top 20 improvers globally in the past year. The Global Competitiveness Report 2022 states that Qatar has improved its rank to 18th place out of 64 countries, being comprised of mostly affluent countries.

Inflation

In 2016, Qatar experienced an overall annual inflation rate of 2.7 percent. Since then, the overall annual inflation rate has been 0.4 percent in 2017, 0.3 percent in 2018, -0.7 percent in 2019, -2.5 per cent in 2020, 2.3 percent in 2021 and 5.0% in 2022 according to the World Bank. This development is in line with the global economic situation and inflationary pressures faced by countries globally.

Risks relating to Qatar

Qatar is located in a region that is subject to ongoing political and security concerns. Although Qatar enjoys domestic political stability and generally healthy international relations, as a country located in the MENA region, there is a risk that regional geopolitical instability could impact the country. Since 2011, the MENA region has been experiencing (and in some cases, is still experiencing) unprecedented levels of political instability and civil unrest. There can be no assurance that such political instability in the GCC/MENA region will not escalate in the future, affect stable countries such as Qatar or spread to additional countries in the MENA region. Such unrest may result in credit becoming more expensive for certain countries in the region.

10. QATAR'S SECURITY SERVICES MARKET

10.1 Global ICT industry

ICT is a broad term that involves the use of technology to communicate, transfer data, and process information. The main categories in the ICT industry are IT software, IT hardware, telecom services, technology services, and new technologies.

According to industry reports, in 2022, the globe's IT sector's total spending amounted to approximately USD5.45 trillion, driven by the globe's growth in internet penetration and its impact on development of new technologies and related services.

The ICT market is categorized into 5 top-level categories; the telecom sector comprised the most significant share in 2022E at 24.8%, followed by new technologies (21.1%), hardware (21.1%), services (20.2%) and software (12.8%). Spending across these categories is expected to grow to approximately USD5.85 trillion in 2023, an increase exceeding 7.3% from 2022[7].

10.2 Background on the Middle East ICT industry

According to industry reports, in 2022E, the ICT market in the Middle East generated a revenue of USD87.83 billion. This number is expected to reach USD95.05 billion in 2025F[8] i.e. representing a CAGR of 2.7%. Although the telecommunication and media industry's share is expected to fall from 60.0% in 2020E to 57.7% in 2025F, it will dominate the market during the next few years. A number of key areas could fuel future growth, which are:

- 5G: 5G networks' ability to provide massive machine-type communication will accelerate its adoption in the Middle East IoT/M2M (machine to machine) industry and will support use cases such as connected cars, grid management, fleet management, utility meter reading, and track-and-trace systems for logistics.
- IoT: The adoption of IoT will primarily be driven by the manufacturing and industrial sectors as they look toward adopting and implementing concepts such as Industry 4.0 and predictive maintenance.
- AI: Banking, retail, and healthcare are expected to be the forerunners in the large-scale adoption of AI in the Middle East. These are labor-intensive sectors and will provide immense scope for industrial automation.
- Cybersecurity: Business risks associated with cyber-attacks and the consequent negative impact on enterprises' brand value and perception will drive future cybersecurity investment in the Middle East.
- Gaming and eSports: The growing consumer appetite for on-the-go gaming and the surge in in-app micro-transactions will support the development and the transformation

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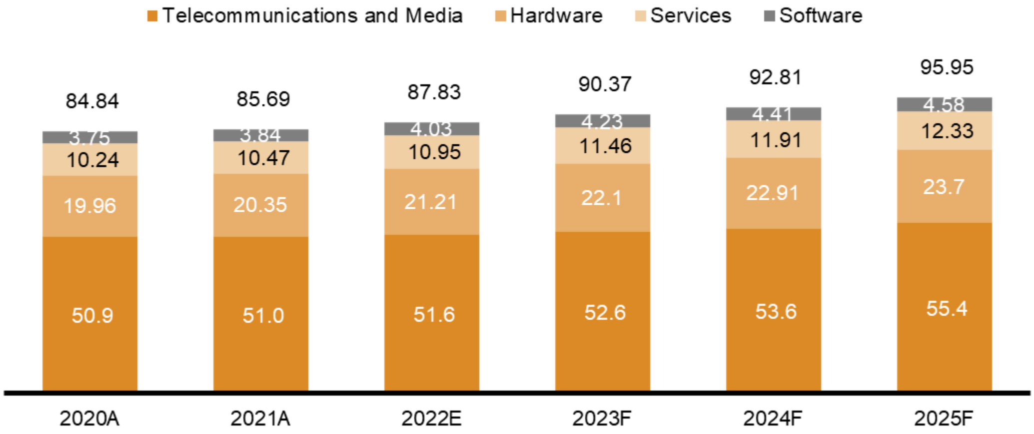
[7] IDC 2022, sourced from Statista

[8] Frost and Sullivan - Innovative Business Models Spur Growth of Middle East ICT Market, Outlook 2021

of the eSports and gaming industry in the region.

Middle East Spending on the ICT Sector (USD billion)



Source: Frost and Sullivan, Oxford Economics

10.3 Background on Qatar's ICT industry

Qatar is prioritising the development of its ICT sector as it aims to transform into a knowledge-based economy in line with Qatar National Vision 2030, the country's framework for economic diversification and growth. Growth in ICT will be further driven by the country's extensive pipeline of large-scale, government-led infrastructure projects in transport and energy, as well as by innovation in the financial services, retail and health sectors.

According to industry reports, ICT market in Qatar was valued at USD 12.19 billion in 2021 and is estimated to grow at a CAGR of 8.2% to reach an overall value of USD 18.07 billion by 2026[9].

The expected cumulative revenue generation opportunities for ICT in Qatar is estimated at USD 77.52 billion between 2022 and 2026, where the energy sector will be the major contributor to this growth[10].

Below are some key factors driving the growth of the ICT market in Qatar:

- The government's focus on digital transformation and the development of a knowledge-based economy;
- The increasing adoption of cloud computing, big data, and AI by businesses and government agencies;
- The growing popularity of mobile devices and the internet; and

[9] https://www.globaldata.com/store/report/qatar-ict-market-analysis/
[10] https://www.globaldata.com/store/report/qatar-ict-market-analysis/

- The increasing demand for cybersecurity solutions.

11. MANAGEMENT, FOUNDERS, OTHER SHAREHOLDERS AND CORPORATE GOVERNANCE

11.1 Overview

The Company's principal decision making forum is the Board of Directors which has overall responsibility for the management and strategy of the Company. The Board is empowered by the Articles to have unrestricted management powers over the Company on behalf of Shareholders, save as restricted by the Articles themselves, by operation of law or by a Shareholders' resolution. The Board has delegated the day-to-day management of the Company to the Chief Executive Officer and/or Managing Director with support from the Senior Executive Management team.

The Company is committed to implementing and maintaining the highest standards of corporate governance in order to enhance transparency and investors' confidence in the Company and its practices.

11.2 General Assembly

The General Assembly represents all of the Shareholders. Every Shareholder has the right to attend the General Assembly, either in person or by way of proxy, and has a number of votes equivalent to the number of Shares held. A meeting of the General Assembly is not valid unless 21 days' notice is given to all Shareholders who are entitled to attend, through an announcement in one Arabic language newspaper in general circulation in Qatar and on the website of the financial market and the website of the Company.

A meeting of the OGA is not valid unless (i) attended by a representative of the Companies' Affairs Department at the MOCI, (ii) attended by the Company's auditors and (iii) attended by Shareholders representing at least half of the total issued share capital of the Company. If a quorum is not achieved, the meeting may be adjourned to a place and time as determined by the Board no later than fifteen (15) days following the date of the first meeting and is valid, irrespective of whether a majority of the Company's share capital is represented.

Resolutions of the OGA are passed by a majority of votes on a show of hands unless a poll is demanded. An OGA must be convened at least once a year. An OGA may be called by the Board or by requisition of Shareholders holding at least 10% of the total issued share capital.

An EGA meeting may be convened by invitation of the Board of Directors or by requisition of Shareholders holding at least 25% of the Company's share capital. A meeting of the EGA is not valid unless it is attended by a number of Shareholders representing at least 75% of the total issued share capital of the Company. If this quorum is not achieved, the EGA shall be called for another meeting to be held within the thirty (30) days following the date of the first meeting. The second meeting shall be deemed valid if shareholders representing 50% of the total issued share capital of the Company attend it. If this quorum is not achieved in the second meeting, the assembly must call for a third meeting to be held after the lapse of thirty (30) days since the date is determined in the second meeting. The third meeting shall be deemed valid regardless of the number of attendants. If the matters to be discussed at the EGA pertain to approving a resolution concerning the dissolution, liquidation, transformation, acquisition or merger of the Company with another Company or the sale or disposal of the entire project for which the Company was established, the meeting shall be considered valid only if it is attended by shareholders representing at least 75% of the Company's total issued share capital. EGA decisions are taken by majority of attending or represented shareholders.

The EGA shall exclusively decide on the following matters which remain reserved to it:

- the amendment of the Company's Articles;
- the increase or decrease of the Company's share capital;
- the extension of the Company's duration;
- the liquidation, dissolution, conversion, merger, acquisition of the Company, or the sale or disposal of the Company's business;
- the sale of the project for which the Company was created, or disposing of it in any manner;
- any transaction or business or several related transactions or matters of business aiming to sell the Company's assets or making any further disposal of those assets, or the assets that the Company will acquire if either of total value of the transaction or the businesses, transactions or series of related businesses is equal to a total of 51% or more of the Company's market value or the value of its net assets according to the latest financial statements announced, whichever is lower. For the purposes of this paragraph, the Company's assets include the assets of any subsidiary of the Company.

The EGA is not entitled to make amendments to the Articles which may increase the burden of the Shareholders or change the Company's nationality or transfer its location from the State to any other state. Any decision in contrary to the above will be null and void.

11.3 Founders and other shareholders

Prior to the Listing, the Company had the following Founders and other shareholders as per the Company's register of shareholders:

11.3.1 Founders

No.	Name	Nationality	Ownership	No. of shares held pre-Listing	Address
1	Al Jaidah Brother Co WLL	Qatari	50.0%	42,250,000	Doha, Qatar
2	Abdulla Mohdshafeea M H Al-Ansari	Qatari	15.0%	12,675,000	Doha, Qatar

3	Zeyad Mohd I Al-Jaidah	Qatari	5.0%	4,225,000	Doha, Qatar
4	Mohamed Ibrahim M I Al-Jaidah	Qatari	5.0%	4,225,000	Doha, Qatar
5	A.Latif Mohd I Al-Jaidah	Qatari	5.0%	4,225,000	Doha, Qatar
6	Salah Mohd I Al-Jaidah	Qatari	5.0%	4,225,000	Doha, Qatar
7	Tariq Mohd I Al-Jaidah	Qatari	5.0%	4,225,000	Doha, Qatar
Total			**90%**	**76,050,000**	

11.3.2 Other shareholders

No.	Name	Nationality	Approximate percentage of Ownership	No. of Shares held pre-Listing	Address
1	Mohammed Abdullattif M I Jaidah	Qatari	0.42%	351,943	Doha, Qatar
2	Qassim Abdlatif M I Jaidah	Qatari	0.42%	351,943	Doha, Qatar
3	Ameena Abdullatif M I Jaidah	Qatari	0.42%	351,943	Doha, Qatar
4	Salman Abdullatif M I Jaidah	Qatari	0.42%	351,943	Doha, Qatar
5	Ali Tariq M I Aljaidah	Qatari	0.83%	703,885	Doha, Qatar
6	Ahmad Tariq M I Aljaidah	Qatari	0.83%	703,885	Doha, Qatar
7	Maha Ibrahim M I Jaidah	Qatari	0.56%	469,256	Doha, Qatar
8	Shaikha Ibrahim M I Jaidah	Qatari	0.56%	469,256	Doha, Qatar
9	Ibrahim Mohamed I Jaidah	Qatari	0.56%	469,257	Doha, Qatar
10	Muneera Zeyad M I Al-Jaidah	Qatari	0.56%	469,256	Doha, Qatar
11	Maryam Zeyad M I Al-Jaidah	Qatari	0.56%	469,256	Doha, Qatar
12	Khalid Zeyad M I Al-Jaidah	Qatari	0.56%	469,258	Doha, Qatar
13	Mohammed Salah M I Al-Jaidah	Qatari	0.56%	469,257	Doha, Qatar
14	Abdulla Salah M I Al-Jaidah	Qatari	0.56%	469,256	Doha, Qatar
15	Mai Salah M I Al-Jaidah	Qatari	0.56%	469,256	Doha, Qatar
16	Mohammed Abdulla M M Al-Ansari	Qatari	1.06%	894,874	Doha, Qatar
17	A.Aziz Mohdshafeea M Al-Ansari	Qatari	0.15%	129,069	Doha, Qatar
18	Abdulrahman Mohdsaafeea M Al-Ansari	Qatari	0.15%	129,069	Doha, Qatar
19	Abdulhameed Mohamedshafeea M H Al-	Qatari	0.15%	129,069	Doha, Qatar

	Ansari				
20	Ameena M.Shafia M H Al-Ansari	Qatari	0.15%	129,069	Doha, Qatar
Total			**10%**	**8,450,000**	

11.4 Board of Directors

The Board is composed of eight (8) Directors appointed by the Founders for a period of five (5) years starting from the date of conversion of the Company into a Qatari public shareholding company. There are six (6) non-executive Directors, of which three (3) Directors are non-independent, and three (3) Directors are independent. Except for the first Board that was appointed by the Founders by virtue of the Articles for a period of five (5) years, all other Directors are elected by the General Assembly of Shareholders for a three (3) year term renewable for a similar duration. The first Board's term expires in May 2029. In addition, for Board meetings to have a quorum, at least half of the members of the Board must be present. Decisions are taken by the Board by a vote of the majority present at the meeting, and, in case of deadlock, the Chairman has a casting vote.

Each Director must (i) be at least 21 years of age and possess full capacity; (ii) not have been convicted of a criminal offence, act of dishonesty, breach of trust or any of the crimes set out under Articles 334 and 335 of the Companies Law, or be prohibited from practicing any work in entities subject to the supervision of the QFMA under Article 35 paragraph 12 of Law No. (8) of 2012, or declared bankrupt unless they have been rehabilitated; (iii) hold at least 5% of the Shares in the Company (save for independent Directors, which are exempt from this requirement (iii)); and (iv) deposit not less than 5% of the total number of Shares in the Company as guarantee shares, within sixty (60) days from the date of commencement of their membership, at one of the approved banks or the QCSD (save for independent Directors, which are exempt from this requirement (iv)). The deposited Shares may not be subject to transfer, lien or attachment until the balance sheet of the last financial year in which the relevant Director was holding office is approved. If the Board member fails to provide the above guarantee, their membership to the Board will become void.

Board powers

The Board has broad powers to manage the Company in accordance with the Articles, including, without limitation, the power to secure financing, to grant security interests, to establish committees, and to delegate to committees some of the powers, authorities and discretion vested in the Board.

In addition, the Board is responsible for the overall strategic direction, supervision and control of the Company, through the review and approval of strategic policies and objectives. More particularly, the Board reviews and approves the annual budget, the business plan and all capital expenditures of the Company. It is also the Board's responsibility to ensure the implementation of a control framework covering internal audit, compliance, risk management (credit risk, liquidity risk, market risk and operational risk) and financial control.

The Board has delegated responsibility for day-to-day management to the Company's experienced Senior Executive Management team led by the Chief Executive Officer or Managing

Director.

Current composition of the Board **May *2024***

The Board was assembled in accordance with the Article 9 of Corporate Governance Code for Companies listed on the Venture Market issued by the QFMA and the Company's Articles, which stipulate the need to maintain the presence of non-executive and independent members for adequate oversight, controls and exercise of powers and that accordingly at least one third of the Board members must be independent members and that the majority of the Board members must be non-executive members.

Name	Position	Independent/ Non-Independent	Executive/Non-Executive
A. Latif Mohd I Jaidah	Chairman	Non-independent	Non-executive
Tariq Mohd I Aljaidah	Vice Chairman	Non-independent	Non-executive
Salah Mohd I Al-Jaidah	Board Member	Non-independent	Non-executive
Abdulla Mohdshafeea M H Al-Ansari	Board Member	Non-independent	Executive
Zeyad Mohamed I Al- Jaidah	Board Member	Non-independent	Executive
Ahmad Abdulla A Al-Abdulla	Board Member	Independent	Non-executive
Nasser Hassen F H Al-Ansari	Board Member	Independent	Non-executive
Hesham Ismaeel A M Abdulrahman	Board Member	Independent	Non-executive

The business address listed for all above mentioned Board members is the approved head office of the Company.

Mandatory declarations of the Board of Directors

By issuing this Listing Prospectus, the Board of Directors declare:

1. There has not been any interruption in the business of the Company or its Subsidiaries which may have or has had a significant effect on the financial position in the last (12) months.
2. Other than what may be granted in the ordinary course of business, no commissions, discounts, brokerage fees, or any non-cash compensation have been granted by the Company or its Subsidiaries within the last two financial years immediately preceding the date of the application for the Listing.
3. There has not been any material adverse change in the financial and trading position of the Company or its Subsidiaries in the last two financial years immediately preceding the date of the application for the Listing, in addition to the period covered by the independent auditor's report up to and including the date of approval of this Listing Prospectus.
4. Other than what has been mentioned under *Section 11.3* of this Listing Prospectus, the

Directors or any of their relatives do not have any shares or interest of any kind in the Company or in the Subsidiaries.

5. The Listing does not constitute a breach of the relevant laws and regulations of the State of Qatar.
6. The Listing does not constitute a breach of any material contracts or agreements entered into by the Company.
7. All material legal information concerning the Company has been disclosed in this Listing Prospectus.
8. Other than what has been mentioned in *Section 19* of this Listing Prospectus, the Company and its Subsidiaries are not subject to any claims, litigious cases or any other type of legal proceedings that could individually or collectively have a material adverse effect on the business of the Company or its Subsidiaries or its or their respective financial positions.

11.5 Biographies of the Board of Directors ("BOD")

Member (BOD)	Curriculum Vitae
A. Latif Mohd I Jaidah	• Abdullatif is a senior professional with more than 35 years of diverse experience in technology and communications. • He is one of the founding directors of the Jaidah Group of companies. He has always strived to ensure that the business operations are sustainable and profitable with long term growth and development. He has acquired multi-faceted skills through a varied experience at various phases in his career spanning three decades, which he has utilized for the Company's growth over the last few years and he aims to channel such skills towards the economic growth of Qatar. He is well-versed with IT security and risk management as well as with other aspects on the implementation of technology and communication infrastructure. • Being the most senior and seasoned professional, Abdullatif serves as the Chairman of the Board of Directors of the Company. • He has a Bachelor's in Computer Science from La Salle University, Louisiana, USA. He also has a Diploma in Computer Studies from the College of Technology, Qatar.
Tariq Mohd I Aljaidah	• Tariq is one of the first Qatari businessmen to pursue a career in advertising and public relations, helping him in assisting the family business in all sectors. His experience is divided into two major sectors: the private sector and the government sector. • His experience in the private sector started in 1993 with Fortune Promoseven as Managing Partner up-to-date. Fortune Promoseven is the 57th largest advertisement and communication organization in the world and the largest advertising and communication group in MENA. In 2000 the Company was nominated as recognizable advertising and communication group in the Middle East. He also has a partnership in Gulf Space International (which is the 1st media house to be established in Qatar), Creative Communication Group (where he has succeeded in managing big events such as Qatar Cultural Festival, etc.) and established House of Art (the first arts centre and only one of its kind in Qatar). He is currently managing Al Jaidah Brothers Co. in addition to other business related to Al Jaidah's family. • He has a degree in Mass Communication, Advertising and Public Relations from Texas Wesleyan University.

Salah Mohd I Al-Jaidah	• Salah holds a bachelor's degree in marketing and finance from Texas Christian University. He also studied advanced management at Oxford Business School. Salah is also a member of the Board of Directors of Jaidah Brothers LLC. Salah previously held several positions, including CEO of Qatar Islamic Bank, General Manager of Doha Bank, and Deputy General Manager and Chief Operating Officer of Commercial Bank of Qatar. • Salah is a member of the Qatari-British Business Association committee. He chairs the India-Qatar Joint Trade Council and is a former member of both the Qatar Chamber of Commerce and Industry and the Country Committee of the International Monetary Fund.
Abdulla Mohdshafeea M H Al-Ansari	• Abdulla is an outstanding senior leader with a broad technology and industry domain background who is adept at managing complex transformation journeys. He has an exemplary record in devising commercially robust and secure digital services that support diverse business strategies. He is experienced in delivering intricate IT portfolios and successfully executing hybrid methodologies and sourcing. • He has held the position of Chief Executive Officer of the Company since 1996 and prior to dedicating all his time with the Company held the position of Head of Maintenance and Planning at QAPCO. • Abdulla graduated from Lamar University, Texas, USA as a Mechanical Engineer in 1994.
Zeyad Mohamed I Al- Jaidah	• Zeyad has over 25 years of experience in mechanical and civil engineering and founded the Company alongside Mr. Abdulla Mohdshafeea M H Al-Ansari in 1996. Prior to investing all of his time in the Company, Zeyad was a maintenance engineer with QAPCO and a design engineer with the Ministry of Municipality of the State of Qatar (formerly known as Ministry of Municipality and Agriculture). • Zeyad obtained a mechanical engineering degree from Lamar University, Texas – USA.
Ahmad Abdulla A Al-Abdulla	• Ahmad is a non-executive independent director of the Company. He holds a BSc in Electrical Engineering from the University of Miami and an MSc in Electrical Engineering from The George Washington University, DC. • He has over 31 years of experience in the field of project management and real estate, currently holding the position of Managing Director for Grenada Lighting and previously holding the positions of Chief Procurement and Project Officer for Qatar Airways, Acting Group CEO for Barwa Real Estate WLL, Chief Technical Officer for Tanween W.L.L. and others.

Nasser Hassen F H Al-Ansari	• Engineer Nasser is a key driver in Qatar's economy diversification. Nasser's career path started with his appointment as Project Coordinator with the Ministry of Municipality of the State of Qatar (formerly known as Ministry of Municipality and Agriculture). His dedication and devotion enabled him to quickly reach successive goals, which resulted in his promotion to several key positions that made a significant impact coinciding with the country's vision of 2030. • Nasser has built a strong portfolio through prominent positions held throughout his prestigious career. He has gained a wealth of experience across all areas in the construction industry such as by being Chief Engineer and Steering Committee Board Member for Hamad International Airport, Chairman of the Technical Committee for the New Doha Port, Lusail Development, Qatar Port Expansion, Banana Island, and West Bay Lagoon. • Nasser has a Bachelor of Science with specialisation in Civil Engineering from the University of Miami, USA and also holds an Executive MBA from the esteemed HEC, Paris.
Hesham Ismaeel A M Abdulrahman	• Hesham is a successful businessman who has held a number of key positions in the real estate, investment and energy industries. He is a Vice Chairman/CEO of Al-Wessil Holding, and the Chairman of Uranus Real Estate Development Company, West Walk Real Estate, Alliance Business Center, and Blyth Academy Qatar. With over 25 years of experience in extensively competitive and challenging sectors, Mr. Hesham translated his vision into creating and co-founding many successful projects and companies in the Gulf region, Asia and Europe. • Hesham utilized his abilities and network to source out prime quality investments, and to develop resources of governments, institutions, banks, and construction and development companies. Mr. Hesham spearheaded the establishment and creation of a number of mega real estate projects such as Alwessil Project (previously known as Energy City Qatar), Qatar Entertainment City, Aljawhara Green and West Walk Qatar. • Hesham holds a Masters Degree of Science in Mechanical Engineering from Texas A&M University, Kingsville- Texas, U.S.A.

Source: Management

11.6 Senior Executive Management of the Company

Name	Position	Nationality	Curriculum Vitae
Abdulla Mohdshafeea M H Al-Ansari	Chief Executive Officer	Qatari	• Abdullah is an accomplished leader with an extensive technology and industry background and is adept at managing complex transformation journeys. He has an exemplary record of creating robust, commercially secure digital services that support diverse business strategies. He has experience in successfully delivering complex IT portfolios, implementing hybrid methodologies and sourcing. • He has served as CEO of the Company since 1996 and served as Head of Maintenance and Planning at QAPCO before dedicating all his time to the Company.

			• Abdullah graduated from Lamar University in Texas, USA as a mechanical engineer in 1994.
Zeyad Mohamed I Al- Jaidah	Managing Director	Qatari	• Zeyad has over 25 years of experience in mechanical and civil engineering and founded the Company alongside Mr. Abdulla Mohdshafeea M H Al-Ansari in 1996. Prior to investing all of his time in the Company, Zeyad was a maintenance engineer with QAPCO and a design engineer with the Ministry of Municipality of the State of Qatar (formerly known as Ministry of Municipality and Agriculture). • Zeyad obtained a mechanical engineering degree from Lamar University, Texas – USA.
Elie Antonios Yaacoub	Chief Financial Officer	Lebanese	• With a career spanning over 20 years, Elie joined the Company in May 2023. He is an accomplished finance professional with multi-industry experience across the MENA region focused on managing financial operations, navigating complex structure, change management, compliance, and sustainable finance. He is a strong team player and has motivated his staff towards remarkable performance and achieved distinct milestones. • Elie's extensive experience spans across diverse sectors of construction, trading, pharmaceutical, manufacturing, and health care in the MENA region, having acquired and developed his skillsets in financial management, financial accounting, financial modelling, treasury, internal controls, and taxation. He has successfully led the finance teams for some leading organisations and has pioneered change management in the financial processes to enhance efficiency. • Elie holds a BBA in auditing, a Master's in finance (DEA-Finance) and is currently enrolled in a Doctoral program of Business Administration (DBA) in Toulouse Business School (Paris).
Mohamad Sadaka	Chief Legal and Compliance Officer	Lebanese	• 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 pertinent to a variety of business areas including drafting, reviewing and negotiating agreements, litigation and arbitration management, claims and risk management, representing the Company's interests in business with external stakeholders etc. In general, Mr. Sadaka oversees and handles all of the Company's legal and contractual matters. • Prior to joining the Company, Mohamad was Senior Legal Counsel for a large group of companies where he acquired a broad legal background with over 9 years of experience in commercial, corporate and contracting laws in various industries such as general construction, technology, and real estate investment. • Mohamad graduated with a Bachelor's degree of law (L.L.B) in 2001 from the Faculty of Law, Lebanese University, Lebanon, and has completed several postgraduate courses, licences and certifications.
Mohanad I I Abughalwa	Head of Projects	Jordanian	• Mohanad has been working with the Company for 15 years, providing significant contribution in managing the Group's projects. He leads the projects division for overall execution and commissioning. He is responsible for developing timelines that capture milestones for all projects, creating budgets and

			monitoring finance to ensure budget control with profit and loss for the project and operation department. He also monitors progress, overseeing finance and ensuring project quality, supports the Senior Executive Management with strategic decisions and by providing leadership and direction, as well as managing claims and prolongation acceleration impact. • Mohanad is a qualified engineer in Electronics and Communication from Amman Al Ahlyeh University, Amman, Jordan and completed a Masterclass (MBA) from Durham University, United Kingdom. He also has a certification in PMP.
Jaikrishna Pillai	Head of Strategy	Indian	• Jaikrishna is a qualified professional with extensive experience in strategic planning, sales, and marketing. He possesses a unique and integrated set of competencies in diverse functional areas such as new business development, P&L management, channel management, product promotion and launches and manpower leadership. • With a dynamic career of nearly 17 years, he has conceptualised and executed innovative, differentiated and segment-based marketing programs, thereby leading to achievement of targeted market share. He has successfully driven large scale revenues and profit gains as well as improving on organisational productivity and performance; acquired hands-on experience across all levels of business and operations, with in-depth sensitisation to the challenges of growth and change management. • Jaikrishna is a qualified management graduate with specialization in Marketing from the University of Bangalore and has a Diploma in Marketing Management from NMIMS, Mumbai.

11.7 Risk management and corporate governance

The Company's Board is committed to the highest standards of risk management and corporate governance. Upon Listing, the Company will adhere to the QFMA Corporate Governance Code.

Board Committees

In accordance with the QFMA Corporate Governance Code, the Company established the following board committees:

a) Executive Committee

The Executive Committee assists the Board of Directors in adopting and updating the Company's corporate business strategy and related policies and ensuring compliance with them. The Executive Committee assists the Company with execution and implementation of the strategic priorities and objectives in line with the long-term business strategy, as authorized and delegated by the board of directors. For this to be achieved, the Committee engages with the Senior Executive Management team to ensure effective implementation of the Company's strategic priorities, of the short term, middle term and long term. The Committee also takes the necessary measures for potential risks in the achievement of the strategic milestones through support from the respective business units. The Committee also monitors the performance of the Company's investment portfolio to achieve the best possible return. The Committee regularly conducts a report for the Board of Directors about its activities and makes recommendations about the issues that require the Board's approval. Appointments to the Executive Committee will be made by the Board of Directors and its Chairman must be a Board Member. The Executive Committee comprises of the following members:

Name	Nationality	Position	Date of Appointment
Tariq Mohd I Aljaidah	Qatari	Committee Chairman, Non-executive Director	20 May 2024
Abdulla Mohdshafeea M H Al-Ansari	Qatari	Member of the Committee, executive	20 May 2024
Zeyad Mohamed I Al-Jaidah	Qatari	Member of the Committee, executive	20 May 2024

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of three (3) Board members. As part of good corporate governance, the Nomination and Remuneration Committee recommends Board member appointments and nominations for re-elections in order to comply with the guidelines of the QFMA's Corporate Governance Code and to separate the nomination process to promote transparency.

The Nomination and Remuneration Committee also considers and makes recommendations on the remuneration policy relating to the Chairman, Directors and members of the Senior Executive Management team. The policy set by the Nomination and Remuneration Committee must be approved by the Shareholders at the OGA, which also determines the precise remuneration and incentive payments (including bonuses) of the Chairman, Directors and members of the Senior Executive Management.

Name	Nationality	Position	Date of Appointment
Nasser Hassen F H Al-Ansari	Qatari	Committee Chairman, Independent	20 May 2024
Hesham Ismaeel A M Abdulrahman	Bahraini	Member of the Committee, Independent	20 May 2024
Salah Mohd I Al-Jaidah	Qatari	Member of the Committee, non executive	20 May 2024

c) Audit and Risk Committee

The Audit and Risk Committee is composed of three (3) Board members and chaired by an independent director. The purpose of the Audit and Risk Committee is to assist the Board in fulfilling its oversight responsibilities for the internal and external audit functions, risk management functions, compliance functions, financial reporting process, internal control systems and the Company's process for monitoring compliance with all relevant laws and regulations (including the QSE Rulebook and the QFMA Corporate Governance Code). The Audit and Risk Committee comprises of the following members:

Name	Nationality	Position	Date of Appointment
Ahmad Abdulla A Al-Abdulla	Qatari	Committee Chairman, Indepenent	20 May 2024
Hesham Ismaeel A M Abdulrahman	Bahraini	Member of the Committee, Independent	20 May 2024
Tariq Mohd I Aljaidah	Qatari	Member of the Committee, non executive	20 May 2024

11.8 Material Contracts

The Group Members are party to several material contracts with unrelated third parties, as discussed below.

No.	Group Member	Counterparty	Contract Type	Contract Purpose	Value of the Contract (QAR)[11]	% of completion & Expected date of completion
1.	The Company	Confidential Counterparty	Agreement	Agreement relating to Maintenance of Play LED Floodlighting System and Façade Lighting System	23,552,684	0% May 2027
2.	The Company	Confidential Counterparty	Agreement	Agreement relating to the Maintenance of Audio-Visual Systems	11,301,078	0% December 2026
3.	TQSS	Generic Engineering Technologies and Contracting WLL	Work Order	Agreement relating to the supply, installation, termination, testing and commissioning of CCTV system	12,530,000	18% January 2025
4.	TQSS	Confidential Counterparty	Agreement	Agreement relating to the supply, delivery, installation, testing, commissioning, configuration, maintenance, civil works, handover, and documentation of facial recognition cameras	11,873,322	83% February 2024
5.	TQSS	Confidential Counterparty	Letter of Award	Agreement relating to the supply, delivery, installation, testing, commissioning,	6,114,186	73% January 2024

11 This figure represents the estimated total value of revenues generated by the Group Member from contracts with key suppliers and covering financial year 2022.

				configuration, maintenance, civil works, handover, and documentation of facial recognition cameras		
6.	TQSS	Hamad Medical Corporation	Agreement	Agreement related to SIC of CCTV Security Surveillance System including Associated Building and Site Works	94,161,258	62% September 2024
7.	The Company	Confidential counterparty	Agreement	Supply, installation, testing and commissioning and maintenance of screens	7,200,000	90% February 2024
8.	The Company	Hamad Medical Corporation	Agreement	Agreement for comprehensive maintenance contract for ACS	5,876,940	52% June 2026
9.	TQSS	Confidential counterparty	Services Contract	Agreement for the Maintenance and Services on a Call-Off Basis for Extra Low Voltage Systems	5,391,324	90% June 2024

Source: Management

12. CAPITALISATION AND INDEBTEDNESS

The following tables should be read together with Section 18 (*Management Discussion and Analysis*) and Section 7 (*Auditors Report and Financial Statement*).

12.1 Capitalisation and indebtedness

The following table sets out the Group's capitalization and indebtedness as at 30 June 2023.

The capitalization and indebtedness have been extracted without material adjustment from the Combined Audited Financial Statements of Group for the year ended 31 December 2022 and the Consolidated Financial Information for the Group for the 6 months ended 30 June 2023.

	Amount (QAR'000)		
	FY21	FY22	H1 23
Short-term debt and current portion of non-current debt	15,718	15,852	28,593
Non-current debt	18,973	10,840	6,587
Total debt	**34,691**	**26,692**	**35,180**
Shareholder's equity/total equity (excl. retained earnings)			
Share capital	6,000	6,000	5,000
Capital contribution	-	732	732
Legal and other reserve	3,000	3,000	2,500
Shareholder's equity/total equity (excl. retained earnings)	**9,000**	**9,732**	**8,232**
Total capitalization and indebtedness	**43,691**	**36,424**	**43,412**

Source: Audited Financial Statement and the Consolidated Financial Information

12.2 Net Financial Indebtedness

The net financial indebtedness of the Group has been extracted without material adjustment from the Combined Audited Financial Statements of the Group for the year ended 31 December 2022 and the Consolidated Financial Information for the 6 months ended 30 June 2023.

	Amount (QAR'000)		
	FY21	FY22	H1 23
Cash and cash equivalent	69,761	55,186	47,369
Liquidity (incl. cash and cash equivalent) (A)	**69,761**	**55,186**	**47,369**
Short-term debt and current portion of non-current debt	(15,718)	(15,852)	(26,571)
Other current financial debt	(261)	(1,901)	(1,959)
Current financial debt (incl. other current financial debt) (B)	**(15,979)**	**(17,753)**	**(28,530)**
Net current financial funds (C = A + B)	**53,782**	**37,433**	**18,840**
Non-current financial indebtedness (incl. other non-current loans) (D)	(18,973)	(10,840)	(8,610)
Net financial indebtedness (E = C + D)	**34,830**	**26,593**	**10,230**

Source: Audited Financial Statement and the Consolidated Financial Information

13. RELATED PARTY TRANSACTIONS

As part of its business operations, the Company enters into transactions with related parties. Related parties include entities over which the Company exercises significant influence, Shareholders and key management personnel of the Company. In accordance with the QFMA Corporate Governance Code, a related party is someone who:

(a) is a Director of the Company or an affiliate;
(b) is a member of the Senior Executive Management of the Company or an affiliate;
(c) holds or controls 5% or more of the Shares or any affiliate;
(d) is a relative and a partner of of the persons mentioned above;
(e) projects or enterprises joint with any other party; companies controlled by Directors, each member of Senior Executive Management and their relatives respectively.

For the purpose of the Company's Combined Audited Financial Statements and Consolidated Financial Information, a related party is defined in line with IFRS accounting standards. As such, a related party is someone who has the ability to control another party or exercise significant influence over another party in making financial and operating decisions. Related parties include the significant owners and entities over which the Company and the owners exercise significant influence, Directors and Senior Executive Management personnel of the Company, close family members and entities owned or controlled by them, associates and affiliated companies.

Pricing policies and other key terms of material related party transactions are reviewed and approved by the Board and the Senior Executive Management endeavour to ensure that related party transactions are conducted on an arm's length commercial basis in the best interests of the Company.

Related party transactions and balances as disclosed in note 19 of the Combined Audited Financial Statements of the Group for FY 2022 and note 19 of the audited financial statements of the Company for FY 2023[12], are shown below:

	Amount (QAR'000)		
	FY21	FY22	FY23
Due from related parties	2,482	3,350	358
Due to related parties	(21,60)	(1,605)	(158)
Net dues from related parties	**322**	**1,745**	**200**

Source: Combined Audited Financial Statements and the audited financial statements of the Company for FY 2023

The Company entered into several Purchase Orders ("PO") with Choices for Trading and Contracting WLL (the "Related Party") which relate to various sales orders that the Company has issued to facilitate various projects. The purchase orders issued in 2023 are listed below:

12 To view the audited consolidated financial statements for FY 2023 as at 31 December 2023, please refer to the Company's website, under the "Investor Relations" section (www.technoq.com/investor-relations/).

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Arrangement	Subject	Purchase Order amount (QAR)	Status
PO	Related to a new accommodation project for an airline company.	10,000	Ongoing
PO	Related to upgrading meeting room air conditioning systems at a university.	14,070	Completed
PO	Related to updating a CCTV system.	75,000	Completed
PO	Related to the CCTV system in a store in Al Wajba.	60,000	Completed
PO	Related to the implementation of digital signage and wayfinding system in a medical facility.	300,000	Ongoing
PO	Related to a project on the campus of a medical institution.	280,000	Ongoing
PO	Related to a project for a medical institution.	185,500	Ongoing
PO	Related to the implementation of a secure sound and electro-acoustic system in a hotel.	12,398	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	2,142,392	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	224,900	Completed
PO	Related to a project awarded through a tender.	729,750	Completed
PO	Related to updating a CCTV system.	12,000	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	240,000	Completed
PO	Related to the installation of audio-visual systems in meeting rooms.	15,350	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	195,000	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	165,210	Completed
PO	Related to the replacement of cameras.	2,800	Completed
PO	Related to a display panel project.	6,800	Ongoing
PO	Related to a distance learning studio.	10,100	Completed
PO	A bank related project.	15,000	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	290,000	Completed
PO	Project for an aviation academy.	10,899	Ongoing
PO	Related to upgrading a race track and infrastructure in Lusail.	9.000	Completed
PO	Related to upgrading a race track and infrastructure in Lusail.	2,400	Completed
PO	A bank related project.	13,000	Ongoing
PO	A project related to the installation of	14,800	Completed

	access control doors.		
PO	Related to the replacement of cameras.	2,800	Ongoing
PO	A project related to an internal communication unit.	5,592	Completed
PO	A project related to access control systems.	5,500	Completed
PO	A project related to updating access control panels.	7,710	Completed
PO	A project related to updating access control panels.	28,290	Completed
PO	A project related to the audio-visual systems of a university.	13,580	Completed

Source: Management

This section does not report on transactions occurring within the Group as part of the ordinary course of business and management of the Group given the ubiquitous nature of such transactions in a corporate group.

The due to related parties balance as at 30 June 2023 is mainly related to the acquisition of TQSS at a book value of QAR 32.9 million. This amount was capitalized prior to the Listing of the Company.

14. QATAR STOCK EXCHANGE

The QSE (formally known as the Doha Securities Market) was established in 1995 and officially started operations in 1997. In June 2009, Qatar Holding, the strategic investment arm of the Qatar Investment Authority and New York Stock Exchange Euronext signed agreements to form a strategic partnership to establish the QSE as a world-class market. In October 2013, New York Stock Exchange Euronext exited the QSE with Qatar Holding acquiring the entire share capital of the QSE.

The primary aim of the QSE is to support Qatar's economy by providing a platform for capital raising for Qatari companies and an opportunity for investors to trade a variety of products in a transparent and efficient manner.

2014 marked a major milestone for the QSE as Qatar was upgraded by the Morgan Stanley Capital International ("MSCI") and Standard & Poor's ("S&P"), global index compilers, from a frontier market to an emerging market. FTSE Russell followed suit a year later in September 2015 and upgraded Qatar's status from frontier to secondary emerging market.

In addition to efforts undertaken to upgrade Qatar's status, the QSE has undertaken a number of other development initiatives to enhance the market infrastructure, product and legislative framework. These initiatives include the creation of the Qatar Stock Exchange Venture Market ("QSEVM") in 2015, to broaden accessibility to the public securities market. QSEVM is designed to enable small and medium sized enterprises who do not meet the listing requirements of the Main Market to pursue a public listing. [13]

Other developments include the launch of two (2) Exchange Traded Funds ("ETFs") in 2018, the introduction of margin trading, delivery-versus-payment system ("DVP") and mandatory reporting of Environment Social Governance ("ESG").

Currently, the QSE has a total of 52 listed companies on its main market, one (1) on the QSEVM and 7 licensed brokers companies.[14]

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13 Source: Listing Requirements for QSE Venture Market, Qatar Stock Exchange

14 Source: QSE Website, last accessed 02 June 2024.

15. QATAR CENTRAL SECURITIES DEPOSITORY

QCSD was established as a Qatari private shareholding company in 2014 and is owned by the Qatar Central Bank and the QSE. QCSD provides services relating to the custody, clearing and settlement of securities and other financial instruments listed on the QSE. QCSD is the sole company authorised by the QFMA to provide depositary and similar services in the State of Qatar.

QSE's systems are linked to QCSD's systems to enable transfer of shares of companies listed on QSE between sellers and buyers. QCSD also processes all off-market transfers, either by inheritance or by court order and is responsible for pledging and unpledging shares. In addition, QCSD offers other services including DVP implementation, securities lending and borrowing settlement, management and follow-up of the non-Qatari shareholders' equity, registration and authorisation of ETFs and participation in initial public offerings.

16. QATAR FINANCIAL MARKETS AUTHORITY

The QFMA is the capital markets authority in the State of Qatar. It was established as an independent regulatory and supervising authority pursuant to Law No. 33 of 2005 and subsequently replaced by Law No. 8 of 2012. The primary mission of the QFMA is to implement a robust regulatory framework for the securities markets in addition to conducting effective and responsible market oversight and supervision.

As per its mandate, QFMA is the licensing authority for the securities industry and relevant activities. It is also the listing authority in charge of overseeing and monitoring the issue of securities in the listing process on the QSE. The QFMA also has the responsibility of ensuring market integrity and transparency by enforcing market rules and regulations on market participants and conducting necessary surveillance and supervision activities.

17. TAXATION

The following provides an overview of the current Qatar tax legislation and is intended to provide a high level understanding in the context of an Investor's decision to purchase, own or dispose of Shares in the Company. This tax summary does not discuss the tax regime of any other Jurisdiction or any specific circumstances which may be applicable to any individual Investors. This summary is not intended to, and does not, constitute tax advice. All prospective Investors should consult their own tax advisers concerning their personal situation. The information included in this *Section 17 (Taxation)* is not to be regarded as advice on the tax position of any Shareholder or of any person acquiring, selling or otherwise dealing in the Shares of the Company or on any tax implications arising from the acquisition, sale or other dealings in respect of the Shares.

This *Section 18 (Taxation)* is only a summary and does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of relevant Shares and does not purport to deal with the consequences applicable to all categories of Investors, some of which may be subject to special rules. All prospective Investors should consult their own tax advisor concerning the application of the Qatari tax legislation to their particular situation as well as any consequences of the purchase, ownership and disposition of relevant Shares arising under the laws of any other Jurisdiction.

Tax legislation

Comments in relation to the Company are based on (a) Law No. 24/2018 (the "**Income Tax Law**"); (b) the Executive Regulations of the Income Tax Law issued in December 2019 and its recent amendment issued in March 2023 (the "**Executive Regulations**"); and (c) the published and established practices that have been adopted and applied by the General Tax Authority (collectively with the Income Tax Law and the Executive Regulations, the "**State Tax Legislation**").

Corporation tax implications for the Company

The prevailing corporation tax rate under the State Tax Legislation is 10%.

However, upon Listing, as a listed company, the Company will be exempt from tax under the provisions of the State Tax Legislation. As a listed company, however, the Company will be required to contribute 2.5% of its net accounting profit to the State to support sports, cultural, social and charitable activities (the "**Sports & Social Levy**"). The Sports & Social Levy is paid out of retained earnings which accordingly reduces the amount of profit that may be distributable to Shareholders.

Notwithstanding the Company's exemption from the corporation tax after the Listing as a result of being a listed company, the Company will continue to be subject to withholding tax, contract reporting and Subsidiaries will continue to be taxable (under the State Tax Legislation in respect of TQSS and under the tax legislation of the respective incorporation Jurisdictions of the remaining non-Qatari Subsidiaries).

Dividends

Qatar does not apply withholding tax on dividends. Accordingly, dividends distributed by the Company will not be subject to withholding tax.

Dividends paid out of the profits of the Company and received by a Qatar tax resident shareholder (irrespective of nationality) are exempt from tax under the State Tax Legislation.

Capital gains

Capital gains realized by a non-Qatari national from the sale of Shares in the Company are exempt from tax under the State Tax Legislation.

Capital gains realized by a Qatari national from the sale of Shares in the Company are exempt from tax under the State Tax Legislation to the extent that any of the following conditions are met:

1. the Shareholder is a natural person who does not hold those shares as part of a taxable business activity;
2. the Shareholder is tax resident in Qatar; or
3. the Shareholder is a Qatar tax resident company which is wholly owned by Qatari or other GCC nationals who are all tax resident in Qatar.

Investors and Shareholders that are nationals or residents in Jurisdictions outside Qatar (both corporate and individual) should consult their own tax advisors as to the taxation or tax implications of the Listing and dividend income under the applicable local laws in those Jurisdictions.

Value added tax ("VAT")

Qatar is expected to implement VAT and has ratified the VAT Framework Agreement of the GCC. However, the implementation date is yet to be announced. The potential introduction of VAT may also have some implications for both the Company and Investors. *Please also refer to Section 8 (Risk Factors) for a discussion of VAT.*

18. DIVIDEND POLICY

Shareholders will be entitled to receive dividends declared in respect of financial years subsequent to the financial year during which Listing occurs. The Company intends to declare and distribute annual dividends with a view to maximising shareholder value commensurate with the ongoing capital and funding requirements of the Company. Subject to the Articles and the applicable laws, any decision to pay dividends to Shareholders and the amount and form of such dividends will be upon the recommendation of the Board for approval by the General Assembly.

In the preceding two financial years, the Group issued dividends in the following amounts on the following dates:

Amount (QAR'000)		
Fiscal year	**Aggregate dividends amount**	**Record date**
FY21	17,752	30 December 2021 / 15 February 2022
FY22	14,043	22 May 2023
FY23	11,826	13 May 2024

Source: Management

The Company announced the distribution of total dividends amounting to QAR 11.8 million for FY23. According to the Management, these distributions do not have any material impact on the Company's financial statements, and such distributions are in line with the Company's policy for previous years.

The amount of any dividends may vary from year to year. The Company's ability to pay dividends is dependent on a number of factors, including, without limitation, the availability of distributable income, regulatory capital requirements, reserve requirements, capital expenditure plans, liquidity and other cash requirements in future periods and there is no assurance that the Company will pay dividends, or the amount of such dividend, if declared. There are no arrangements in existence under which future dividends are to be waived or agreed to be waived, be it cash or in-kind.

19. LITIGATION

The Company, from time to time, is involved in litigation or proceedings that arise in the course of its business. In most of its past litigation, the Company succeeded in securing an order for the payment of an indemnity in its favour or reached a settlement with defendants leading to the payment of considerable compensations in its favour.

19.1 Litigation or proceedings raised by the Group

The below sections set out the ongoing litigation or proceedings of a material value equivalent to QAR 1,000,000 or more that the Company is involved in as at the date of this Listing Prospectus for the purpose of tracking litigation before official submission.

Case Number	Parties Involved	Dispute Outcome
Case N.3705/2022	Company v. a UAE based construction company	The appellate ruling was upheld (the Company being the respondent at appeal). Affirming the initial ruling at first instance which ordered the payment of approximately 1,300,000 QAR in favour of the Company, and the dispute is currently at the enforcement stage.
Case N.3849/2019	Company v. a Qatari electro-mechanical company	The ruling at first instance (which was addirmed by the appellate ruling) ordered the payment of 1,856,907 QAR in favour of the Company and 154,000 QAR in favour of the defendant. The dispute is currently at the enforcement stage.
Case No. 2096/2017	Company v. an infrastructure development company	The ruling at first instance ordered the payment of 2,350,093 QAR in favour of the Company. The dispute is currently at the enforcement stage.
Case No. 483/2021	Company v. an architectural and interior design company in Doha	The ruling at first instance ordered the payment of QAR 2,507,517.47 in favour of the Company. The dispute is currently at the enforcement stage.
Arbitration case	Company v. confidential parties	The Company initiated arbitration proceedings to claim an amount equal to QAR 7,251,110. The arbitration application presented by the Company is still under review by the competent body responsible for arbitration cases.

19.2 Litigation or proceedings raised against the Group

None at the date of this Listing Prospectus.

With the exception of the above matters, neither the Company nor the Subsidiaries have been involved in any additional governmental, legal, court or arbitration proceedings and the Company is not aware of any such proceedings pending or threatened by or against it or the Subsidiaries during the period of 12 months preceding the date of this Listing Prospectus which may have, or have had in the recent past, a significant effect on its financial position or profitability.

20. AUDITOR'S REPORT, FINANCIAL STATEMENTS AND PRO FORMA FINANCIAL INFORMATION

20.1 Historical financials

This section sets forth the auditor's report for the Combined Audited Financial Statements and the Consolidated Financial Information of the Group.

Qatar Electronic Systems Company W.L.L (Techno Q)

Combined Financial Statements

31 December 2022

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

Report to the partners of Qatar Electronic System Company W.L.L. (Techno Q) on conclusion of Agreed – Upon Procedures with respect to combined financial statements of Qatar Electronic System Company W.L.L. (Techno Q)

We have performed the procedures agreed with you and enumerated below with respect to the combined financial statements of Techno Q Group (the "Group"). Our engagement was undertaken in accordance with the International Standards on Related Services No.4400 Engagements to Perform Agreed – Upon Procedures Regarding Financial information. The procedures were performed solely to assist you in agreed combined statements of financial position of the group as of 31 December 2022 and the combined statements of comprehensive income, combined statements of changes in the equity and combined statements of cash flows for the year then ended and notes to the combined financial statements including summary of significant accounting policies.

The procedures are summarised as follow:

1. We agreed the accompanying combined statement of the financial position of the group as of 31 December 2022 and the related combined statement of comprehensive income, combined of changes in the equity and combined statements of cash flows for the year then ended and related notes from 1 to 29 to the amounts in the combination schedule prepared by the Group and from there to the respective financial statements of the related companies included in the combinations.

2. We checked the preparation process of the combined financial statements to ensure that the combination principals as set out in Note 2 to the combined financial statements have been properly applied by the Group.

3. We checked the financial statements of the related companies included in the combination to determine whether these financial statements have been audited.

   We have reported our findings as follows:

a) With respect to item 1, we found that the amounts and balances in the accompanying combined financial statements agree with the combination schedules and the latter agree with the respective amounts in the financial statements of the related companies included in the combinations.

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Report to the partners of Qatar Electronic System Company W.L.L. (Techno Q) on conclusion of Agreed – Upon Procedures with respect to combined financial statements of Qatar Electronic System Company W.L.L. (Techno Q) (continued)

b) With respect to item 2, we found that the combined financial statements are prepared in accordance with the combination principles set out in Note 2 to the combined financial statements.

c) With respect to item 3, we found that all the related companies included in the combined financial statements have been audited.

Because the above procedures do not constitute either an audit or a review made in accordance with the International Standards of Auditing or International Standards of Review Engagements, we do not express any assurance on the combined financial statements of the group as of and for the year ended 31 December 2022.

Had we performed additional procedures, or had we performed an audit or review of the combined financial statements in accordance with International Standards on Auditing or International Standard on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties.

In performing the Agreed – Upon Procedures engagements, we complied with the ethical requirements in the Code of Ethics for Professional Accountants issued by the International Ethics Standards Boards for Accountants (IESBA).

KPMG applies International Standards on Quality Control 1, Quality Control for firms that perform audits and reviews of financial statements and other assurance and related services engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

15 June 2023
Doha
State of Qatar

Yacoub Hobeika
KPMG
Qatar Auditor's Registry No. 289

KPMG
P.O.Box :4473
Doha - Qatar

Qatar Electronic Systems Company W.L.L (Techno Q)

Combined Statement Of Financial Position
As at 31 December 2022

In Qatari Riyals

	Note	2022	2021 (Restated)
ASSETS			
Property, equipment, and right-of-use Assets	5	6,552,752	3,191,396
Intangible Assets	6	1,102,884	-
Investment in a subsidiary	7	918,351	918,351
Equity-accounted investees	8	-	390,000
Non-current assets		8,573,987	4,499,747
Inventories	9	25,318,492	19,802,949
Trade receivable and prepayments	10	233,628,247	197,503,110
Due from related parties	19(a)	3,350,063	2,481,711
Cash and bank balances	11	55,186,766	69,760,289
Current assets		317,483,568	289,548,059
TOTAL ASSETS		**326,057,555**	294,047,806
EQUITY			
Share capital	12	6,000,000	6,000,000
Capital Contribution		732,151	-
Legal reserve	14	3,000,000	3,000,000
Retained earnings		100,478,881	77,311,209
Total equity		110,211,032	86,311,209
LIABILITIES			
Lease Liabilities	16	2,193,906	20,514
Borrowings	15	10,840,427	18,973,009
Employees' end of service benefits	17	6,345,186	5,511,363
Non-current liability		19,379,519	24,504,886
Borrowings	15	15,851,620	15,717,736
Lease Liabilities	16	1,900,506	260,630
Trade and other payables	18	177,110,312	165,093,227
Due to related parties	19(b)	1,604,566	2,160,118
Total current liabilities		196,467,004	183,231,711
Total liabilities		215,846,523	207,736,597
TOTAL EQUITY AND LIABILITIES		**326,057,555**	294,047,806

These combined financial statements were approved by the management and signed on their behalf by the following on:

Zeyad Al Jaidah
Managing Director

Abdullah Alansari
Executive Director

الشركة القطرية للأنظمة الالكترونية
(تكنو كيو)
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The notes on pages 7 to 35 are an integral part of these combined financial statements.

16.05

Qatar Electronic Systems Company W.L.L (Techno Q)

Combined Statement of Comprehensive Income
For the year Ended 31 December 2022

In Qatari Riyals

	Note	2022	2021(Restated)
Revenue	21	330,915,635	196,588,865
Direct Costs	22	(257,493,692)	(140,373,421)
Gross profit		**73,421,943**	56,215,444
Other income		8,295,309	4,428,163
General and administrative expenses	23	(42,282,631)	(32,711,759)
Selling and distribution expenses	24	(4,268,335)	(4,444,543)
Finance costs	25	(1,546,770)	(2,608,349)
Profit for the year		**33,619,516**	20,878,956
Other comprehensive income		-	-
Total comprehensive income		**33,619,516**	20,878,956

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The notes on pages 7 to 35 are an integral part of these combined financial statements.

Qatar Electronic Systems Company W.L.L (Techno Q)

Combined Statement of Changes in Equity
For the year ended 31 December 2022

In Qatari Riyals

	Share capital	Capital contribution (*)	Legal reserve	Retained earnings	Total
Balance at 1 January 2021	6,000,000	-	3,000,000	75,868,086	84,868,086
Total comprehensive income					
Profit for the year	-	-	-	20,878,956	20,878,956
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	20,878,956	20,878,956
Transactions with the owners:					
Dividends Paid (Note 13)	-	-	-	(18,235,833)	(18,235,833)
Zakat	-	-	-	(1,200,000)	(1,200,000)
Balance at 31 December 2021(Restated)	6,000,000	-	3,000,000	77,311,209	86,311,209
Balance at 1 January 2022	6,000,000	-	3,000,000	77,311,209	86,311,209
Capital contribution	-	732,151	-	-	732,151
Total comprehensive income					
Profit for the year	-	-	-	33,619,516	33,619,516
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	33,619,516	33,619,516
Transactions with the owners:					
Dividends Paid (Note 13)	-	-	-	(8,951,844)	(8,951,844)
Zakat	-	-	-	(1,500,000)	(1,500,000)
Balance at 31 December 2022	**6,000,000**	**732,151**	**3,000,000**	**100,478,881**	**110,211,032**

(*) Capital Contribution represent the amount transferred from the shareholders accounts during the year.

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The notes on pages 7 to 35 are an integral part of these combined financial statements.

Qatar Electronic Systems Company W.L.L (Techno Q)

Combined Statement of Cash Flows
For the year ended 31 December 2022

In Qatari Riyals

	Note	2022	2021(Restated)
Cash flow from operating activities			
Profit for the year		33,619,516	20,878,956
Adjustments for:			
- Depreciation including right-of-use assets charges	5	2,643,989	2,873,184
- Gain on disposal of furniture, fixture and equipment	5	-	(115,786)
- Provision for impairment of equity – accounted investees		390,000	-
- Reversal of allowance for expected credit losses		(5,094,652)	-
- Write off inventory during the year	9	(41,026)	(21,280)
- Provision for slow moving inventories	9	1,784,972	150,000
- Provision for impairment of receivables		1,690,832	-
- Provision for employees' end of service benefits	17	1,088,332	924,354
- Finance cost IFRS 16		223,294	65,962
- Finance cost loans	25	1,114,668	1,457,850
		37,419,925	26,213,240
Changes in:			
- Inventories		(7,259,489)	516,467
- Trade Receivables and other prepayments		(32,721,317)	(34,613,879)
- Due from related parties *		(629,689)	(5,245,260)
- Due to related party*		(62,064)	6,484,883
- Trade and other Payables		12,017,085	68,844,644
Cash generated from operating activities		8,764,451	62,200,095
Employees' end of service benefits paid	17	(254,509)	(536,090)
-Interest paid	25	(1,114,668)	(1,457,850)
Net cash generated from operating activities		**7,395,274**	60,206,155
Cash flow from investing activities			
Acquisition of Intangible Assets	6	(1,102,884)	-
Acquisition of property, plant and equipment	5	(569,633)	(2,741,325)
Net movement in advance for purchase land		-	7,927,560
Proceed from sale of furniture, fixtures and equipment	5	-	189,499
Net cash (used in) / from investing activities		**(1,672,517)**	5,375,734
Cash flow from financing activities			
Net movement in interest bearing loans and borrowings		(7,998,698)	746,041
Payment of principal portion of lease liabilities		(1,829,538)	(2,196,772)
Payment of principal portion of finance lease		(16,200)	(4,680)
Dividends paid		(8,951,844)	(18,235,833)
Owner Transactions- Zakat		(1,500,000)	(1,200,000)
Net cash used in financing activities		**(20,296,280)**	(20,891,244)
Net (decrease) / increase in cash and cash		**(14,573,523)**	44,690,645
Cash and cash equivalents at 1 January		69,760,289	25,069,644
Cash and cash equivalents at 31 December	11	**55,186,766**	69,760,289

Non-Cash Transactions:	**2022**	2021
*Capital Contribution	**732,151**	

The notes on pages 7 to 35 are an integral part of these combined financial statements.

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1. REPORTING ENTITY

Qatar Electronic Systems Company W.L.L. (Techno Q) (the "Company"), is a limited liability company registered in the State of Qatar under commercial registration no. 18116. The Company is engaged in designing, supplying and installation of audio-visual presentation, security, hospitality, IT infrastructure, lighting services, fire security system and control systems.The Company's registered office is located at P .0. Box 18860, Doha, State of Qatar.

Techno Q for Security Systems Co. W.L.L. (the "Company"), is a limited liability company registered in the State of Qatar under commercial registration no. 124712. The Company's registered office is located at P.O. Box 18860, Doha, State of Qatar.The Company is engaged in trading in cameras and security screening tools, trading in security and safety equipment, and installation, operation, and maintenance of cameras and security surveillance. The Company's registered office is located at P .0. Box 18860, Doha, State of Qatar.

The investment at subsidiaries are stated at cost and are not consolidated to these combined financial statements

2. BASIS OF PREPARATION

a) Statement of compliance

Changes to significant accounting policies are described in Note 3.

b) Basis of measurement

The financial statements included in the combined financial statements have been prepared using Group's accounting policies. The accounting policies used are the same as those used in the previous year.

These combined financial statements have been prepared under the historic cost convention.

c) Basis of combined financial statements

These combined financial statements comprise the financial statements of the following companies and investments

	Partnership	
	2022	2021
Qatar Electronic Systems Company W.L.L.	100%	100%
Techno Q for Security Systems Co. W.L.L.	100%	100%

Transactions eliminated on combinations

Inter- group balances and transactions and any unrealised gains arising from intra- group transactions are eliminated in preparing the combined financial statements.

d) Functional and presentation currency

These combined financial statements are presented in Qatari Riyal, which is the Group's functional currency. All amounts have been rounded to nearest Qatari Riyal, unless otherwise indicated.

e) Use of estimates and judgements

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

2. BASIS OF PREPARATION (CONTINUED)

e) Use of estimates and judgements (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the combined financial statements are described below:

Estimated stage of completion

Revenue is recognized over time based on the cost-to-cost method and the related costs are recognized in profit or loss when they are incurred.

Contract variations

Contract variations are recognized as revenues to the extent that it is probable that they will result in revenue which can be reliably measured. This requires the exercise of judgement by management based on prior experience, application of contract terms and relationship with the contract owners.

Useful lives of equipment and right of use asset

The management determines the estimated useful lives of its 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. The future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of trade and other receivables

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

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

- debt securities that are determined to have low credit risk at the reporting date; and
- 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 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 360 days past due.

Write-down of slow moving inventories

The Group's management determines the estimated amount of slow moving inventories. This estimate is based on the age of items in inventories and this provision is subject to change as a result of technical innovations and the usage of items.

Valuation of lease liabilities and right-of-use assets

The application of IFRS 16 requires the Group to make judgements and estimates that affect the valuation of the lease liabilities and right-of-use assets. These include determining the contracts in scope of IFRS 16, determining the contract term and the finance cost rate used for discounting of future cash flows.

The lease term determine by the Group comprises the non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Group is certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. The present value of the lease payment is determined using the discount rate representing the rate of finance cost swap applicable for currency of the lease contract and for similar tenor, corrected by the average credit spread of entities with rating similar to the Group's rating, observed in the period when the lease contract commences or is modified

2. BASIS OF PREPARATION (CONTINUED)

f) Standards, amendments and interpretations effective from 31 December 2022

The following amendments to existing standards have been applied by the Group in preparation of these combined financial statements. The below were effective from 1 January 2022:

- COVID-19-Related Rent Concessions beyond 30 June 2021(Amendments to IFRS 16).
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

None of the above standards had a material impact on these combined financial statements.

g) New standards, amendments and interpretations issued but not yet effective

The forthcoming requirements of new Standard and amendments to existing Standards are applicable for future reporting periods. The Group will adopt these on annual periods beginning on or after the effective date.

Effective for year beginning 1 January 2023	- Classification of Liabilities as Current or Non-current (Amendments to IAS 1). - IFRS 17 Insurance Contracts and Amendments to IFRS 17. - Accounting Policies Disclosure (Amendments to IAS 1 and IFRS Practice Statement 2). - Definition of Accounting Estimates (Amendments to IAS. 8). - Deferred taxes on assets and liabilities arising from a single transaction (Amendments to IAS 12)
Effective date deferred indefinitely / available for optional adoption	- On sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10, IAS 28).

The above amended standards and interpretations are not expected to have a significant impact on the Group's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been consistently applied in the preparation of these combined financial statements.

a) Revenue

IFRS 15 "Revenue from Contracts with Customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within IFRS. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that create enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2: Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer that is distinct.

Step 3: Determine the transaction price: Transaction price is the amount of consideration to which the entity expects to be entitled to in exchange for transferring the promised goods and services to a customer, excluding amounts collected from third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.
The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group 's performance as the Group performs; or
- The Group 's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
-The Group 's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

Trading in paints and building materials

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

Sale of goods

The Group is engaged in designing, supplying and installation of audio-visual presentation, security, hospitality, IT infrastructure, lighting services, fire security system and control systems. Revenue is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Group recognises revenue from the sale of goods measured at the fair value of the consideration received.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Revenue (continued)

Rendering of services

Revenue from rendering of services is recognised when the outcome of the transaction can be estimated reliably, by reference to the stage of completion of the transaction at the end of the reporting period.

Other income

Other income is recognized when the earning process is complete, and the flow of economic benefit is reasonably assured.

b) Expense recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably.

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.

c) Finance Costs

Finance costs comprise interest on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are expensed in profit or loss using the effective interest method.

d) Property and equipment

Recognition and measurement

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property, plant 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Property and equipment (continued)

Depreciation

Depreciation is calculated to write off the cost of items of property, plant 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, plant and equipment are as follows:

Furniture, fixtures and equipment	5 Years
Motor vehicles	5 Years
Office equipment	5 Years
Leasehold improvements	5 Years

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

e) 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.

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.

f) Investment in 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 investments in subsidiaries are recorded in these combined financial statements at cost less impairment losses if any.

On the loss of control, the Group derecognize s the carrying amount of the investment in subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an investment in associates or as investment at FVOCI financial assets depending on the level of influence retained.

g) Capital work in progress

Capital work in progress comprises projects under construction and is carried at cost less impairment, if any. Capital work in progress is not depreciated. Once the construction of assets is completed and is put into use, they are capitalized to either the property, plant and equipment or the investment property depending on their use and depreciated accordingly.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Equity-accounted investees

An equity-accounted investees is an entity in which the Company has significant influence and which is neither a subsidiary nor a joint arrangement.

The results and assets and liabilities of associate are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an equity-accounted investees is initially recognised in the statement of financial position at cost and adjusted here after to recognise the Company's share of the profit or loss and other comprehensive income of the equity-accounted investees. When the Company's share of losses of an associate exceeds the Company's interest in that equity-accounted investees (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. An investment in an equity-accounted investees is accounted for using the equity method from the date on which the investee becomes an equity-accounted investees. On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in statement of profit or loss and other comprehensive income in the period in which the investment is acquired.

i) Foreign currencies

Transactions in foreign currencies are translated into Qatari Riyal at the exchange rate prevailing at the dates of the transactions. Monetary assets and monetary liabilities denominated in foreign currencies at the reporting date are translated at the exchange rates prevailing at that date.Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. 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 translated.

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. For the purpose of the statement of cash flows, cash and cash equivalents are shown net of bank overdraft.

k) Provisions

Provisions are recognized when the Group has an obligation (legal or constructive) arising from a past event and the costs to settle the obligation are able to be reliably measured.

l) Employees' end of service benefits

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 December 31,2021 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Financial instruments

i) Recognition and initial measurement

Trade receivables and debt securities issued 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.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

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.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and;
- its contractual terms give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding.

The Group does not have debt and equity investment.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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;

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Financial instruments (continued)

Non-derivative financial assets – measurement (continued)

ii) Classification and subsequent measurement (continued)

Financial assets – Business model assessment(continued):

- 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.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Financial instruments (continued)

Non-derivative financial assets – measurement (continued)

ii) Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses:

Financial assets at amortised cost	These assets 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 or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other 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.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m) Financial instruments (continued)

iii) Derecognition (continued)

Non-derivative financial assets – measurement *(continued)*

Financial liabilities

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 currently 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.

n) 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 360 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).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Impairment (continued)

Non-derivative financial assets (continued)

Financial instruments and contract assets (continued)

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.

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 borrower or issuer;
- a breach of contract such as a default or being more than 780 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Impairment (Continued)

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. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 720 days past due based on historical experience of recoveries of similar assets.

For corporate customers, 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 investment property and 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. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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.

o) Income tax

The Group is exempt from income tax based on the provisions of the Qatar Income Tax Law No. 24 of 2018.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) 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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Leases (continued)

As a lessee (continued)

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.

As a lessor

At inception 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 their relative stand- alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Leases (continued)

As a lessor (continued)

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'other revenue'.

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.

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	**2022**	2021
Trade receivables	10	88,254,980	77,630,709
Due from related parties	19(a)	3,350,063	2,481,711
Bank balances	11	55,048,298	69,626,383
Retention Receivables	10	12,508,846	15,663,859
Accrued Revenue	10	78,187,934	63,758,912
Notes Receivable	10	6,723,199	3,969,195
		244,073,320	233,130,769

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

ii. Credit risk (continued)

Trade and other receivables and due from related parties

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.

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 2022.

31 December 2022	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Trade Receivables:				
Neither past due	0%	42,136,900	-	-
30 – 60 days past due	4.70%	23,314,352	1,096,431	-
61 – 90 days past due	20.64%	1,988,755	410,533	-
More than 90 days past due	34.54%	14,869,610	5,136,601	-
Overdue	100%	5,945,363	5,945,363	-
Total		**88,254,980**	**12,588,928**	**-**

31 December 2021	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impaired
Trade Receivables:				
Neither past due	0%	30,915,181	-	-
30 – 60 days past due	9.05%	17,899,862	1,619,336	-
61 – 90 days past due	29.38%	1,761,374	517,409	-
More than 90 days past due	52.21%	27,054,292	14,125,355	-
Total		77,630,709	16,262,100	-

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)

ii. Credit risk (continued)

Due from related parties

The maximum exposure to credit risk for certain amounts due from related parties at the reporting date was equal to the receivables amount disclosed in the combined statement of financial position. 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 ultimate parent company, who is financially healthy.

Retention receivables

The Group limits its exposure to credit risk on retention receivables balances by following up for grace periods for completed contracts and retention receivables due dates, making specific provision whenever needed for any balances that is due and not collected.

Bank balance

The Group held cash and cash equivalents of QR 55,048,298 at 31 December 2022 (2021: QR 69,626,383). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA3 to A3, based on [Rating Agency Moody] ratings.

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 2022	**Carrying Amounts**	**Contractual cash flows**	**Less than 1 year**	**Above 1 year**
Non-derivative financial liabilities				
Borrowings	26,692,047	(26,692,047)	(15,851,620)	(10,840,427)
Trade and other payables	102,815,462	(102,815,462)	(102,815,462)	-
Lease Liability	4,094,412	(4,263,772)	(2,024,911)	(2,238,861)
Due to Related parties	1,604,566	(1,604,566)	(1,604,566)	-
	135,206,487	**(135,375,847)**	**(122,296,559)**	**(13,079,288)**

4. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

iii. Liquidity risk (continued)

31 December 2021	Carrying Amounts	Less than 6 Months	Less than 1 year	Above 1 year
Non-derivative financial liabilities				
Borrowings	34,690,745	(34,690,745)	(15,717,736)	(18,973,009)
Trade and other payables	71,780,225	(71,780,225)	(71,780,225)	-
Lease Liability	281,144	(281,144)	(260,630)	(20,514)
Due to Related parties	2,160,118	(2,160,118)	(2,160,118)	-
	108,912,232	(108,912,232)	(89,918,709)	(18,993,523)

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 on balances payable in EURO and GBP. As the Qatari Riyal (QR) is pegged to the US Dollar, balances in USD are not considered to represent significant currency risks. 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 QR 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).

The effect of decreases is expected to be equal and opposite to the effect of increases shown below:

	Increase in currency rates against QR	Effect on Profit QR
2022 Balances in Euro and GBP	**+10%**	**(10,491)**
2021 Balances in Euro and GBP	+10%	(1,919)

Equity price risk

Equity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), where those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Group is not exposed to equity price risk as it does not carry any equity price risk financial instruments.

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:

	2022	2021
Floating interest rate instruments		
Financial Liabilities	**26,692,047**	34,690,745

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 2022. The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown. There is no effect on equity.

	Changes in Basis Points	Effect on Profits in the Current Year
2022	**+25**	**667,301**
2021	+25	867,269

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 2022 and 31 December 2021. Capital comprises share capital, retained earnings and legal reserve, and is measured at QR 110,211,032 (2021: QR 86,311,209).

In Qatari Riyals

5. Property, equipment, and right-of-use Assets

	Furniture and fixtures	Motor vehicle	Office Equipment	Leasehold Improvements	Right of Use Assets	Total
Cost						
Balance at 1 January 2021	5,012,233	1,605,500	5,672,654	4,252,126	6,030,289	22,572,802
Additions	38,487	2,014,581	313,716	374,541	367,279	3,108,604
Disposals	-	(1,007,000)	-	-	(2,584,987)	(3,591,987)
Balance at 31 December 2021	5,050,720	2,613,081	5,986,370	4,626,667	3,812,581	22,089,419
Balance at 1 January 2022	5,050,720	2,613,081	5,986,370	4,626,667	3,812,581	22,089,419
Additions	29,132	101,569	438,932	-	5,435,712	6,005,345
Disposals	-	-	-	-	(3,812,580)	(3,812,580)
Balance at 31 December 2022	**5,079,852**	**2,714,650**	**6,425,302**	**4,626,667**	**5,435,713**	**24,282,184**
Accumulated depreciation						
Balance as at 1 January 2021	4,958,422	1,280,177	5,008,626	4,171,566	4,124,321	19,543,112
Depreciation	28,105	433,888	330,556	56,124	2,024,511	2,873,184
Disposals	-	(933,286)	-	-	(2,584,987)	(3,518,273)
Balance at 31 December 2021	4,986,527	780,779	5,339,182	4,227,690	3,563,845	18,898,023
Balance as at 1 January 2022	4,986,527	780,779	5,339,182	4,227,690	3,563,845	18,898,023
Depreciation	32,135	496,663	336,334	91,257	1,687,600	2,643,989
Disposal	-	-	-	-	(3,812,580)	(3,812,580)
Balance at 31 December 2022	**5,018,662**	**1,277,442**	**5,675,516**	**4,318,947**	**1,438,865**	**17,729,432**
Carrying amounts						
At 31 December 2022	**61,190**	**1,437,208**	**749,786**	**307,720**	**3,996,848**	**6,552,752**
At 31 December 2021	64,193	1,832,302	647,188	398,977	248,736	3,191,396

6. INTANGIBLE ASSETS

* Intangible assets as at 31 December 2022, represents an Enterprise Resource Planning Software purchased by the company that is currently under development. The company does not have control over the ERP software as it is in the implementation phase as of 31 December 2022.

7. INVESTMENT IN A SUBSIDIARY

	% of Holding 2022	% of Holding 2021	**Country of origin**	**2022**	2021(Restated)
Qatar Electronic Systems Company (LLC) *	**98%**	98%	Oman	**918,351**	918,351

* During 2014, the Company obtained control of Qatar Electronic Systems Company LLC, by acquiring 19,600 new units of OMR 1 each, representing 98% of the subsidiary capital. The subsidiary company is involved in trading of household appliances. And the subsidiary is dormant and immaterial, so the company didn't prepare a consolidated financial statement.

8. EQUITY – ACCOUNTED INVESTEES

	% of Holding 2022	% of Holding 2021	**Country of origin**	**2022**	2021
Arab Switch Gear Factory W.L.L *	**30%**	30%	Qatar	390,000	390,000
Impairment of associate				(390,000)	-
				-	390,000

*Arab Switch Gear Factory W.L.L. is registered as a limited liability Company incorporated in the State of Qatar. The principal activity of the associate is to engage in production of main distribution boards, transferring and changing the electrical keys and control keys. During the year the management decided to impairment the full amount of the investment.

9. INVENTORIES

	2022	2021
Finished Goods	30,107,489	22,848,000
Less: Provision for slow moving inventories	(4,788,997)	(3,045,051)
	25,318,492	19,802,949

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

	2022	2021
At 1 January	3,045,051	2,916,331
Provision During the year	1,784,972	150,000
Write off During the year	(41,026)	(21,280)
At 31 December	**4,788,997**	3,045,051

10. TRADE RECEIVABLE AND PREPAYMENTS

	2022	2021
Trade receivables	88,254,980	77,630,709
Less: Allowance for expected credit losses	(12,588,928)	(16,262,100)
	75,666,052	61,368,609
Retention receivables	12,508,846	15,663,859
Accrued revenue	78,187,934	63,758,912
Contract assets *	33,283,446	24,287,702
Notes receivable	6,723,199	3,969,195
Advances to suppliers	26,829,413	27,771,151
Prepayments	58,609	68,809
Other receivables	370,748	614,873
	233,628,247	197,503,110

At 31 December 2022, trade accounts receivable amounting to QR 12,588,928 (2021: QR 16,262,100) were impaired.

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

	2022	2021
At 1 January	16,262,100	22,143,876
Provided during the year	1,690,832	-
Reclassification	-	(5,166,944)
Reversals	(5,094,652)	-
Write Off	(269,352)	(714,832)
At 31 December	**12,588,928**	16,262,100

10. TRADE RECEIVABLE AND PREPAYMENTS (CONTINUED)

* As at 31 December 2022, Contract assets amounted to QR 33,283,446 (2021: QR 24,287,702). The movement is as follows:

	2022	2021
Value of the work done at cost plus attributable profits	198,480,988	106,921,806
Less : Progress Billings	(165,197,542)	(82,634,104)
At 31 December	**33,283,446**	24,287,702

11. CASH AND CASH EQUIVALENTS

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

	2022	2021
Cash on Hand	138,468	133,906
Bank balances	55,048,298	69,626,383
	55,186,766	69,760,289

12. SHARE CAPITAL

	2022	2021
Fully Paid-up Capital		
6 units of QR 1,000,000 each	**6,000,000**	6,000,000

13. DIVIDENDS

	2022	2021
Declared and paid during the year	**8,951,844**	18,235,833

-The board of directors has proposed a cash dividend 14,042,928 for the year ended 31 December 2022 (2021: cash divided 8,951,844).

14. LEGAL RESERVES

In accordance with the Qatar Commercial Companies' Law No. 11 of 2015 and the Company's Articles of Association, 10% of the profit for the year should be transferred to legal reserve until the reserve equals 50% of the share capital. The Company has resolved to discontinue such annual transfer since the reserve already equals 50% of the issued share capital. The reserve is not normally available for distribution, except in circumstances stipulated in the abovementioned law.

15. BORROWINGS

	2022	2021
Short term loans	15,851,620	15,717,736
Long term loans	10,840,427	18,973,009
	26,692,047	34,690,745

- 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 personal guarantees of the partners.

- Long term loans include term facilities obtained from Qatar National Bank for the purpose of financing a project, supply, installation, maintenance of and support services for CCTV Solutions. These loans carry interests at commercial rates. These loans have been secured against personal guarantees of the partners. Also term loans related to vehicles purchase and will be payables against instalments more than one year .

- On 03 November 2022, the Group entered into an agreement with Dukhan Bank to obtain a Murabaha loan of QAR 5,187,500 which will be paid in one instalment dated 02 May 2023.

16. LEASE LIABILITIES

	2022	2021
Finance Lease Obligation	4,314	20,514
Lease liability pertaining to right-of-use asset	4,090,098	260,630
Total Lease Liabilities	**4,094,412**	281,144

See Below Movement of the lease liability pertaining to right-of-use assets:

	2022	2021
At 1 January	260,630	2,024,162
Additions During the year	5,435,712	367,278
Lease Interest	223,294	65,962
Payments during the year	(1,829,538)	(2,196,772)
At 31 December	**4,090,098**	260,630

Presented in the statement of financial position as follows:

	2022	2021
Current Portion	1,900,506	260,630
Non-Current Portion	2,193,906	20,514
	4,094,412	281,144

The following are the amounts recognised in statement of comprehensive income

16. LEASE LIABILITIES (Continued)

	2022	2021
Depreciation on right-of-use assets (note 5)	1,687,600	2,024,511
Lease Interest	223,294	65,962
	1,910,894	2,090,473

17. EMPLOYEES' END OF SERVICE BENEFITS

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

	2022	2021
At 1 January	5,511,363	5,123,099
Provided during the year	1,088,332	924,354
Payments made during the year	(254,509)	(536,090)
At 31 December	**6,345,186**	5,511,363

18. TRADE AND OTHER PAYABLES

	2022	2021
Trade accounts payables	72,928,975	52,733,538
Advances from customers	63,257,630	80,745,034
Contract Liabilities *	29,032,637	18,505,074
Retention Payable	853,850	541,613
Accruals and other payables	11,037,220	12,567,968
	177,110,312	165,093,227

* As at 31 December 2022, Contract Liabilities movement is as follows:

	2022	2021
Progress billings	201,278,279	106,288,708
Less: Contract costs incurred to date	(172,245,642)	(87,783,634)
At 31 December	**29,032,637**	18,505,074

19. 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	2022	2021(Restated)
Choices Trading	**Payment**	**1,198,315**	50,190
Al Jaidah Brothers	**Payment**	**11,025,647**	13,984,569
TQ International Ltd.	**Payment**	**1,301**	4,129
Abdullah Alansari	**Payment**	**2,507,771**	4,186,546
Zeyad Jaidah	**Payment**	**1,083,474**	1,718,234

19. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Due from related parties

Name of Party	Relationship	2022	2021(Restated)
Qatar Electronics Systems Company L.L.C – Oman	Subsidiary	1,450,722	1,450,722
Choices Trading	Other Related Party	1,654,060	797,383
Salah Jaidah	Shareholder	166,154	166,154
Tariq Al Jaidah	Shareholder	50,393	50,392
Zeyad Al Jaidah	Shareholder	6,341	-
TQ International Ltd.	Other Related Party	22,393	17,060
		3,350,063	2,481,711

(b) Due to related parties

Name of Party	Relationship	2022	2021(Restated)
Al Jaidah Brothers	Shareholder	731,743	371,438
Abdulla Al-Ansari	Shareholder	872,823	1,762,361
Zeyad Jaidah	Shareholder	-	26,319
		1,604,566	2,160,118

(c) Compensation of key management personnel

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

	2022	2021
Short-term benefits	**3,684,000**	3,684,000

20. COMMITMENTS

Future minimum lease payments:

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

	2022	2021
Payable within one year	354,000	514,000
Payable after one year but less than five years	-	69,000
	354,000	583,000

21. REVENUE

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

	2022	2021
Type of goods or services:		
Project related revenue	314,284,747	178,233,442
Showroom and retail sales	16,630,888	18,355,423
	330,915,635	196,588,865

	2022	2021
Timing of revenue recognition:		
Goods and services transferred over time	314,284,747	178,233,442
Goods transferred at a point in time	16,630,888	18,355,423
	330,915,635	196,588,865

22. DIRECT COST

	2022	2021
Materials	146,997,583	91,190,934
Subcontract cost and provisions	82,209,644	28,931,667
Staff cost	23,371,950	19,264,130
Other direct cost	4,914,515	986,690
	257,493,692	140,373,421

23. GENERAL AND ADMINSTRATIVE EXPENSES

	2022	2021(Restated)
Salaries and related costs	23,748,298	19,904,021
Depreciation including right-of-use assets charges (Note 5)	2,643,989	2,873,184
Management remuneration	3,772,000	3,780,000
Legal and professional fees	3,105,387	1,046,495
Rent	1,512,655	569,762
Electricity and fuel	674,879	777,902
Travelling expenses	198,390	171,952
Repairs and maintenance	264,770	284,096
Immigration expenses	664,639	693,165
Communication costs	767,203	732,715
Training costs	164,992	69,580
Printing and stationery	645,796	512,792
Insurance	467,126	283,961
Warranty expenses	222	7,274
Provision for slow moving inventories (Note 9)	1,784,972	150,000
Miscellaneous expenses	1,867,313	854,860
	42,282,631	32,711,759

24. SELLING AND DISTRUBTING EXPENSES

	2022	2021
Sales commission	3,673,070	3,520,617
Advertising costs	187,223	304,440
Sales promotion expenses	408,042	619,486
	4,268,335	4,444,543

25. FINANCE COSTS

	2022	2021
Forex gain	(864,942)	(109,098)
Interest expenses	1,114,668	1,457,850
Bank charges	1,297,044	1,259,597
	1,546,770	2,608,349

26. CONTINGENCIES

At 31 December 2022, the Group had contingent liabilities amounting to QR 166,571,342 (2021: QR 136,412,503) in respect of bank guarantees and letters of credit arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

27. RESTATEMENT AND RECLASSIFACTION FOR PREVIOUS YEAR

Prior year financial statements were adjusted as the investment in subsidiary amount not matching with the amount as per subsidiary CR and the percentage of the ownership with adjusted the related parties with the investment and adjusted Zakat to the retained earnings. Also, the borrowings have been reclassifications from current to non-current. The effect of rectifying these mistakes and reclassifications on the financial statements is as follows:

Statement of Financial Position	2021 As previously reported	Adjustments	2021 (As Restated)
Assets: -			
Investment in subsidiary	186,200	732,151	918,351
Non-current assets	**186,200**	**732,151**	**918,351**
Equity: -			
Retained earnings	78,511,209	(1,200,000)	77,311,209
	78,511,209	**(1,200,000)**	**77,311,209**
Non-current liabilities			
Borrowings	23,076,769	(4,103,760)	18,973,009
	23,076,769	**(4,103,760)**	18,973,009
Current liabilities			
Borrowings	11,613,976	4,103,760	15,717,736
Due from related parties	2,720,374	(238,663)	2,481,711
Due to related parties	1,666,630	493,488	2,160,118
	16,000,980	**4,358,585**	**20,359,565**

28. RESTATEMENT AND RECLASSIFACTION FOR PREVIOUS YEAR (CONTINUED)

Statement of Profit or Loss and OCI	2021 As previously reported	Adjustments	2021 (As Restated)
Zakat	1,200,000	(1,200,000)	-
General and administrative	30,004,016	2,707,743	32,711,759
Other Income	520,420	3,907,743	4,428,163
	31,724,436	**5,415,486**	**37,139,922**

29. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation in the current year's combined financial statements. However, such reclassification does not have any effect on the net income, net assets and equity of the previous year expect for the reclassification presented in note 28.

Qatar Electronic Systems Company W.L.L (Techno Q)

Condensed consolidated interim financial information

30 June 2023

Qatar Electronic Systems Company W.L.L (Techno Q)

Condensed consolidated interim financial information
As at and for the six month period ended 30 June 2023

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Independent auditor's report on review of condensed consolidated interim financial information

To the Shareholders of
Qatar Electronic Systems Company W.L.L (Techno Q)
Doha, Qatar

Introduction

We have reviewed the accompanying 30 June 2023 condensed consolidated interim financial information of Qatar Electronic Systems Company W.L.L (Techno Q) (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 June 2023;
- the condensed consolidated statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2023;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2023;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2023; and
- notes to the condensed consolidated interim financial information.

The Management of the Company is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'.

Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

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

KPMG

Independent auditor's report on review of condensed consolidated interim financial information (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2023 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Emphasis of Matter – Comparative Figures

We draw attention to the interim condensed consolidated financial statements which indicates that the comparative information presented for the six-month period ended 30 June 2022 is not reviewed. Our opinion is not modified in respect of this matter.

29 February 2024
Doha
State of Qatar

Yacoub Hobeika
KPMG
Qatar Auditor's Registry Number 289

KPMG
P.O.Box :4473
Doha - Qatar

Qatar Electronic Systems Company W.L.L (Techno Q)

Condensed consolidated statement of financial position
As at 30 June 2023

In Qatari Riyals

	Note	30 June 2023 (Reviewed)	31 December 2022 (Audited)
ASSETS			
Property, equipment, and right-of-use Assets	5	5,273,354	4,526,429
Intangible Assets		1,315,218	1,102,884
Investment in subsidiaries		-	918,351
Non-current assets		6,588,572	6,547,664
Inventories	6	24,867,281	16,416,281
Trade receivable and prepayments	7	248,989,048	96,883,387
Due from related parties	12(a)	2,494,316	15,239,836
Cash and bank balances	8	47,369,448	24,035,503
Current assets		323,720,093	152,575,007
TOTAL ASSETS		**330,308,665**	159,122,671
EQUITY			
Share capital		5,000,000	5,000,000
Capital Contribution		732,151	732,151
Legal reserve		2,500,000	2,500,000
Retained earnings		64,754,714	69,058,959
Total equity before non-controlling interest		72,986,865	77,291,110
Non-controlling interest		(14,882)	-
Total equity		72,971,983	77,291,110
LIABILITIES			
Lease Liabilities	10	1,199,962	1,096,953
Borrowings	9	6,587,194	706,453
Employees' end of service benefits		6,478,794	4,272,444
Non-current liability		14,265,950	6,075,850
Borrowings	9	28,593,013	2,715,170
Lease Liabilities	10	1,959,158	952,410
Trade and other payables	11	171,726,370	70,483,565
Due to related parties	12(b)	40,792,191	1,604,566
Total current liabilities		243,070,732	75,755,711
Total liabilities		257,336,682	81,831,561
TOTAL EQUITY AND LIABILITIES		**330,308,665**	159,122,671

These consolidated financial statements were approved by the management and signed on their behalf by the following:

Zeyad Al Jaidah
Managing Director

Abdullah Alansari
Executive Director

الشركة القطرية للأنظمة الالكترونية
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The notes on pages 7 to 15 are an integral part of these consolidated financial information.

Qatar Electronic Systems Company W.L.L (Techno Q)

Condensed consolidated statement of profit or loss and comprehensive income.
For the six month period ended 30 June 2023 In Qatari Riyals

	Note	For the six months ended 30 June 2023 (Reviewed)	2021 (unreviewed)
Revenue	13	125,895,132	60,093,952
Direct Costs	14	(92,733,003)	(44,673,602)
Gross profit		**33,162,129**	15,420,350
Other income		162,889	256,756
General and administrative expenses	15	(19,155,046)	(11,502,027)
Selling and distribution expenses		(1,267,803)	(572,796)
Finance costs		(809,295)	(146,843)
Profit for the period		**12,092,874**	3,455,440
Other comprehensive income for the period		-	-
Total comprehensive income for the period		**12,092,874**	3,455,440
Attributable to : -			
Owners of the parent company		12,094,017	-
Non-controlling interest		(1,143)	-
		12,092,874	-

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The notes on pages 7 to 15 are an integral part of these consolidated financial information.

Qatar Electronic Systems Company W.L.L (Techno Q)

Condensed consolidated statement of changes in equity
For the six month period ended 30 June 2023

In Qatari Riyals

	Attributable to owners of the Company						
	Share capital	**Capital contribution**	**Legal reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total**
Balance at 1 January 2022 (audited)	5,000,000	-	2,500,000	57,323,534	64,823,534	-	64,823,534
Total comprehensive income							
Profit for the period	-	-	-	3,455,440	3,455,440	-	3,455,440
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	3,455,440	3,455,440	-	3,455,440
Transactions with the owners:							
Dividends Paid	-	-	-	(4,137,713)	(4,137,713)	-	(4,137,713)
Balance at 30 June 2022 (un reviewed)	5,000,000	-	2,500,000	56,641,261	64,141,261	-	64,141,261
Balance at 1 January 2023 (Audited)	5,000,000	732,151	2,500,000	69,058,959	77,291,110	-	77,291,110
Total comprehensive income							
Profit for the period	-	-	-	12,094,017	12,094,017	(1,143)	12,092,874
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	12,094,017	12,094,017	(1,143)	12,092,874
Other Movements	-	-	-	(2,355,334)	(2,355,334)	(13,739)	(2,369,073)
Transactions with the owners:							
Dividends Paid	-	-	-	(14,042,928)	(14,042,928)	-	(14,042,928)
Balance at 30 June 2023 (Reviewed)	**5,000,000**	**732,151**	**2,500,000**	**64,754,714**	**72,986,865**	**(14,882)**	**72,971,983**

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The notes on pages 7 to 15 are an integral part of these consolidated financial information.

Qatar Electronic Systems Company W.L.L (Techno Q)

Condensed consolidated statement of cash flow
For the six month period ended 30 June 2023 In Qatari Riyals

	Note	For the six months ended 30	
		30 June 2023 (reviewed)	30 June 2022 (unreviewed)
Cash flow from operating activities			
Profit for the period		12,092,874	3,455,440
Adjustments for:			
- Depreciation including right-of-use assets charges	5	1,356,981	853,038
- Gain on disposal of furniture, fixture and equipment	5	(6,875)	-
- Write off Trade receivables the period		(784,313)	(66,551)
- Provision for employees' end of service benefits		2,634,594	290,618
- Finance cost IFRS 16		111,711	25,459
- Finance cost loans		809,295	146,843
		16,214,267	4,704,847
Changes in:			
- Inventories		(8,451,000)	(4,938,203)
- Trade Receivables and other prepayments		(151,321,348)	(8,431,907)
- Due from related parties (*)		12,745,520	6,308,619
- Due to related parties (**)		39,187,625	(1,666,630)
- Trade and other Payables		101,242,805	25,542,717
Cash generated from operating activities		9,617,869	21,519,443
Employees' end of service benefits paid		(428,244)	(114,400)
-Interest paid		(1,127,093)	(146,843)
Net cash generated from operating activities		**8,062,532**	21,258,200
Cash flow from investing activities			
Acquisition of Intangible Assets		(212,334)	-
Acquisition of property, plant and equipment	5	(157,188)	(213,766)
Proceeds from sale of furniture, fixtures and equipment	5	86,480	-
Acquisition of Subsidiary, net of cash acquired		(1,114,199)	-
Net cash used in investing activities		**(1,397,241)**	(213,766)
Cash flow from financing activities			
Net movement in interest bearing loans and borrowings		31,758,584	(8,486,703)
Payment of principal portion of lease liabilities		(1,044,842)	(419,596)
Payment of principal portion of finance lease		(2,160)	(12,240)
Dividends paid		(14,042,928)	(4,137,713)
Net cash generated from / (used in) financing activities		**16,668,654**	(13,056,252)
Net increase in cash and cash equivalents		**23,333,945**	7,988,182
Cash and cash equivalents at 1 January		24,035,503	14,149,422
Cash and cash equivalents at 30 June	8	**47,369,448**	22,137,604

Non-Cash Transactions:

*Transfer of EOSB (from/ to) related parties	-	652,980
**Acquisition of subsidiary	**32,919,922**	-

The notes on pages 7 to 15 are an integral part of these consolidated financial information.

KPMG For Identification Purposes Only

1. Reporting Entity

Qatar Electronic Systems Company W.L.L. (Techno Q) (the "Company"), is a limited liability company registered in the State of Qatar under commercial registration no. 18116. The Company's registered office is located at P .0. Box 18860, Doha, State of Qatar.

These condensed consolidated interim financial information ("interim financial information") as at and for the six- months period ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the "Group").

The Group is engaged in the design, supply and installation of audio-visual displays, security, hospitality, IT infrastructure, lighting services, fire security system and control systems.

The details of Group's subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Group effective shareholding % June 2023	Group effective shareholding % December 2022
Techno Q Security Systems W.L.L (*)	State of Qatar	**100%**	-
Al Jwdt LLanzmt Al Mtkamlt L.L.C.	Oman	**98%**	98%
Global Modern Developer Contracting Co W.L.L.	Saudi Arabia	**100%**	-

*Techno Q Security Systems W.L.L was acquired under a attested purchase contract dated May 14, 2023, and the company is in the process of changing ownership in the Commercial Registration. The parent company's control over the subsidiary began on January 1, 2023.

2. Basis Of Preparation

These interim financial information for the six months ended 30 June 2023 have been prepared in accordance with the IAS 34 Interim *Financial Reporting and* should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2022 ("last annual consolidated financial statements"). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

3. Use of judgement and estimates

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

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. Use of judgement and estimates (continued)

Measurement of fair values (continued)

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. Changes in accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2022.

New standards or amendments for 2023 and forthcoming requirements

Effective date	New standards or amendments
1 January 2023	• *IFRS 17 Insurance Contracts, including amendments Initial Application of IFRS 17 and IFRS 9 – Comparative Information* • *Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors* • *Disclosure Initiative: Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements* • *Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes*
23 May 2023	• *Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules*

The adoption of above amendments had no significant impact on the Company's condensed interim financial information.

New standards, amendments and interpretations to standards not yet effective, but available for early adoption.

The below new and amended IFRS Accounting Standards ("IFRS" or "standards") that are available for early adoption for financial years beginning after 1 January 2023 have not been applied in preparing these condensed consolidated interim financial information.

Effective date	**New standards or amendments**
1 January 2024	• Non-current Liabilities with Covenants (Amendments to IAS 1) • Classification of Liabilities as Current or Non-current (Amendments to IAS 1) • Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
Available for optional adoption/ effective date deferred indefinitely	• Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

Management does not expect that the adoption of the above new and amended standards will have a significant impact on these condensed consolidated interim financial information of the company.

In Qatari Riyals

5. Property, equipment, and right-of-use Assets

	Furniture and fixtures	Motor vehicle	Office Equipment	Leasehold Improvements	Right of Use Assets	Total
Cost						
Balance at 1 January 2022	5,050,720	2,263,081	5,951,920	4,626,667	2,541,721	20,434,109
Additions	29,132	101,569	432,892	-	2,717,856	3,281,449
Disposals	-	-	-	-	(2,541,720)	(2,541,720)
Balance at 31 December 2022	5,079,852	2,364,650	6,384,812	4,626,667	2,717,857	21,173,838
Balance at 1 January 2023	5,079,852	2,364,650	6,384,812	4,626,667	2,717,857	21,173,838
Additions	35,981	115,155	6,052	-	-	157,188
Additions from a acquiring subsidiary company	-	350,000	40,490	-	2,717,856	3,108,346
Disposals	-	(114,845)	-	-	-	(114,845)
Balance at 30 June 2023	**5,115,833**	**2,714,960**	**6,431,354**	**4,626,667**	**5,435,713**	**24,324,527**
Accumulated depreciation						
Balance as at 1 January 2022	4,986,527	487,546	5,333,822	4,227,690	2,375,896	17,411,481
Depreciation	32,135	439,896	329,104	91,257	885,256	1,777,648
Disposals	-	-	-	-	(2,541,720)	(2,541,720)
Balance at 31 December 2022	5,018,662	927,442	5,662,926	4,318,947	719,432	16,647,409
Balance as at 1 January 2023	5,018,662	927,442	5,662,926	4,318,947	719,432	16,647,409
Depreciation	12,006	220,576	121,304	43,852	959,243	1,356,981
Depreciation from acquiring a subsidiary company	-	350,000	12,590	-	719,433	1,082,023
Disposal	-	(35,240)	-	-	-	(35,240)
Balance at 30 June 2023	**5,030,668**	**1,462,778**	**5,796,820**	**4,362,799**	**2,398,108**	**19,051,173**
Carrying amounts						
At 30 June 2023	**85,165**	**1,252,182**	**634,534**	**263,868**	**3,037,605**	**5,273,354**
At 31 December 2022	61,190	1,437,208	721,886	307,720	1,998,425	4,526,429

6. INVENTORIES

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Finished Goods	29,656,278	18,187,333
Less: Provision for slow moving inventories	(4,788,997)	(1,771,052)
	24,867,281	16,416,281

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	1,771,052	1,458,167
Acquisition of a subsidiary company	3,017,945	-
Provision During the period / year	-	337,290
Write off During the period / year	-	(24,405)
At 30 June / 31 December	**4,788,997**	1,771,052

7. TRADE RECEIVABLE AND PREPAYMENTS

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Trade receivables	129,162,170	68,764,887
Less: Allowance for expected credit losses	(11,804,615)	(9,487,061)
	117,357,555	59,277,826
Retention receivables	10,474,941	5,164,403
Accrued revenue	56,040,714	15,888,725
Contract assets *	11,531,692	6,745,371
Notes receivable	4,708,503	5,906,641
Advances to suppliers	48,595,226	3,598,147
Prepayments	82,238	58,609
Other receivables	198,179	243,665
	248,989,048	96,883,387

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	9,487,061	9,935,414
Acquisition of a subsidiary company	3,101,867	-
Provided during the period / year	-	1,690,832
Reclassification	-	(1,546,952)
Reversals	-	(520,000)
Write Off	(784,313)	(72,233)
At 30 June / 31 December	**11,804,615**	9,487,061

7. TRADE RECEIVABLE AND PREPAYMENTS (CONTINUED)

* As at 30 June 2023, Contract assets amounted to QR 11,531,692 (2022: QR 6,745,371). The movement is as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Value of the work done at cost plus attributable profits	189,761,427	69,719,834
Less : Progress Billings	(178,229,735)	(62,974,463)
At 30 June / 31 December	**11,531,692**	6,745,371

8. CASH AND CASH EQUIVALENTS

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

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Cash on Hand	42,000	138,468
Bank balances	47,327,448	23,897,035
	47,369,448	24,035,503

9. BORROWINGS

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Short term loans	28,593,013	2,715,170
Long term loans	6,587,194	706,453
	35,180,207	3,421,623

- Short term loans include short term facilities obtained from local banks for the purpose of financing import purchases and for the purpose of financing a project (Lusail Circuit). These loans are repayable in 180 days to 362 days and carry interests at commercial rates. These loans have been secured against personal guarantees of the partners.

- Long term loans include term facilities obtained from Qatar National Bank for the purpose of financing a project, supply, installation, maintenance of and support services for CCTV Solutions. These loans carry interests at commercial rates. These loans have been secured against personal guarantees of the partners. Also, term loans related to vehicles purchase and will be payables against instalments more than one year.

10. LEASE LIABILITIES

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Finance Lease Obligation	2,154	4,314
Lease liability pertaining to right-of-use asset	3,156,966	2,045,049
Total Lease Liabilities	**3,159,120**	2,049,363

See Below Movement of the lease liability pertaining to right-of-use assets:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	2,045,049	173,753
Acquisition of subsidiary company	2,045,048	-
Additions During the year	-	2,717,856
Lease Interest	111,711	111,921
Payments during the year	(1,044,842)	(958,481)
At 30 June / 31 December	**3,156,966**	2,045,049

Presented in the statement of financial position as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Current Portion	1,959,158	952,410
Non-Current Portion	1,199,962	1,096,953
	3,159,120	2,049,363

11. TRADE AND OTHER PAYABLES

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Trade accounts payables	31,704,808	26,086,220
Advances from customers	42,264,372	21,011,010
Contract Liabilities *	60,833,497	15,719,635
Retention Payable	724,123	300,750
Goods received but not invoiced	10,567,762	-
Accruals and other payables	25,631,808	7,365,950
	171,726,370	70,483,565

* As at 30 June 2023, Contract Liabilities movement is as follows:

	30 June 2023 (Reviewed)	31 December 2022 (Audited)
Progress billings	420,854,263	88,540,195
Less: Contract costs incurred to date	(360,020,766)	(72,820,560)
At 30 June / 31 December	**60,833,497**	15,719,635

12. 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**	**30 June 2023 (Reviewed)**	30 June 2022 (unreviewed)
Choices Trading	**Payment**	**840,256**	308,292
Al Jaidah Brothers	**Payment & Distributions and Acquisition of subsidiary**	**35,327,171**	5,004,685
TQ International Ltd.	**Payment**	**1,584**	341
Abdullah Alansari	**Payment & Distributions and Acquisition of subsidiary**	**9,535,895**	2,477,202
Zeyad Jaidah	**Payment & Distributions**	**2,522,240**	1,475,922

(a) Due from related parties

Name of Party	**Relationship**	**30 June 2023 (Reviewed)**	31 December 2022 (Audited)
Techno Q Security Systems W.L.L	Subsidiary	-	11,889,773
Al Jwdt LLanzmt Al Mtkamlt L.L.C. – Oman	Subsidiary	-	1,450,722
Choices Trading	Other Related Party	2,494,316	1,654,060
Salah Jaidah	Shareholder	-	166,154
Tariq Al Jaidah	Shareholder	-	50,393
Zeyad Al Jaidah	Shareholder	-	6,341
TQ International Ltd.	Other Related Party	-	22,393
		2,494,316	15,239,836

(b) Due to related parties

Name of Party	**Relationship**	**30 June 2023 (Reviewed)**	31 December 2022 (Audited)
Al Jaidah Brothers	Shareholder	30,675,078	731,743
Abdulla Al-Ansari	Shareholder	8,840,217	872,823
Zeyad Jaidah	Shareholder	1,276,896	-
		40,792,191	1,604,566

12. RELATED PARTY TRANSACTIONS (Continued)

(c) Compensation of key management personnel

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

	30 June 2023 (Reviewed)	30 June 2022 (unreviewed)
Short-term benefits	**1,842,000**	1,115,434

13. REVENUE

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

	30 June 2023 (Reviewed)	30 June 2022 (unreviewed)
Type of goods or services:		
Project related revenue	117,317,368	51,975,604
Showroom and retail sales	8,577,764	8,118,348
	125,895,132	60,093,952

	30 June 2023 (Reviewed)	30 June 2022 (unreviewed)
Timing of revenue recognition:		
Goods and services transferred over time	117,317,368	51,975,604
Goods transferred at a point in time	8,577,764	8,118,348
	125,895,132	60,093,952

14. DIRECT COST

	30 June 2023 (Reviewed)	30 June 2022 (unreviewed)
Materials	45,859,974	30,655,430
Subcontract cost and provisions	34,407,203	6,795,904
Staff cost	12,052,000	6,859,021
Other direct cost	413,826	363,247
	92,733,003	44,673,602

15. GENERAL AND ADMINSTRATIVE EXPENSES

	30 June 2023 (Reviewed)	30 June 2022 (unreviewed)
Salaries and related costs	11,159,653	7,496,703
Depreciation including right-of-use assets charges (Note 5)	1,356,981	853,038
Management remuneration	1,889,902	1,115,434
Legal and professional fees	887,252	154,096
Rent	938,521	443,933
Electricity and fuel	320,257	180,649
Travelling expenses	106,900	38,946
Repairs and maintenance	181,043	94,433
Immigration expenses	389,876	221,487
Communication costs	373,174	263,351
Training costs	91,841	51,921
Printing and stationery	273,320	138,657
Insurance	301,400	46,285
Miscellaneous expenses	884,926	403,094
	19,155,046	11,502,027

16. CONTINGENCIES

As at 30 June 2023, the Group had contingent liabilities amounting to QR 149,761,667 (2022: QR 52,813,211) in respect of bank guarantees and letters of credit arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

20.2 Pro Forma Financial Information

This section sets forth the Pro Forma Financial Information of the Company.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma Compiled Consolidated Financial Information

**31 December 2021,
31 December 2022, 30 June 2023**

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma Compiled Consolidated Financial Information
31 December 2021, 31 December 2022 and 30 June 2023

Contents **Page(s)**

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Independent Practitioner's Assurance Report on the Compilation of Unaudited Pro forma compiled Consolidated Financial Information Included in an Information Memorandum

To the shareholders of Qatar Electronic Systems Company W.L.L. (Techno Q)

Report on the Compilation of unaudited Pro forma compiled Consolidated Financial Information included in an Information Memorandum

We have completed our assurance engagement to report on the compilation of unaudited Pro forma compiled consolidated financial information of Qatar Electronic Systems Company W.L.L. (Techno Q) ("the Company") and its subsidiaries (the "Subsidiaries") (together the "Group"), by the Company's management. The unaudited Pro forma compiled consolidated financial information consists of the unaudited Pro forma compiled consolidated statements of financial position as at 31 December 2021, 2022 and 30 June 2023 the unaudited Pro forma compiled consolidated financial information of profit or loss and other comprehensive, unaudited Pro forma compiled consolidated statements of changes in equity for the years ended 31 December 2021,2022 and 30 June 2023 and related notes. The applicable criteria on the basis of which management have the unaudited Pro forma compiled consolidated financial information are specified in the Offering and Listing of Securities Rulebook issued by the Qatar Financial Market Authority and are described in Note 2 "Basis of preparation" of the unaudited pro-forma compiled consolidated financial information.

The unaudited Pro forma compiled consolidated financial information has been compiled by the Group's management to illustrate the impact of the acquisition of subsidiaries, set out in Note 2 on the Group's financial performance for the years ended 31 December 2021,2022 and 30 June 2023, as if the transaction had taken place at 1 January 2021. As part of this process, information about the Group's consolidated financial performance has been extracted by management from the Subsidiaries financial statements for the years ended 31 December 2021, 2022 and for the period from 1 January 2023 till 30 June 2023, on which audit report has been issued.

The Group Management's Responsibility for the unaudited Pro forma compiled Consolidated Financial Information

The Group's management is responsible for compiling the unaudited pro-forma consolidated financial information on the basis of the applicable criteria, specified in the Offering and Listing of Securities Rulebook issued by the Qatar Financial Market Authority, as in force as described in Note 2.

Our Independence Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

Our responsibility is to express an opinion, about whether the unaudited Pro forma compiled consolidated financial information has been compiled, in all material respects, by the Group's management on the basis of the applicable criteria as in force and described in Note 2.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *"Assurance Engagements to Report on the Compilation of unaudited Pro forma compiled Financial Information Included in a Prospectus"*, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Group's management has prepared, in all material respects, the unaudited Pro forma compiled consolidated financial information on the basis of the applicable criteria as described in Note 2.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited Pro forma compiled consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited Pro forma compiled consolidated financial information.

The purpose of unaudited Pro forma compiled consolidated financial information included in an information memorandum is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at an earlier date would have been as presented.

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Practitioner's Responsibility (continued)

A reasonable assurance engagement to report on whether the unaudited Pro forma compiled consolidated financial information has been , in all material respects, on the basis of the applicable criteria, involves performing procedures to assess whether the applicable criteria used by the Group's management in the compilation of the unaudited Pro forma compiled consolidated financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited Pro forma compiled adjustments give appropriate effect to those criteria; and
- the unaudited Pro forma compiled consolidated financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Group, the event or transaction in respect of which the unaudited Pro forma compiled consolidated financial information has been, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited Pro forma compiled consolidated financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the unaudited pro-forma compiled consolidated financial information has been , in all material respects, on the basis of the applicable criteria, as described in Note 2.

2 June 2024
Doha
State of Qatar

Yacoub Hobeika
Partner
Audit registration number 289
KPMG

KPMG
P O Box 4473
Doha - Qatar

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled consolidated statement of financial position
As at 31 December 2021

In Qatari Riyals

	Qatar Electronic Systems Company W.L.L. (Techno Q)	Techno Q for Security Systems Co. W.L.L.	Quality For Integrated Systems LLC	Pro forma Adjustments	Pro forma compiled consolidated statement of financial position
Assets					
Non-current assets					
Property, equipment and right-of-use assets	3,022,628	168,768	-	-	3,191,396
Investment in subsidiaries	918,351	-	-	(918,351)	-
Equity-accounted investees	390,000	-	-	-	390,000
Total non-current assets	4,330,979	168,768	-	(918,351)	3,581,396.00
Current assets					
Inventories	13,910,530	5,892,419	-	-	19,802,949
Trade receivable and prepayments	62,830,849	134,672,261	-	-	197,503,110
Due from related parties	30,583,258	-	-	(29,552,269)	1,030,989
Cash and bank balances	14,149,422	55,610,867	-	-	69,760,289
Total current assets	121,474,059	196,175,547	-	(29,552,269)	288,097,337
Total assets	**125,805,038**	**196,344,315**	**-**	**(30,470,620)**	**291,678,733**
Equity and liabilities					
Equity					
Share capital	5,000,000	1,000,000	952,680	(1,952,680)	5,000,000
Legal reserve	2,500,000	500,000	-	(500,000)	2,500,000
Retained earnings	57,323,534	19,987,675	(2,403,402)	(12,679,102)	62,228,705
Total equity attributable to parent company shareholders	64,823,534	21,487,675	(1,450,722)	(15,131,782)	69,728,705
Non-controlling interest	-	-	-	(13,739)	(13,739)
Total equity	64,823,534	21,487,675	(1,450,722)	(15,145,521)	69,714,966
Non-current liabilities					
Lease liabilities	20,514	-	-	-	20,514
Borrowings	1,188,831	17,784,178	-	-	18,973,009
Employees' end of service benefits	3,130,921	2,380,442	-	-	5,511,363
Total non-current liabilities	4,340,266	20,164,620	-	-	24,504,886
Current liabilities					
Lease liabilities	173,753	86,877	-	-	260,630
Borrowings	11,375,571	4,342,165	-	-	15,717,736
Trade and other payables	42,931,796	122,161,431	-	-	165,093,227
Due to related parties	2,160,118	28,101,547	1,450,722	(15,325,099)	16,387,288
Total current liabilities	56,641,238	154,692,020	1,450,722	(15,325,099)	197,458,881
Total liabilities	60,981,504	174,856,640	1,450,722	(15,325,099)	221,963,767
Total equity and liabilities	**125,805,038**	**196,344,315**	**-**	**(30,470,620)**	**291,678,733**

Zeyad Al Jaidah
Managing Director

Abdullah Alansari
Executive Director

كي بي أم جي
لأغراض التعريف فقط
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The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled consolidated Statement of financial position
As at 31 December 2022

In Qatari Riyals

	Qatar Electronic Systems Company W.L.L. (Techno Q)	Techno Q for Security Systems Co. W.L.L.	Quality For Integrated Systems LLC	Pro forma Adjustments	Pro forma compiled consolidated statement of financial position
Assets					
Non-current assets					
Property, equipment and right-of-use assets	4,526,429	2,026,323	-	-	6,552,752
Intangible assets	1,102,884	-	-	-	1,102,884
Investment in subsidiaries	918,351	-	-	(918,351)	-
Total non-current assets	6,547,664	2,026,323	-	(918,351)	7,655,636
Current assets					
Inventories	16,416,281	8,902,211	-	-	25,318,492
Trade and other receivables	96,883,387	136,744,860	-	-	233,628,247
Due from related parties	15,239,836	-	-	(13,340,495)	1,899,341
Cash and cash equivalent	24,035,503	31,151,263	-	-	55,186,766
Total current assets	152,575,007	176,798,334	-	(13,340,495)	316,032,846
Total assets	**159,122,671**	**178,824,657**	-	(14,258,846)	**323,688,482**
Equity and liabilities					
Equity					
Share capital	5,000,000	1,000,000	952,680	(1,952,680)	5,000,000
Capital Contribution	732,151	-	-	-	732,151
Legal reserve	2,500,000	500,000	-	(500,000)	2,500,000
Retained earnings	69,058,959	31,419,922	(2,403,402)	(12,679,102)	85,396,377
Total equity attributable to parent company shareholders	77,291,110	32,919,922	(1,450,722)	(15,131,782)	93,628,528
Non-controlling interest	-	-	-	(13,739)	(13,739)
Total equity	77,291,110	32,919,922	(1,450,722)	(15,145,521)	93,614,789
Non-current liabilities					
Lease liabilities	1,096,953	1,096,953	-	-	2,193,906
Employees' end of service benefits	4,272,444	2,072,742	-	-	6,345,186
Borrowings	706,453	10,133,974	-	-	10,840,427
Total non-current liabilities	6,075,850	13,303,669	-	-	19,379,519
Current liabilities					
Trade and other payables	70,483,565	106,626,747	-	-	177,110,312
Borrowings	2,715,170	13,136,450	-	-	15,851,620
Lease liabilities	952,410	948,096	-	-	1,900,506
Due to related parties	1,604,566	11,889,773	1,450,722	886,675	15,831,736
Total current liabilities	75,755,711	132,601,066	1,450,722	886,675	210,694,174
Total liabilities	81,831,561	145,904,735	1,450,722	886,675	230,073,693
Total equity and liabilities	**159,122,671**	**178,824,657**	-	**(14,258,846)**	**323,688,482**

Zeyad Al Jaidah
Managing Director

Abdullah Alansari
Executive Director

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The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled consolidated Statement of financial position
As at 30 June 2023

In Qatari Riyals

	Qatar Electronic Systems Company W.L.L. (Techno Q)	Techno Q for Security Systems Co. W.L.L.	Quality For Integrated Systems LLC	Global Modern Developer Co W.L.L.	Pro forma Adjustments	Pro forma compiled consolidated statement of financial position
Assets						
Non-current assets						
Property, equipment and right-of-use assets	3,701,140	1,542,686	-	29,528	-	5,273,354
Intangible assets	1,315,218	-	-	-	-	1,315,218
Investment in subsidiaries	1,114,199	-	-	-	(1,114,199)	-
Total non-current assets	6,130,557	1,542,686	-	29,528	(1,114,199)	6,588,572
Current assets						
Inventories	17,627,940	7,239,341	-	-	-	24,867,281
Trade and other receivables	125,269,215	123,719,833	-	-	-	248,989,048
Due from related parties	36,205,449	-	-	-	(33,471,793)	2,733,656
Cash and cash equivalent	21,951,010	25,418,438	-	-	-	47,369,448
Total current assets	201,053,614	156,377,612	-	-	(33,471,793)	323,959,433
Total assets	**207,184,171**	**157,920,298**	-	29,528	(34,585,992)	**330,548,005**
Equity and liabilities						
Equity						
Share capital	5,000,000	1,000,000	952,680	195,848	(2,148,528)	5,000,000
Capital Contribution	732,151	-	-	-	-	732,151
Legal reserve	2,500,000	500,000	-	-	(500,000)	2,500,000
Retained earnings	67,073,827	31,778,242	(2,460,563)	(266,081)	(12,677,959)	83,447,466
Total equity attributable to parent company shareholders	75,305,978	33,278,242	(1,507,883)	(70,233)	(15,326,487)	91,679,617
Non-controlling interest	-	-	-	-	(14,882)	(14,882)
Total equity	75,305,978	33,278,242	(1,507,883)	(70,233)	(15,341,369)	91,664,735
Non-current liabilities						
Lease liabilities	599,981	599,981	-	-	-	1,199,962
Employees' end of service benefits	5,736,673	742,121	-	-	-	6,587,194
Borrowings	491,709	6,095,485	-	-	-	6,478,794
Total non-current liabilities	6,828,363	7,437,587	-	-	-	14,265,950
Current liabilities						
Trade and other payables	95,681,316	75,987,893	57,161	-	-	171,726,370
Borrowings	20,515,434	8,077,579	-	-	-	28,593,013
Lease liabilities	980,656	978,502	-	-	-	1,959,158
Due to related parties	7,872,424	32,160,495	1,450,722	99,761	(19,244,623)	22,338,779
Total current liabilities	125,049,830	117,204,469	1,507,883	99,761	(19,244,623)	224,617,320
Total liabilities	131,878,193	124,642,056	1,507,883	99,761	(19,244,623)	238,883,270
Total equity and liabilities	**207,184,171**	**157,920,298**	-	**29,528**	**(34,585,992)**	**330,548,005**

Zeyad Al Jaidah
Managing Director

Abdullah Alansari
Executive Director

The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

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Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

In Qatari Riyals

	Qatar Electronic Systems Company W.L.L. (Techno Q)	Techno Q for Security Systems Co. W.L.L.	Quality For Integrated Systems LLC	Pro forma Adjustments	Pro forma compiled consolidated statement of profit or loss and other comprehensive income
Revenue	90,867,117	105,721,748	-	-	196,588,865
Direct cost	(62,886,386)	(77,487,035)	-	-	(140,373,421)
Gross profit	27,980,731	28,234,713	-	-	56,215,444
Other income	2,787,469	1,640,694	-	-	4,428,163
General and administrative expenses	(18,569,782)	(14,141,977)	(952,680)	-	(33,664,439)
Selling and distribution expenses	(2,102,178)	(2,342,365)	-	-	(4,444,543)
Finance cost	(826,509)	(1,781,840)	-	-	(2,608,349)
Net Profit / (loss) for the year	**9,269,731**	**11,609,225**	**(952,680)**	**-**	**19,926,276**
Other comprehensive income					
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	**9,269,731**	**11,609,225**	**(952,680)**		**19,926,276**
attributable to:					
Shareholder of the company	9,269,731	11,609,225	(933,626)	-	19,945,330
Non-controlling interest	-	-	(19,054)	-	(19,054)
	9,269,731	**11,609,225**	**(952,680)**	**-**	**19,926,276**

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The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2022

In Qatari Riyals

	Qatar Electronic Systems Company W.L.L. (Techno Q)	Techno Q for Security Systems Co. W.L.L.	Quality For Integrated Systems LLC	Pro forma Adjustments	Pro forma compiled consolidated statement of profit or loss and other comprehensive income
Revenue	170,639,434	160,276,201	-	-	330,915,635
Direct cost	(126,856,361)	(130,637,331)	-	-	(257,493,692)
Gross profit	43,783,073	29,638,870	-	-	73,421,943
Other income	905,338	7,389,971	-	-	8,295,309
General and administrative expenses	(25,253,732)	(17,028,899)	-	-	(42,282,631)
Selling and distribution expenses	(2,835,679)	(1,432,656)	-	-	(4,268,335)
Finance cost	54,138	(1,600,908)	-	-	(1,546,770)
Net profit for the year	16,653,138	16,966,378	-	-	33,619,516
Other comprehensive income					
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	16,653,138	16,966,378	-	-	33,619,516
attributable to:					
Shareholder of the company	16,653,138	16,966,378	-	-	33,619,516
Non-controlling interest	-	-	-	-	-
	16,653,138	**16,653,138**	-	-	**33,619,516**

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The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled Consolidated statement of profit or loss and other comprehensive income
As at 30 June 2023

In Qatari Riyals

	Qatar Electronic Systems Company W.L.L. (Techno Q)	Techno Q for Security Systems Co. W.L.L.	Quality For Integrated Systems LLC	Global Modern Developer CO W.L.L.	Pro forma Adjustments	Pro forma compiled consolidated statement of profit or loss and other comprehensive income
Update						
Revenue	61,010,408	64,884,724	-	-	-	125,895,132
Direct cost	(44,568,337)	(48,164,666)	-	-	-	(92,733,003)
Gross profit	16,442,071	16,720,058	-	-	-	33,162,129
Other income	21,964	140,925	-	-	-	162,889
General and administrative expenses	(11,245,157)	(7,588,360)	(57,161)	(264,368)	-	(19,155,046)
Selling and distribution expenses	(346,210)	(921,593)	-	-	-	(1,267,803)
Finance cost	98,244	(905,826)	-	(1,713)	-	(809,295)
Net profit / (loss) at 30 June 2023	4,970,912	7,445,204	(57,161)	(266,081)	-	12,092,874
Other comprehensive income						
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income at 30 June 2023	4,970,912	7,445,204	(57,161)	(266,081)	-	12,092,874
attributable to:						
Shareholder of the company	4,970,912	7,445,204	(56,018)	(266,081)	-	12,094,017
Non-controlling interest	-	-	(1,143)	-	-	(1,143)
	4,970,912	**7,445,204**	**(57,161)**	**(266,081)**	**-**	**12,092,874**

The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

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Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled Consolidated statement of changes in equity
For the year ended 31 December 2021

In Qatari Riyals

	Share capital	Legal reserve	Retained earnings	Total equity attributable to shareholder of the company	Non-controlling Interest	Total equity
Balance at 1 January 2021	5,000,000	2,500,000	61,719,208	69,219,208	5,315	69,224,523
Comprehensive income						
Profit for the year	-	-	19,945,330	19,945,330	(19,054)	19,926,276
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	19,945,330	19,945,330	(19,054)	19,926,276
Transfers to legal reserve	-	-	-	-	-	-
Dividends Paid	-	-	(18,235,833)	(18,235,833)	-	(18,235,833)
Zakat	-	-	(1,200,000)	(1,200,000)	-	(1,200,000)
Balance at 31 December 2021	**5,000,000**	**2,500,000**	**62,228,705**	**69,728,705**	**(13,739)**	**69,714,966**

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The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled Consolidated statement of changes in equity
For the year ended 31 December 2022

In Qatari Riyals

	Share capital	Legal reserve	Capital contribution	Retained earnings	Total equity attributable to shareholder of the company	Non-controlling Interest	Total equity
Balance at 1 January 2021	5,000,000	2,500,000	-	61,719,208	69,219,208	5,315	69,224,523
Comprehensive income							
Profit for the year	-	-	-	19,945,330	19,945,330	(19,054)	19,926,276
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	19,945,330	19,945,330	(19,054)	19,926,276
Transfers to legal reserve	-	-	-	-	-	-	-
Dividends Paid	-	-	-	(18,235,833)	(18,235,833)	-	(18,235,833)
Zakat	-	-	-	(1,200,000)	(1,200,000)	-	(1,200,000)
Balance at 31 December 2021 / 1 January 2022	5,000,000	2,500,000	-	62,228,705	69,728,705	(13,739)	69,714,966
Comprehensive income							
Profit for the year				33,619,516	33,619,516	-	33,619,516
Other comprehensive income							
Total comprehensive income	-	-	-	33,619,516	33,619,516	-	33,619,516
Dividends Paid	-	-	-	(8,951,844)	(8,951,844)	-	(8,951,844)
Zakat	-	-	-	(1,500,000)	(1,500,000)	-	(1,500,000)
Net movement of capital contribution	-	-	732,151	-	732,151	-	732,151
Balance at 31 December 2022	**5,000,000**	**2,500,000**	**732,151**	**85,396,377**	**93,628,528**	**(13,739)**	**93,614,789**

The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

Qatar Electronic Systems Company W.L.L. (Techno Q)

Unaudited Pro forma compiled Consolidated statement of changes in equity
As at 30 June 2023

In Qatari Riyals

	Share capital	Legal reserve	Capital contribution	Retained earnings	Total equity attributable to shareholder of the company	Non-controlling Interest	Total equity
Balance at 1 January 2022	5,000,000	2,500,000	-	62,228,705	69,728,705	(13,739)	69,714,966
Comprehensive income							
Profit for the year	-	-	-	33,619,516	33,619,516	-	33,619,516
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	33,619,516	33,619,516	-	33,619,516
Dividends Paid	-	-	-	(8,951,844)	(8,951,844)	-	(8,951,844)
Zakat	-	-	-	(1,500,000)	(1,500,000)	-	(1,500,000)
Net movement of capital contribution	-	-	732,151	-	732,151	-	732,151
Balance at 31 December 2022 / 1 January 2023	5,000,000	2,500,000	732,151	85,396,377	93,628,528	(13,739)	93,614,789
Comprehensive income							
Profit for the year				12,094,017	12,094,017	-	12,092,874
Other comprehensive income							
Total comprehensive income	-	-	-	12,094,017	12,094,017	(1,143)	12,092,874
Dividends Paid	-	-	-	(14,042,928)	(14,042,928)	-	(14,042,928)
Balance at 30 June 2023	**5,000,000**	**2,500,000**	**732,151**	**83,447,466**	**91,679,617**	**(14,882)**	**91,664,735**

The notes on pages 13 & 14 form an integral part of these unaudited Pro forma compiled consolidated financial information.

1. Corporate information

Qatar Electronic Systems Company W.L.L. (Techno Q) (the " Company") is a limited lability company registered in the state of Qatar under commercial registration no. 18116.

The company is engaged in desginig ,supplying and installation of audio -visual presentation, secuity, hospitlity, IT infrastructure , lighting services, fire security system and control system.

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

The Company started its operation by acquiring a business and subsequently expanded its operation by acquiring and incorproating three companies during the years 2021, 2022, and 2023. The Company along with all subsidiaries included in the unauidted Pro forma compiled consolidated financial information listed below are hereafter referred as "the Group".

Name of subsidiary	Country of incorporation	Ownership interest at 30 June 2023	Ownership interest at 31 December 2022	Ownership interest at 31 December 2021
Techno Q Security Systems W.L.L.	State of Qatar	100%	100%	100%
Quality For Integrated Systems LLC	Oman	98%	98%	98%
Global Modern Developer Contracting Co W.L.L.	Saudi Arabia	100%	51%	51%

2. Basis of preparation

The unauidted Pro forma compiled consolidated financial information comprising the Pro forma compiled consolidated statements of financial position as at the years 31 December 2021, 2022, and 30 June 2023 the unaudited Pro forma compiled consolidated financial information of profit or loss and other comprehensive, unaudited pro forma compiled consolidated statements of changes in equity for the years ended 31 December 2021,2022 and 30 June 2023 read together with the notes, has been prepared as per the requirement of Offering & Listing of Securities Rulebook "Market" and on the basis of notes set out below to reflect the above mentioned acquisition by Qatar Electorinc Systems Company W.L.L...

The unaudited Pro forma compiled consolidated financial information have been prepared for illustrative purposes, in order to present the effect of the business combination through acquisition of the Group entities by the Company in the consolidated financial statements.

Due to the nature of the pro forma, which present a hypothetical situation and therefore give no indication of the Group's actual consolidated financial performance. The actual results of operations may differ significantly from the Pro forma amounts reflected herein due to a variety of factors.

The unaudited Pro forma compiled consolidated financial information gives no indication of the future financial results of the Group. All Pro forma adjustments made in the preparation of the unaudited Pro forma compiled consolidated financial information are in accordance with the basis of preparation described below.

Sources on which the unaudited Pro forma compiled consolidated financial information is based on:

a) the audited financial statements of the Company as at and for the year ended 31 December 2021,2022 and 30 June 2023.

b) the audited financial statements of the subsidiaries prepared in accordance with International Financial Reporting Standards (IFRS) as at and for the years ended 31 December 2021, 2022.

2. Basis of preparation (continued)

c) Consolidated financial statements for the year ended 31 December 2022 .

d) Condensed consolidated interim financial information. for the six month period ended 30 June 2023.

2. Basis of preparation (continued)

Accounting principles and assumptions used for the unaudited Pro forma compiled consolidated financial information

The unaudited Pro forma compiled consolidated financial information have been prepared as per the Group's accounting policies.

The assumptions made to the unaudited Pro forma compiled consolidated financial information are mentioned below:

a) This reflects the effect of the assumption that the parent company has acquired the subsidiaries as of 1 January 2021, which resulting in existence of the reorgansation reserve and non controlling interest and the related parties balances of the subsidiaries eliminations..

21. MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion of the financial condition and results of operations is based upon and should be read in conjunction with the Combined Audited Financial Statements and Consolidated Financial Information of the Group and related notes and Proforma Financial Information for the Company presented under Section 20 (Auditor's Report, Financial Statements and Pro Forma Information). This discussion contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those projected in forward-looking statements. In evaluating the Company's business, Investors should carefully consider the information provided under the caption "Risk Factors" in this Listing Prospectus.

The Company acquired TQSS from its shareholders at the time on 16 May 2023. In order to provide a better representation of the Group on a going concern basis going forward, unless stated otherwise, the income statement analysis of the Group, as disclosed in this section, is based on the Pro Forma Financial Information of the Company considering TQSS to be a part of the Group from 1 January 2021 onwards, which is prior to the Group's corporate restructuring effective date of 16 May 2023.

21.1 Company Overview

The Company was incorporated as a limited liability company on 6 March 1996 under commercial registration number 18116. The Company was thereafter converted into a public shareholding company on 15 May 2024 by virtue of the decision of the MOCI issued under decision number (44) 2024.

The Company was initially established with a view to provide the Qatari market with state-of-the-art theatre technology and related global trends. The Company has since positioned itself as an industry-leading systems integrator, specializing in audio visual, building controls, fire and security systems, lighting, information technology, broadcast and hospitality management solutions.

21.2 Financial overview

During the last three years of operations, the Group was capable of reaching record revenue figures and maintaining their margins despite adverse circumstances such as the COVID-19 pandemic in 2020 and 2021 and the preparation for a large international sporting event in Qatar.

The Group was able to optimize their business operation as a result of the following:

(a) The Group has been operating for over 28 years in the domestic Qatari market, during which they have gathered extensive information and experience about the market dynamics. In addition, the Group has an impressive portfolio of large base of clients with whom they have excellent long-standing relationships.

(b) During their 28 years of operations, the Group has accumulated a long list of successfully implemented and executed projects for private and governmental clients such as the giant screens and lighting systems at Lusail Boulevard, the CCTVs, security systems, screens, lighting, sound and broadcasting equipment used in large-scale sporting venues which were in line with the highest international standards, and most recently the race electronics systems, CCTV and broadcasting systems for a racing event.

(c) The Group has an ability to mobilize resources quickly and efficiently to best suit their clients' needs and requirements. This was emphasized during 2021 and 2022, as the Group had to, within an urgent and short timeframe, mobilize resources for projects and complete them before the commencement of a large-scale international sporting event, as well as their efficient resource deployment during the COVID-19 period when most of the Group's projects were executed on time with little to no delays.

(d) Over the years, the Group has built a large portfolio of international suppliers with whom they have exceptional relationships, including leading global lightning and IT solutions providers. As a result, the Group is able to provide the most recent technology and implement state-of-the-art systems which other competitors do not yet have access to or knowledge off. The Group is able to compete with any competitor in the market in terms of the technology on offer and pricing without having to undermine their margins or profits.

(e) The Group's management comprise of experts and highly experienced individuals with specialization in their respective fields. This experience allows the team to design, develop and implement bespoke projects to the specification of the clients with the highest quality.

(f) Throughout its history, the Group has accumulated a long list of internationally recognized and acclaimed awards such as the Inavate Awards, AVIXA, Milestone, Corporate Livewire and many other reputable awards. Please refer to *Section 6.3* of this Listing Prospectus for further details on the Group's awards.

The above-discussed factors are the main contributor to the Group's solid financial performance during the years ended 31 December 2021, 2022 and for the 6 months ended 30 June 2023 of operations.

In order to provide a better representation of the Group on a going concern basis, going forward, Senior Executive Management has presented its analysis of the Combined Audited Financial Statements for the year ending 31 December 2022 and the Consolidated Financial Information as at and for the six month period ended 30 June 2023 of the Company and its portfolio of companies as part of the Group which is prior to the Group's corporate restructuring effective date of 16 May 2023.

21.3 Income statement analysis

The Company acquired TQSS on 16 May 2023 and management performed consolidation from 16 May 2023. As a result of this restructuring exercise, the consolidated statement of profit and loss for the six months ended 30 June 2023 of the Company is not comparable to the combined statement for the period ending 31 December 2021 and 31 December 2022 for the Group.

	Amounts in QAR'000		
	FY21	FY22	H1 23
Total revenue	196,589	330,916	125,895
Total direct cost	(140,373)	(257,494)	(92,733)
Gross profit	**56,215**	**73,422**	**33,162**
Other income	4,428	8,295	163
G&A expenses	(32,712)	(42,283)	(19,155)
Selling & distribution expenses	(4,445)	(4,268)	(1,268)
Finance costs	(2,608)	(1,547)	(809)
Profit for the year	**20,879**	**33,620**	**12,093**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information.

Revenue

	Amounts in QAR'000			Contribution to revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
AV	24,812	72,700	18,144	12.6%	22.0%	14.4%
ELV	100,765	149,916	57,366	51.3%	45.3%	45.6%
Hospitality	20,121	45,696	13,394	10.2%	13.8%	10.6%
Lighting	24,705	20,377	8,890	12.6%	6.2%	7.1%
Support	26,185	42,227	28,101	13.3%	12.8%	22.3%
Total	**196,589**	**330,916**	**125,895**	**100.0%**	**100.0%**	**100.0%**

Source: Management

The Group generates revenue from five (5) different revenue streams, namely AV, ELV, hospitality, lighting (which includes lighting projects and lighting retail) as well as support.

In FY22, the ELV segment had the highest contribution to revenue with 45.3% followed by AV with 22.0%, hospitality with 13.8%, support with 12.8% and lighting with 6.2% as detailed in the above table.

During H1 23, the ELV segment contribution was 45.6% of total revenue while the AV segment's contribution was 14.4%. As per Senior Executive Management, the contribution of the AV segment is expected to increase by the end of the year in line with historical trends as the majority of the work performed on AV contracts usually occurs in the second half of the year. The support segment's contribution increased as a percentage of revenue since the end of 2022 from 12.8% to 22.3% and the contributions from the hospitality and lighting segment were 10.6% and 7.1% respectively in-line with the historical average.

Revenue contribution from each of the Company and TQSS over the same period i.e. FY21, FY22 and H1 23 is as per the below table:

	Amounts in QAR'000			Contribution to revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
The Company	90,867	170,639	61,841	46.2%	51.6%	49.1%
The Subsidiary	105,722	160,276	64,054	53.8%	48.4%	50.9%
Total	**196,589**	**330,916**	**125,895**	**100.0%**	**100.0%**	**100.0%**

Source: Management

As reflected in the above table, FY22 witnessed a 68.3% growth in the Group's revenue over FY21's revenue, which came in part as a result of the fast-tracking of projects related to the international sporting event held in Qatar in 2022 and partly as a result of the post-COVID growth in government spending.

As at H1 23, the Group's total revenue reached QAR125.9 million with 50.9% generated from the Subsidiary' services and 49.1% generated by the Company. Whereas the Company's revenues as of 30 June 2023 represented 64.0% of its revenues as of 31 December 2021.

Direct costs

	Amounts in QAR'000			% of segment revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
AV	(20,119)	(59,735)	(16,616)	(81.1%)	(82.2%)	(91.6%)
ELV	(71,592)	(121,939)	(42,453)	(71.0%)	(81.3%)	(74.0%)
Hospitality	(13,639)	(27,586)	(7,763)	(67.8%)	(60.4%)	(58.0%)
Lighting	(17,994)	(15,450)	(6,776)	(72.8%)	(75.8%)	(76.2%)
Support	(17,030)	(32,784)	(19,125)	(65.0%)	(77.6%)	(68.1%)
Total direct cost	**(140,373)**	**(257,494)**	**(92,733)**	**(71.4%)**	**(77.8%)**	**(73.7%)**

Source: Management

Direct costs comprise the cost of material needed for the Group's projects across its different revenue streams as well as the cost of direct staff which includes engineers, design staff, supervisor, etc.

The above table reflects the breakup of the Group's direct costs and shows the direct costs as a percentage of each segment's respective revenue and total direct cost to total revenue.

In FY22 direct cost witnessed an 83.4% increase over FY21 (compared to 68.3% increase in revenue during the same period) as a result of the following

i. The increase in material cost due to global inflation and higher logistic costs during that period; and

ii. The need to finish projects prior to the commencement of an international sporting event held in 2022 in Qatar meant that the Group had to utilize outsourced manpower to ensure effective and timely delivery to its clients. As such total direct cost exceptionally increased as a percentage of revenue from 71.4% in FY21 to 77.8% in FY22.

As at H1 23, direct costs totaled 73.7% of total revenue which reflects a noticeable improvement over direct costs' percentage of revenue recorded in FY22.

Gross profit

	Amounts in QAR'000			Gross margin		
	FY21	FY22	H1 23	FY21	FY22	H1 23
AV	4,694	12,966	1,528	18.9%	17.8%	8.4%
ELV	29,172	27,977	14,912	29.0%	18.7%	26.0%
Hospitality	6,482	18,110	5,631	32.2%	39.6%	42.0%
Lighting	6,711	4,927	2,114	27.2%	24.2%	23.8%
Support	9,156	9,443	8,976	35.0%	22.4%	31.9%
Overall gross profit	**56,215**	**73,422**	**33,162**	**28.6%**	**22.2%**	**26.3%**

Source: Management

Gross margins witnessed a decrease from 28.6% as % of revenue in FY21 to 22.2% as % of revenue in FY22 due to the following reasons:

(i) AV and ELV gross margins decreased due to the increase in material cost as a result of inflation and the necessity to obtain material quickly in order to finalize projects related to a large international sporting event in Qatar in 2022.

(ii) The support revenue stream's gross margin decreases as a result of the increase of projects requiring major maintenance and support prior to the commencement of WC 2022, meaning the cost of material necessary for the upgrade and maintenance of those facilities was higher than during a typical year.

(iii) Due to the urgency of certain projects, notably those related to a large international sporting event in Qatar in 2022, the Group had to outsource manpower in order to complete projects on time.

Whilst the gross margins of revenue streams such as AV, ELV, lighting and support decreased between FY21 and FY22, this decrease was weathered by the increase in hospitality gross margins and contribution to revenues as this segment continues to grow and win market share.

In H1 23, gross margins witnessed an increase from 22.2% in FY22 to 26.3% due to the improvement of the margins in the ELV, hospitality and support segments. This increase is expected to be maintained throughout the second half of 2023.

General and Administrative

General and administrative expenses consist of expenses not directly allocated to projects, including wages and salaries of indirect employees, employees' benefits, utilities and other non-direct expenses.

	Amounts in QAR'000			% of revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
Salaries and related costs	19,904	23,748	11,160	10.1%	7.2%	8.9%
Management remuneration	3,780	3,772	1,890	1.9%	1.1%	1.5%
Legal and professional fees	1,046	3,105	887	0.5%	0.9%	0.7%
Communication expenses	733	767	373	0.4%	0.2%	0.3%
Other expenses	4,375	10,890	4,845	2.2%	3.3%	3.8%
Total G&A expenses	**29,839**	**42,283**	**19,155**	**15.2%**	**12.8%**	**15.2%**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

The increase in salaries and related costs from QAR 19.9 million in FY21 to QAR 23.7 million in FY22 was a result of the appointment of highly experienced staff and sales team in order to enhance the lighting project segment's contribution to the Group's revenue in line with Management's revenue diversification. However, overall salaries and related costs witnessed a drop from 10.1% as % of revenue in FY21 to 7.2% as % of revenue in FY22.

Management remuneration relates to the fixed salaries payable to the Group's CEO and Managing Director and remained stable over FY21 and FY22 at QAR 3.8 million.

Legal and professional fees grew between FY21 and FY22 due to the high activity witnessed in FY22 which is reflected in the Company's revenue growth.

Other general and administrative expenses grew as % of revenue in FY22 vis-à-vis FY21 due to growth in the scale of business operations in FY22 for the reasons previously described.

In H1 23, salaries and related costs constituted 8.9% of total revenue. This cost is anticipated to remain at the same level as FY22 by year end.

Selling and distribution expenses

Selling and distribution expenses	Amounts in QAR'000			% of revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
Sales commission	3,521	3,673	977	1.8%	1.1%	0.8%
Advertising expenses	304	187	124	0.2%	0.1%	0.1%
Sales promotion expenses	619	408	167	0.3%	0.1%	0.1%
Total selling & distribution expenses	**4,445**	**4,268**	**1,268**	**2.3%**	**1.3%**	**1.0%**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Selling and distribution expenses are composed of sales commissions, advertising expenses and sales promotion expenses.

While overall selling and distribution expenses remained stable between FY21 and FY22, they witnessed, as a % of revenue, a drop from 2.3% in FY21 to 1.3% in FY22 due to the Company's revenue growth.

In H1 23, selling and distribution expenses maintained the same level, in terms of percentage of revenue in FY22.

EBITDA

EBITDA	Amounts in QAR'000			% of revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
Profit for the year	20,879	33,620	12,093	10.6%	10.2%	9.6%
Add: Depreciation of fixed assets	849	956	398	0.4%	0.3%	0.3%
Add: Depreciation of RoU assets	2,025	1,688	959	1.0%	0.5%	0.8%
Add: Finance cost	2,542	1,323	809	1.3%	0.4%	0.6%
Add: Lease liabilities interest	66	223	112	0.0%	0.1%	0.1%
EBITDA	**26,360**	**37,810**	**14,371**	**13.4%**	**11.4%**	**11.4%**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

As a % of revenue, EBITDA dropped from 13.4% in FY21 to 11.4% in FY22 mainly due to the lower gross margin witnessed in FY22 for the reasons described previously.

In general, it is worth mentioning, that in previous periods, the Group's EBITDA margin witnessed an increase during the second half of the year as compared to the first half. As at 30 June 2022, the Group's EBITDA margin was 4.0% compared to the year end EBITDA margin of 11.4%.

Depreciation and Amortisation

Depreciation and amoratisation	Amounts in QAR'000			% of revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
Depreciation on fixed assets	849	956	398	0.4%	0.3%	0.3%
Depreciation on RoU assets	2,025	1,688	959	1.0%	0.5%	0.8%
Total depreciation	**2,873**	**2,644**	**1,357**	**1.5%**	**0.8%**	**1.1%**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Depreciation largely remained constant between FY21 and FY22 as the Group did not have any significant addition to its fixed assets during this period.

Finance Cost

Finance cost	Amounts in QAR'000			% of revenue		
	FY21	FY22	H1 23	FY21	FY22	H1 23
Finance cost	2,542	1,323	809	1.3%	0.4%	0.6%
Lease liabilities interest	66	223	112	0.0%	0.1%	0.1%
Total finance costs	**2,608**	**1,547**	**921**	**1.3%**	**0.5%**	**0.7%**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Finance cost reduced in FY22 by 40.4% due to the reduction in the Company's outstanding borrowings from QAR34.7 million in FY21 to QAR26.7 million in FY22. Finance cost and lease liability interest as at H1 23 totalled QAR 921,000 and is anticipated to remain at the same level as FY22 by the end of the year.

The total outstanding borrowing balance held by the Group stood at QAR 35.2 million as at 30 June 2023. The Group's outstanding borrowing mainly relates to revolving loans and payment facilities.

Net profit for the year

Net profit	Amounts in QAR'000			Net margin %		
	FY21	FY22	H1 23	FY21	FY22	H1 23
Net income	20,879	33,620	12,093	10.6%	10.2%	9.6%

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

In FY22, the Group's net income witnessed a significant increase to QAR 33.6 million (a 61.0% increase over FY21) on account of the growth in revenue which came in part as a result of the fast-tracking of projects related to the international sporting event held in Qatar in 2022 and partly as a result of the post-COVID growth in government spending as previously mentioned.

At the same time, net margin slightly decreased in FY22 on the back of the decrease in gross margin.

As of H1 23, the Group achieved a net income of QAR 12.1 million (net margin of 9.6%) compared to net income of QAR 3.5 million in H1 22 (net margin of 5.7%)[15] with an implied growth rate of 245.7%.

21.4 Balance Sheet Analysis as at 31 December 2021, 31 December 2022 and 30 June 2023

As previously discussed, the Company acquired TQSS on 16 May 2023, and as a result, the combined audited statements of financial position as at 31 December 2021 and 2022 are not indicative of the latest financial position of the Group going forward. Below is the combined statements of financial position for the Group for the years ended 31 December 2021 and 2022 and the consolidated statements of financial position for the Company for the 6 months ended 30 June 2023. Please refer to the Pro Forma Financial Information for the accurate representation of the Group's statement of financial position for 2022.

	Amounts in QAR'000		
	FY21	FY22	H1 23
Non-current assets	4,500	8,574	6,589
Current assets	289,548	317,484	323,720
Total assets	**294,048**	**326,058**	**330,309**
Share capital	6,000	6,000	5,000
Legal reserves	3,000	3,000	2,500
Capital contribution	-	732	732
Non-controlling interest	-	-	(15)
Retained earnings	77,311	100,479	64,755
Total equity	**86,311**	**110,211**	**72,972**
Non-current liabilities	24,505	19,380	14,266
Current liabilities	183,232	196,467	243,071
Total liabilities	**207,737**	**215,847**	**257,337**
Total equity and liabilities	**294,048**	**326,058**	**330,309**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

The following table presents a summary balance sheet and selected financial ratios for the last three financial years ended 31 December 2021, 2022 and the 6 months ended June 2023.

[15] The financials as of H1 22 do not take into account the impact of the acquisition of TQSS which was completed in 2023.

Non-Current Assets

	Amounts in QAR'000		
	FY21	FY22	H1 23
Fixed assets	2,943	2,556	2,236
RoU assets	249	3,997	3,038
Intangible assets	-	1,103	1,315
Investments in subsidiaries	918	918	-
Investment in associate	390	-	-
Total non-current assets	**4,500**	**8,574**	**6,589**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

The Group's fixed assets mainly comprises office equipment, furniture and fixtures, leasehold improvements and motor vehicles as set out below:

	Amounts in QAR'000		
	FY21	FY22	H1 23
Furniture & fixtures	64	61	85
Motor vehicles	1,832	1,437	1,252
Office equipment	647	750	635
Leasehold improvement	399	308	264
Total fixed assets	**2,943**	**2,556**	**2,236**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Intangible assets represent an enterprise resource planning software purchased by the Company that is currently under development.

Investment in subsidiaries refers to the investments held by the Company in QIS. Given that the statement of financial position as at H1 23 is at a consolidated level, the investment in subsidiary balance was eliminated as part of the consolidation adjustment entries.

Current assets

	Amounts in QAR'000		
	FY21	FY22	H1 23
Cash and bank balances	69,760	55,187	47,369
Accounts receivable and prepayment	197,503	233,628	248,989
Inventory	19,803	25,318	24,867
Due from related parties	2,482	3,350	2,494
Total current assets	**289,548**	**317,484**	**323,720**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Cash and bank balances

Cash and bank balances consist of cash in hand and bank balances:

	Amounts in QAR'000		
	FY21	FY22	H1 23
Cash in hand	134	137	42
Bank balance	69,627	55,048	47,327
Total cash and bank balances	**69,761**	**55,187**	**47,369**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

The cash and bank balances for the Group as at the 6 months ended 30 June 2023 are not indicative of the Group's cash position due to the acquisition of TQSS. Please refer to the Pro Forma Financial Information to gain a better understanding of the Group's cash position as at H1 23.

Accounts receivable and prepayments consist of amounts receivable and dues to be charged to customers as claims on the date of each balance sheet. As at H1 23, the Group's total receivable position amounted to QAR 249.0 million.

The Group adopts a receivable provisioning policy involving periodic review of its provisions based on expected credit loss and client type.

The below table provides detailed overview of the Group's receivables position as of 31 December 2021, 2022 and the 6 months ended 30 June 2023.

Accounts receivables aging schedule

Receivables position	Amounts in QAR'000		
	FY21	FY22	H1 23
Amounts not yet due from clients	30,975	42,097	84,151
Less than 30 days	13,042	13,238	8,518
31 - 60 days	4,735	10,061	3,887
61 - 90 days	1,863	2,030	6,776
More than 90 days	27,016	20,829	25,831
Gross accounts receivable	**77,631**	**88,255**	**129,162**
Allowance for credit losses	(16,262)	(12,589)	(11,805)
Net accounts receivable	**61,369**	**75,666**	**117,358**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Inventory relates to merchandise mainly in relation to the lighting and hospitality segment.

Related parties transactions are attributable to transactions between related party companies and/or individuals and have witnessed a growth of QAR 868,000 in FY22 over FY21 mainly on account of growth in trading with Choices for Trading and Contracting WLL, a related party company. As at H1 23, the total dues from related parties amounted to QAR 2.5 million.

Non-current liabilities

	Amounts in QAR'000		
	FY21	FY22	H1 23
Long term borrowings	18,973	10,840	6,587
Lease liabilities	21	2,194	1,200
EoSB	5,511	6,345	6,479
Total non-current liabilities	**24,505**	**19,380**	**14,266**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

The Group's borrowing mainly consists of loans against trust receipts. These loans include trade finance for the import of goods and payments to suppliers. All borrowing facilities are availed by the Qatar based companies (i.e. the Company and TQSS). No borrowing facilities are currently being availed by QIS and MDIC. Senior Executive Management aims to maintain optimal capital structure to meet short and long-term liquidity requirements going forward.

End of service benefits are a statutory requirement for all Qatari companies and are payable to employees upon dismissal or termination of their contracts in the Group. In H1 23 end of service benefits for employees stood at QAR 6.5 million.

Current liabilities

	Amounts in QAR'000		
	FY21	FY22	H1 23
Trade and other payables	165,093	177,110	171,726
Lease liabilities	261	1,901	1,959
Due to related parties	2,160	1,605	40,792
Borrowings	15,718	15,852	28,593
Total current liabilities	**183,232**	**196,467**	**243,070**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

Senior Executive Management is focused on managing the Group's working capital by taking advantage of their long-standing relationships with local and international suppliers and favourable credit terms. In H1 23, the total amount of payables was QAR 171.7 million.

Please refer to the Pro Forma Financial Information in order to gain a clearer view of the Group's consolidated working capital evolution.

The dues to related parties balance of QAR 40.8 million mainly relates to the acquisition of TQSS, at a book value of QAR 32.9 million. Please refer to the Pro Forma Financial Information reflecting the final impact of the acquisition of TQSS on the Group's current liabilities.

Shareholder's equity

	Amounts in QAR'000		
	FY21	FY22	H1 23
Share capital	6,000	6,000	5,000
Capital contribution	-	732	732
Legal reserve	3,000	3,000	2,500
Non-controlling interest	-	-	(15)
Retained earnings	77,311	100,479	64,755
Total equity	**86,311**	**110,211**	**72,972**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

The legal reserve is a statutory requirement for all Qatari companies whereby they are obligated to allocate a legal reserve after absorbing the accumulated losses (if any) by allocating 10% of net income until the reserve equals 50.0% of the share capital.

The H1 23 consolidated accounts reflect the Group's consolidated shareholder's equity position. The decrease of retained earnings is mainly related to the acquisition of TQSS (please refer to the Group's Pro Forma Financial Information reflecting the financial impact of this acquisition on the Group's statement of financial position) while the non-controlling interest is a result of the consolidation of MDIC in which the Company owns 98% equity interest.

21.5 Cash Flow Analysis

The following table summarizes the status of cash flows for the periods ended 31 December 2021 and 2022 and the 6 months ended 30 June 2023.

It should be noted that the consolidated cash flow statement for the Group for the 6 months ended 30 June 2023 is not indicative of the cash flow statement for the Group for the same period due to the acquisition of TQSS on 16 May 2023. To better understand the Group's cash flow statement, please refer to the Pro Forma Financial Information for the Group.

Summarized statement of cash flows

	Amounts in QAR'000		
	FY21	FY22	H1 23
Net cash from operating activities	60,206	7,395	8,062
Net cash from investing activities	5,376	(1,673)	(1,397)
Net cash from financing activities	(20,891)	(20,296)	16,669
Net change in cash and cash equivalent	**44,691**	**(14,574)**	**23,334**
Cash and cash equivalent as at 1 January	25,070	69,760	24,036
Cash and cash equivalent as at end of period	**69,760**	**55,187**	**47,369**

Source: The Combined Audited Financial Statements and the Consolidated Financial Information

As at 30 June 2023, the Group generated significant cash and cash equivalent reaching QAR 47.4 million.

The Company's Senior Executive Management believes that its operating cash flows as of the date of this Listing Prospectus and available credit facilities will be sufficient to fund working capital requirements, anticipated capital expenditures and debt service requirements for the next 12 months.

Selected key performance indicators

	FY21	FY22	H1 23
Revenue per employee (QAR'000)	596	927	375
Debt to equity	40.2%	24.2%	48.2%
Return on equity	24.2%	30.5%	17.0%

Source: Management

Note:
* Based on the Company's combined full-time, permanent employee headcount of 330 as of 31 December 2021, 357 as of 31 December 2022 and 336 employees as of 30 June 2023.
** Based on combined financial statements for the FY2021 and FY2022

All the above KPIs reflect the improvement in the Group's performance between FY21, FY22 and H1 23. The revenue per employee in H1 23 witnessed a 34.6% improvement over the revenue per employee during H1 22 increasing from QAR 278,442 in H1 22 to QAR 374,688 in H1 23.

A comparison of the debt-to-equity ratio as well as the return on equity ratio between H1 22 and H1 23 would not be indicative due to the variation of equity as a result of the acquisition of TQSS as of 16 May 2023.

In H1 23, the Group's consolidated revenue per employee was QAR 375,000 whilst the Group's debt to equity ratio was 48.2% and the return on equity stood at 17.0%.

Financial performance as at 30 September 2023

Amounts in QAR'000	Sept'23
Total revenue	176,600
Gross profit	39,035
Profit for the year	7,091
Total assets	333,870
Total liabilities	265,900
Total equity	67,970
Cash and bank balances	64,023

Source: Condensed consolidated interim financial information for the period ended 30 September 2023

As at 30 September 2023, the Group achieved a revenue of QAR176.6 million and gross profit of QAR 39.0 million (gross margin of 22.1%) as compared to a revenue of QAR102.7 milltion and gross profit of QAR30.0 million as at 30 Septemebr 2022[16].

During the same period, the Group achieved net income of QAR7.1 million, and a net margin of 4.0% compared to a net income of QAR10.6 million and a net margin of 10.3% as at 30

16 Group's condensed consolidated interim financial information for the period ended 30 September 2023 do not take into consideration the acquisition impact of TQSS which was completed in 2023.

September 2022.

The Group's total assets as at 30 September 2023 reached QAR 333.9 million. This represents a 2.4% increase over the total assets as at FY22. As for total liabilities, the Group witnessed a 23.2% increase in total liabilities over 31 December 2022. Despite the increase in total liabilities, the Group's total borrowing decreased from QAR 25.5 million in FY22 to QAR16.2 million as at 30 September 2023 (36.5% decrease).

The Group's total equity stood at 68.0 million and the closing cash balance as at 30 September 2023 stood at QAR64.0 million which is 16.0% higher than the closing cash balance as at 31 December 2022.

To view the condensed consolidated interim financial information of the Company as at 30 September 2023, please refer to the Company's website, under the "Investor Relations" section (www.technoq.com/investor-relations/).

Financial performance as at 31 December 2023

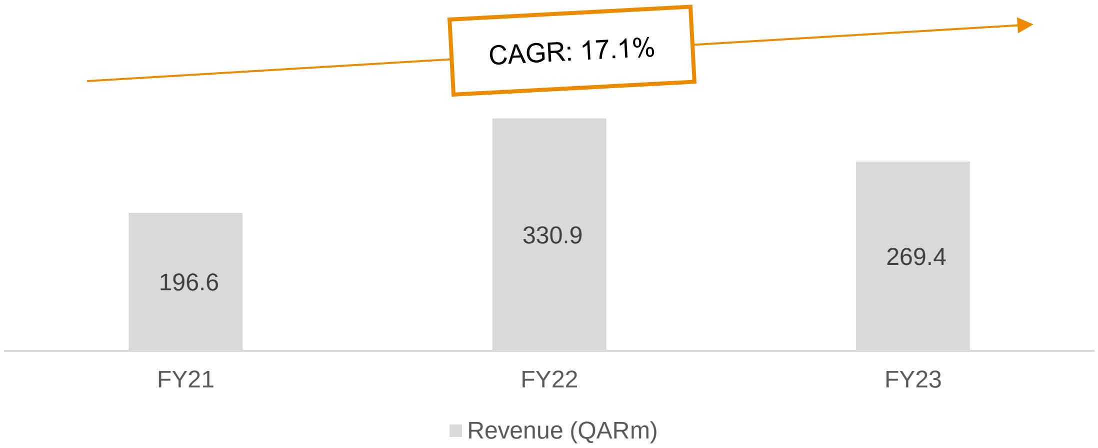
Amounts in QAR'000	Dec'22	Dec'23
Total revenue	330,915	269,352
Gross profit	73,422	67,782
Profit for the year	33,620	19,729
Total assets	326,058	303,363
Total liabilities	215,847	189,835
Total equity	110,211	113,528
Cash and bank balances	55,187	64,404

Source: Combined financial statements for the year ended 31 December 2022 and consolidated audited financial statements for the year ending 31 December 2023

As at 31 December 2023, the Group achieved a revenue of QAR 269.4million compared to a combined revenue of QAR330.9 million as at 31 December 2022 and a gross margin of 25.3% (QAR 67.8 million) which is 3.1% higher than the gross margin achieved in FY22 (22.2%). As previously discussed, the significant growth in the Group's revenue in FY2022 was in part due to the fast-tracking of projects related to the international sporting event held in Qatar in 2022 and the post-COVID growth in government spending.

As a result of the completion of a number of projects that were related to the 2022 World Cup, the Group's revenues declined compared to the revenues as of 31 December 2022. However, its revenues reflected a growth of 37.0% compared to FY21 (QAR 196.6 million), which indicates continued business growth. It is worth noting that, as of 31 March 2024, the Company had remaining revenues from projects under implementation amounting to QAR 172.9 million.

The below chart reflects the Group's revenue CAGR over the past 3 years:



Source: Combined Audited Financial Statements, the Consolidated Financial Information and consolidated audited financial statemenent for the year ending 31 December 2023.

In the same period, as at 31 December 2023, the Company's net profit was impacted by the costs related to the opening and operations of MDICC in the KSA, which resulted in a net profit of QAR 19.7 million, refelcting a decrease of QAR 13.9 million compared to FY22.

The Group's total assets as at 31 December 2023 reached QAR 303.4 million. This represents a 7.0% decrease from the total assets as at FY22 according to the Combined Audited Financial Statements. This decrease is mainly related to the decrease in use and rental assets.

Total liabilities also decreased by 12.1% compared to total liabilities in FY22. This decrease mainly resulted from the capitalization of receivables to related parties in the amount of QAR 32.9 million.

In addition, total borrowing decreased from QAR 26.7 million in FY22 to QAR 11.9 million, translating into a 55.3% reduction on total borrowing.

The closing cash balance as at 31 December 2023 stood at QAR 64,4 million which is 16.1% higher than the closing cash balance as at 31 December 2022.

To view the audited consolidated financial statements as at 31 December 2023, please refer to the Company's website, under the "Investor Relations" section (www.technoq.com/investor-relations/).

22. SUMMARY OF THE COMPANY'S ARTICLES OF ASSOCIATION

The following is a summary of the Articles, noting that a copy of the Articles and memorandum of association of the Company along with a copy this Listing Prospectus shall be available on the website of the Company within a reasonable period before the date of the Listing.

22.1 Shareholders' Rights

All the Shares are of equal value and enjoy equal voting and other inherent rights, which, in accordance with the Commercial Companies Law, include:

(i) the right to receive dividends declared in the General Assembly meeting;

(ii) preferential rights to subscribe for any new Shares, except as provided for under the law law;

(iii) the right to share in the distribution of the proceeds of the Company's assets on liquidation;

(iv) the right to be invited to attend the General Assembly meeting and vote in such meeting personally or by proxy in accordance with the Articles; and

(v) in addition to the requirements set out in the Commercial Companies Law, Articles and the QFMA Corporate Governance Code, a shareholder may only become a non-independent director if they hold at least 5% of the Company's Shares.

22.2 Ownership Restrictions

Except for the Founders or companies owned or controlled by the Founders, a Shareholder cannot own either directly or indirectly more than 5% of the total issued share capital of the Company. Non-Qatari investors may own no more than 49% of the Company's total issued share capital.

22.3 Reports to Shareholders

The Board of Directors will prepare an annual statement for the Shareholders' consideration before the Ordinary General Assembly ("OGA") meeting which will include the following information that must be submitted at least one (1) week ahead of the OGA meeting:

(i) all amounts obtained by the chairman and each of the Directors during the financial year, such as salaries, wages, allowances, and attendance fees, expenditures and any other amounts;

(ii) the benefits in kind and in cash enjoyed by the chairman or any of the Directors for the financial year.

(iii) the bonuses that the Board proposes to distribute to the Directors;

(iv) the amounts allocated for each current Director;

(v) the transactions and businesses in which any of the chairman of the Board of Directors, Members of the Board and Directors of the Senior Executive Management have an interest that conflicts with the interest of the Company and requires prior disclosure or approval in accordance with the provisions of article 109 of the Commercial Companies Law, in addition to the details of those transactions and businesses;

(vi) the amounts actually spent on advertising in any manner together with details of each amount;

(vii) any donations made by the Company together with information on beneficiary parties and details of each donation; and

(viii) any allowances for any member of the Senior Executive Management team.

22.4 Shareholders' Liabilities

A Shareholder's liability is limited to the amount unpaid on each Share and it is not permissible to increase such liability.

22.5 Dividend Policy

The decision to pay dividends is taken by the OGA of the Company based on the recommendation of the Board of Directors.

The Company's dividend policy is aimed at striking a balance between the interests of the Shareholders and the Company's business needs. A number of factors therefore, have an impact on the decision to pay and the size and form of any dividend.

22.6 Transfer of Shares

Title to the listed Shares will be transferred in accordance with the applicable rules of the QFMA and the QSE.

22.7 OGA of Shareholders

The Board of Directors will extend an invitation to all Shareholders to attend the OGA meeting within four (4) months of the end of the financial year. The OGA will be responsible for the deliberation of the following:

(i) hearing and ratifying the Board's and auditor’s reports concerning the Company's activities and its financial position during the previous financial year;

(ii) hearing and ratifying the annual report of the sharia advisor (if any);

(iii) discussing and ratifying the Company's budget and its profit and loss account;

(iv) discussing and adopting the corporate governance report;

(v) considering the Board’s suggestions with regard to the approval and distribution of profits;

(vi) considering discharging and releasing the Board members from liability and payment and determination of their remuneration;

(vii) considering the appointment or reappointment of auditors and agreeing on their fees; and

(viii) electing the Board members, when necessary.

The Board shall send invitations to Shareholders to attend the meeting by publishing such invitations in one (1) local newspaper which is published in Arabic, on the website of the financial market and the website of the Company, if available, at least 21 days prior to the date of the OGA meeting.

The invitation must be annexed with the agenda and all statements and documents pertaining to the matters to be deliberated at such meeting. When calling for a meeting of the OGA, the

Chairman shall publish the invitation along with the balance sheet, profit and loss account, an adequate summary of the Board's report and the full text of the auditors' report in one daily local newspaper which is published in Arabic, and on the website of the Company, if available. A copy of all of the above documents will be sent to the MOCI at the same time such documents are sent to the Shareholders**.**

A Shareholder may appoint in writing another Shareholder to be their proxy to attend and vote on their behalf at the General Assembly meeting, but a Shareholder may not appoint a Director as their proxy and the number of Shares subject to the proxy should not exceed 5% of the Shares.

The OGA meeting shall not be deemed to have been duly convened unless attended by a number of Shareholders representing at least half of the Company's total issued share capital. If such quorum is not met, an invitation will be sent for a second meeting to be held within fifteen (15) days following the first meeting by way of publication in two (2) daily local newspapers, at least one of which is published in Arabic, on the website of the financial market and the website of the Company, if available. The second meeting will be considered valid regardless of the number of Shares represented therein.

Resolutions at the OGA are passed by absolute majority of the votes represented at such meeting.

22.8 EGA of Shareholders

An EGA will be convened to decide on the following issues:

(i) the amendment of the Company's Articles;

(ii) the increase or decrease of the Company's share capital;

(iii) the extension of the Company's term;

(iv) the dissolution, liquidation, transformation or merger with another company or acquisition of the Company;

(v) the sale of the project for which the Company was created or disposing of it in any manner; and

(vi) any transaction or business or several related transactions or matters of business aiming to sell the Company's assets or making any further disposal on those assets, or the assets that the Company will acquire if the total value of the transaction or the business, or of the several related transactions or matters of business is equal to a total of 51% or more of the Company's market value or the value of its net assets according to the latest financial statements announced, whichever is lower. For the purposes of this paragraph the Company's assets include the assets of any Subsidiary of the Company.

Nonetheless, the EGA meeting is not entitled to make amendments to the Articles which may increase the liabilities of the Shareholders or change its nationality or transfer its location from Qatar to any other Jurisdiction. Any decision to the contrary will be null and void.

Subject to the provisions of Article 138 of the Companies Law, the Board shall call for an EGA whenever necessary or upon a written request by a Shareholder holding at least 25% of the

Company's total issued share capital, in the latter case within fifteen (15) days from the submission of the request, otherwise, the MOCI, based on the request of such Shareholders will address the invitation on account of the Company within fifteen (15) days of receipt.

The EGA will not be valid unless the meeting is attended by Shareholders and/or proxies representing at least 75% of the Company's total issued share capital. If such quorum is not met, an invitation shall be sent for a second meeting to be held within thirty (30) days following the first meeting. The second meeting shall be considered valid if attended by a number of Shareholders and/or proxies representing 50% of the Company's total issued share capital. If such quorum is not met, an invitation shall be sent for a third meeting to be held after thirty (30) days of the date of the second meeting. The third meeting shall be considered valid regardless of the number of Shareholders present.

If the matter to be considered is the dissolution of the Company, its liquidation, conversion, merger, acquisition, the sale of the project for which the Company was set up, or disposing of the project by any means of disposal, the meeting will be considered valid, provided it is attended by a number of Shareholders representing at least 75% of the Company's issued share capital.

EGA decisions are taken by absolute majority of the shares represented in the EGA. The Board of Directors shall publish EGA decisions which decide on the amendment of the Company's Articles.

22.9 General Assembly Virtual Meeting

The EGA and OGA may be held, through modern means of technology instead of, or alongside, traditional attendance in person in accordance with the regulations set by the MOCI.

22.10 Liquidation

According to the Company's Articles, the Company will be subject to liquidation in any of the following events:

(i) expiry of its term, unless it is extended in conformity with the Articles;

(ii) termination of the object for which the Company was incorporated or if it becomes impossible for it to be achieved;

(iii) the transfer of all the Shares to a number of Shareholders inferior to the legal minimum;

(iv) the loss of the Company's entire share capital or most of it in a way that it becomes impossible to invest whatever is left in a useful manner;

(v) a decision taken by the General Assembly to dissolve the Company prior to its expiry date;

(vi) merger with another company or institution; or

(vii) the issuance of a court order to dissolve the Company or declare it bankrupt.

The procedure to liquidate the Company will be as detailed in the Commercial Companies Law.

Furthermore, the Company shall comply with the regulations applicable to listed companies in relation to liquidation.

23. QFMA WAIVERS

On October 25, 2023, the Company submitted a request to the QFMA regarding an increase in the percentage of tradable shares in Qatar Electronic Systems Company “Techno Q” LLC in the Venture Market of the Qatar Stock Exchange, “*a company in the process of conversion and listing*.”

On February 12, 2024, the approval of the QFMA was issued in the letter numbered “Issued/WM/8/2024” allowing the Founders to trade in a percentage of shares not exceeding 30% of their shares, so that the tradable shares in the first year after Listing shall not exceed 40% of the total issued and paid-up capital, whereas, the Founders and major Shareholders are prohibited to collectively reduce their percentage of ownership to less than 40% of the issued and paid-up capital until two years have elapsed from the date of Listing.

24. GENERAL INFORMATION

Listing

The Company will submit an application to the QFMA and the QSE to list 100% of its Shares on the QSEVM in accordance with the requirements of the QFMA and the QSE. Trading in the Shares will be effected on an electronic basis, as per the electronic trading system adopted by the QSE. It is anticipated that admission will occur during the month of June 2024.

Authorisations

The Company has obtained all consents, approvals and authorisations in Qatar in connection with the Listing.

Documents available for inspection

Copies of this Listing Prospectus, the Articles of the Company, and the Combined Audited Financial Statements, the Consolidated Financial Information of the Group will be available for inspection free of charge, during normal business hours, at the registered office of the Company, on the website of the Company and the website of the QSE from the date of issuance of this Listing Prospectus.

Security code

The Qatar Stock Exchange Shares trading symbol is TQES.

Address of the Company: Barwa Commercial Avenue, Safwa Landmark 2, Mesaimeer, P.O. Box 18860, Doha, Qatar.

Guiding trading price

The Shares have a nominal or par value of QAR 1 per Share. The guide trading price of QAR 2.9 per Share which includes the nominal value of QAR 1 per Share plus a premium of QAR 1.9 per Share at the time of admission for trading was determined by the Company. There is no guarantee that trading will open, continue or persist at this price.

Working Capital

The Company has sufficient working capital to meet all obligations due for the twelve-month period from the date of approval of this Listing Prospectus by the QFMA.

25. EXTERNAL AUDITORS DECLARATION

KPMG were appointed as the external auditors of the Company to audit the financial statements of the Company for the financial years ending 31 December 2022, 31 December 2023 and 31 December 2024.

KPMG have given and have not withdrawn their written consent to the inclusion in this Listing Prospectus of the audit report on the Combined Audited Financial Statements, the Consolidated Financial Information of the Group and the Pro Forma Financial Information of the Company.

26. UNDERTAKINGS BY THE COMPANY

The Company undertakes to promptly inform the QFMA and the QSE about any material information that might affect the Company's Share price on the QSEVM, and to publish this information in daily newspapers in collaboration and coordination with the MOCI, the QFMA and the QSE, clearly and accurately. The Company further undertakes to provide the QFMA and the QSE with all periodic information and reports issued by the Company in the future.

The Company and the Board, acting jointly and severally, confirm that the information provided in this Listing Prospectus is true and accurate and that no facts were omitted, the omission of which would render any statement in this undertaking or in this Listing Prospectus misleading.

27. LEGAL COUNSEL REPORT

The following constitutes a translation of text included in the Arabic Listing Prospectus:

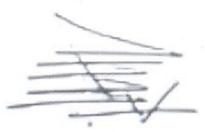
We hereby confirm and certify that the listing of the Shares by Qatar Electronic Systems Company (Techno Q) Q.P.S.C is in accordance with the QFMA Securities Offering & Listing Rulebook issued by the Board of Directors of QFMA under decision number (4) of 2020 and that the admission of the Shares is made in accordance with the QSE Rulebook and the Company's Memorandum of Association and Articles of Association.

We further confirm that all legal procedures undertaken in this respect are in accordance with the applicable laws and regulations.

Name: Rashid Al Saad

Title: Founder and Senior Partner

Signature:



Doha, Qatar

Date: 6 June 2024

28. COMPLIANCE WITH SHARIA'A PRINCIPLES

On 1 November 2023, His Eminence Sheikh Dr. Esam Al-Enezi, His Eminence Sheikh Dr. Osama Al-Dere'ai and His Eminence Sheikh Dr. Waleed Bin Hadi issued a Fatwa stating that there is no Sharia'a objection on the subscription for Shares in the Company, as indicated in the resolution copied below.

Bait Al-Mashura Finance Consultations

بسم الله الرحمن الرحيم

Resolution of Fatwa and Shari'ah Supervisory Board Regarding Investing in Qatar Electronic Systems Co. W.L.L (Techno Q)

All praise be to Allah, the lord of the universes, salutations and blessings of Allah be upon His messenger sent as mercy for the universes, and on his companions and followers, thereafter;

We appraised the Techno Q's memorandum of association, besides its financial statements for the current year until 30/09/2023 and acquired the essential clarifications. Thereby, we obtained covenant of the company that it shall comply with the rulings of Islamic Shari'ah and that it shall appoint a board for fatwa and Shari'ah supervision. Herewith, we assert that it is permissible to invest in Techno Q.

We ask Allah for His accordance and appropriation, blessing of Allah be upon Muhammad and all of his companions.

The Fatwa and Shari'ah Supervisory Board
Bait Al-Mashura Finance Consultations
Date: 17 Rabi II 1445 H - 1st November, 2023

بسم الله الرحمن الرحيم

قرار هيئة الفتوى والرقابة الشرعية بشأن المساهمة في الشركة القطرية للأنظمة الإلكترونية (تكنو كيو)

الحمد لله رب العالمين والصلاة والسلام على المبعوث رحمة للعالمين محمد صلى الله عليه وسلم وعلى آله وصحبه ومن اتبع هداه إلى يوم الدين..

وبعد ،،

فقد اطلعنا على وثيقة التأسيس للشركة القطرية للأنظمة الإلكترونية (تكنو كيو)، وراجعنا البيانات المالية من أول هذا العام وحتى 2023/9/30م، وبعد الإيضاحات اللازمة وتعهد الشركة بالالتزام بأحكام الشريعة الإسلامية وتعيين هيئة فتوى ورقابة شرعية، فإنه تجوز المساهمة في الشركة القطرية للأنظمة الإلكترونية (تكنو كيو) .

سائلين الله تعالى لكم التوفيق والسداد، وصلى الله على سيدنا محمد وعلى آله وصحبه أجمعين.

هيئة الفتوى والرقابة الشرعية
شركة بيت المشورة للاستشارات المالية
التاريخ: 17 ربيع الآخر 1445هـ - الموافق: 1 نوفمبر 2023م

فضيلة الشيخ د. عصام العنزي
His Eminence Dr. Esam Al-Enezi

فضيلة الشيخ د. أسامة الدريعي
His Eminence Dr. Osama Al-Dere'ai

فضيلة الشيخ د. وليد بن هادي
His Eminence Dr. Waleed Bin Hadi

Bait Al-Mashura: Licensed by QCB for offering the financial consultations and Shari'ah audit.

شركة بيت المشورة: مرخصة من مصرف قطر المركزي لتقديم الاستشارات المالية والتدقيق الشرعي

Overview of Bait Al Mashura Finance Consultations:

Bait Al-Mashura Finance Consultation, is a specialized center for consultations related to finance, investment, management, Shari'ah audit, and professional training. It was established in 2007 and obtained the license from Qatar Central Bank for offering financial and investment consultations, thereby it has become the first Qatari firm to obtain such a license in the State of Qatar.

Overview of the Shari'ah Supervisory Board members approving the Fatwa:

Name	Credentials
Sheikh Dr. Waleed Bin Hadi	Holder of an M.A and PhD in Islamic Shari'ah and the Head of Shari'ah Supervision Board of QInvest Company and a member of Shari'ah Supervision Boards for many other Islamic Finance Organizations, including Qatar Islamic Bank, al-Rayan Bank, Qatar International Islamic Bank, Qatar National Bank, European Finance House, Asian Finance House, Qatar-Syria International Bank and Arab Finance House. He has several publications in the field of Islamic Finance Transactions.
Sheikh Dr. Osama Al-Derei'ai	He worked as a lecturer in International Islamic University – Malaysia – Faculty of Law and Humanities, and a collaborating lecturer with the Faculty of Law at Qatar University. He holds a bachelor's degree in the Noble Hadith and its Sciences of the Islamic University in al-Madeenah, and master's and doctoral degrees in Islamic Economics from the University of Malaya – Malaysia. At present, he is the General Manager and CEO of Bait al-Mashura Finance Consultations and a member of many of the Fatwa and Shari'ah Supervision Boards inside and outside Qatar. He has a number of studies and research in the Islamic finance industry. He is a specialized trainer in the transactions of contemporary jurisprudence and its applications in financial institutions.
Sheikh Dr. Esam Al-Enezi	Assistant Chief Executive of Shari'ah Supervision and a member of Teaching Staff of Kuwait University. He is also a member of Shari'ah Supervision Board at Investment House Company since 2005, in addition to his membership in Shari'ah Advisory body of Boubyan Bank. He has several researches specialized in Islamic Finance Tools and in the field of Shari'ah Agreement with Contemporary Banking Activities. He obtained PhD in Jurisprudence from Jordan University in The Hashemite Kingdom of Jordan.

29. ADVISORS TO THE COMPANY

Listing Advisor

Consulting HAUS LLC
16th Floor, Tower 2, The Gate Mall, West Bay, Doha, Qatar

Financial Evaluator

Deloitte & Touche – Qatar Branch
Al Ahli Bank – Head Office Building, Sheikh Suhaim bin Hamad Street, Al Sadd Area, P.O. Box 431, Doha, Qatar

International Legal Advisor

Eversheds Sutherland (International) LLP
Qatar Financial Centre, 12th Floor, Tower 1, P.O. Box 24148, Doha, State of Qatar

Qatar Legal Advisor

Sharq Law Firm
Alfardan Office Tower Level 22, West Bay, P.O. Box 6997, Doha, Qatar

External Auditor

KPMG
Building 240, 25 C Ring Road, Street 230, Fareej Bin Dirham, Doha, Qatar