

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

Condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

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

**Condensed consolidated interim financial information.
As at and for the six months ended 30 June 2025**

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

To the shareholders of Qatar Electronic Systems Company (Techno Q) Q.P.S.C

Introduction

We have reviewed the accompanying 30 June 2025 condensed consolidated interim financial information of Qatar Electronic Systems Company (Techno Q) Q.P.S.C (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 June 2025;
- the condensed consolidated statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2025;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2025; and
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these 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.



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 2025 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

25 August 2025
Doha
State of Qatar

Yacoub Hobeika
KPMG
Qatar Auditor's Registry Number 289
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Qatar Electronic Systems Company (Techno Q) Q.P.S.C

Condensed consolidated statement of financial position
As at 30 June 2025

In Qatari Riyals

	Note	30 June 2025 (Reviewed)	31 December 2024 (Audited)
ASSETS			
Property and equipment	5	1,983,892	2,189,656
Right-of-use assets	6	4,981,780	5,945,167
Intangible assets		1,665,930	1,652,998
Trade and other receivables	8	1,206,855	12,335,034
Non-current assets		9,838,457	22,122,855
Inventories	7	9,486,624	10,251,619
Trade and other receivables	8	137,734,394	154,423,608
Due from related parties	13(a)	1,531,011	1,707,085
Cash and bank balances	9	73,422,050	67,953,332
Current assets		222,174,079	234,335,644
TOTAL ASSETS		232,012,536	256,458,499
EQUITY			
Share capital		84,500,000	84,500,000
Legal reserve		6,963,069	5,983,367
Retained earnings		29,406,410	32,055,246
Equity attributable to owners of the company		120,869,479	122,538,613
Non-controlling interest		(33,998)	(21,190)
Total equity		120,835,481	122,517,423
LIABILITIES			
Borrowings	10	75,005	234,071
Lease liabilities	11	3,173,924	4,119,274
Provision for employees' end of service benefits		7,255,937	6,734,218
Non-current liability		10,504,866	11,087,563
Borrowings	10	358,351	453,834
Lease liabilities	11	1,864,654	1,840,158
Trade and other payables	12	98,449,184	120,559,521
Current liabilities		100,672,189	122,853,513
Total liabilities		111,177,055	133,941,076
TOTAL EQUITY AND LIABILITIES		232,012,536	256,458,499

These condensed consolidated interim financial information were approved by the board of directors and signed on their behalf by the following on: 25 August 2025.



Mr. Abdul Latif Al Jaidah
Chairman



Mr. Zeyad Al Jaidah
Managing Director



Mr. Abdullah Alansari
Chief Executive Officer

The notes on pages 7 to 17 are an integral part of these condensed consolidated interim financial information.



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

Condensed consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June 2025

In Qatari Riyals

	Note	For the six months ended 30 June	
		2025 (Reviewed)	2024 (Reviewed)
Revenue	14	103,034,073	111,150,396
Cost of sales	15	(69,435,169)	(78,050,005)
Gross profit		33,598,904	33,100,391
Other income		2,061,538	2,293,291
General and administrative expenses	16	(25,412,709)	(19,873,514)
Reversal / Impairment of trade receivables		315,398	-
Selling and distribution expenses		(611,970)	(942,900)
Listing expenses		-	(1,403,047)
Operating Profit		9,951,161	13,174,221
Finance costs		(166,951)	(222,183)
Profit before tax		9,784,210	12,952,038
Income tax		-	-
Profit for the period		9,784,210	12,952,038
Other comprehensive income for the period		-	-
Total comprehensive income for the period		9,784,210	12,952,038
Total comprehensive income attributable to:			
Owners of the company		9,797,018	12,953,622
Non-controlling interest		(12,808)	(1,584)
		9,784,210	12,952,038
Earnings per share:			
Basic and diluted earnings per share	17	0.12	0.15



The notes on pages 7 to 17 are an integral part of these condensed consolidated interim financial information.

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

Condensed consolidated statement of changes in equity For the six months ended 30 June 2025

In Qatari Riyals

	Attributable to owners of the company				Non-controlling interest	Total
	Share capital	Legal reserve*	Retained earnings	Total		
Balance at 1 January 2024 (Audited)	84,500,000	3,847,973	25,196,462	113,544,435	(16,035)	113,528,400
<i>Comprehensive income</i>						
Profit for the period	-	-	12,953,622	12,953,622	(1,584)	12,952,038
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	12,953,622	12,953,622	(1,584)	12,952,038
Transfer to legal reserve	-	1,295,204	(1,295,204)	-	-	-
<i>Transactions with the owners:</i>						
Dividends paid for 2023	-	-	(11,829,246)	(11,829,246)	-	(11,829,246)
Balance at 30 June 2024 (Reviewed)	84,500,000	5,143,177	25,025,634	114,668,811	(17,619)	114,651,192
Balance at 1 January 2025 (Audited)	84,500,000	5,983,367	32,055,246	122,538,613	(21,190)	122,517,423
<i>Comprehensive income</i>						
Profit for the period	-	-	9,797,018	9,797,018	(12,808)	9,784,210
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	9,797,018	9,797,018	(12,808)	9,784,210
Reversal of prior year contribution to Social and sports Fund**	-	-	533,848	533,848	-	533,848
Transfer to legal reserve	-	979,702	(979,702)	-	-	-
<i>Transactions with the owners:</i>						
Dividends paid for 2024	-	-	(12,000,000)	(12,000,000)	-	(12,000,000)
Balance at 30 June 2025 (Reviewed)	84,500,000	6,963,069	29,406,410	120,869,479	(33,998)	120,835,481

*In accordance with the provisions of the Qatar Commercial Companies Law No. 11 of 2015, a minimum amount of 10% of the profit is required to be transferred to a legal reserve until the balance in this legal reserve becomes equal to 50% of a company's paid-up share capital. This reserve is not available for distribution, except in circumstances specified in the above-mentioned Law.

** The company is exempted for 3 years in accordance with Law No. law No. 13 of 2008, as amended by Law No. 8 of 2011 and related clarifications issued in January 2010.

The notes on pages 7 to 17 are an integral part of these condensed consolidated interim financial information.



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

**Condensed consolidated statement of cash flow
For the six months ended 30 June 2025**

For the six months ended 30 June			
	Note	2025 (Reviewed)	2024 (Reviewed)
Cash flow from operating activities			
Profit for the period		9,784,210	12,952,038
Adjustments for:			
- Reversal of prior year Social Fund provision		533,848	-
- Depreciation of property and equipment	5	502,604	470,520
- Depreciation of right-of-use assets	6	963,387	959,244
- Reversal of Impairment for trade receivables	8	(315,398)	-
- Trade receivables written off during the period	8	(349,358)	(794,645)
- Write off Inventories	7	(2,028,878)	-
- Provision for inventories	7	1,315,398	-
- Provision for employees' end of service benefits		783,339	621,345
- Profit received from Islamic deposits		(1,093,575)	(680,460)
- Finance cost		290,941	273,081
		<u>10,386,518</u>	<u>13,801,123</u>
Changes in:			
- Inventories		1,478,475	8,702,292
- Trade receivables and other prepayments		28,482,149	41,711,578
- Due from related parties		176,074	(1,583,031)
- Due to related party		-	(157,971)
- Trade and other payables		(22,110,337)	(46,851,854)
Cash generated from operating activities		<u>18,412,879</u>	<u>15,622,137</u>
Employees' end of service benefits paid		<u>(261,620)</u>	<u>(638,103)</u>
Net cash generated from operating activities		<u>18,151,259</u>	<u>14,984,034</u>
Cash flow from investing activities			
Acquisition of intangible assets		(12,932)	-
Acquisition of property and equipment	5	(296,840)	(42,378)
Profit received from Islamic deposits		<u>1,093,575</u>	<u>680,460</u>
Net cash from investing activities		<u>783,803</u>	<u>638,082</u>
Cash flow from financing activities			
Repayment of interest-bearing loans and borrowings	10	(254,549)	(10,846,117)
Payment of principal portion of lease liabilities	11	(1,044,844)	(1,044,842)
Finance cost paid		(166,951)	(222,183)
Dividends paid		<u>(12,000,000)</u>	<u>(11,829,246)</u>
Net cash used in financing activities		<u>(13,466,344)</u>	<u>(23,942,388)</u>
Net Increase (decrease) in cash and cash equivalents		<u>5,468,718</u>	<u>(8,320,272)</u>
Cash and cash equivalents at 1 January		<u>67,953,332</u>	<u>64,404,669</u>
Cash and cash equivalents at 30 June	9	<u>73,422,050</u>	<u>56,084,397</u>



The notes on pages 7 to 17 are an integral part of these condensed consolidated interim financial information.

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

Notes to the condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

1. Reporting Entity

Qatar Electronic Systems Company Q.P.S.C (Techno Q) (the "Company"), is a public shareholding company registered in the State of Qatar under commercial registration no. 18116. The Company's registered office is located at P.O. Box 18860, Doha, State of Qatar.

These condensed consolidated interim financial information ("interim financial information") as at and for the six- months period ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the "Group").

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

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

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

Name of subsidiary	Country of incorporation	Group effective shareholding % June 2025	Group effective shareholding % December 2024
Techno Q Security Systems W.L.L	State of Qatar	100%	100%
Quality for Integrated Systems L.L.C.	Oman	98%	98%
International Modern Dev. Contracting Co. L.L.C	Saudi Arabia	100%	100%

The condensed consolidated interim financial statements of the Group for the six-month period ended 30 June 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 25 August 2025.

2. Basis Of Preparation

These interim condensed consolidated financial information for the six months period ended 30 June 2025 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 2024 ("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 accounting standards. In addition, results for the six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. 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 condensed consolidated 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. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the latest annual financial statement.

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.

**Notes to the condensed consolidated interim financial information
As at and for the six months ended 30 June 2025**

3. Use of judgement and estimates (Continued)

Measurement of fair values (Continued)

- 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).

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. Material Accounting Policies

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

Application of new and revised International Financial Reporting Standards (IFRSs)

Revised standards

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2025, have been adopted in these financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- i) Amendments to IAS 21 (Lack of exchangeability)

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. The Company has not adopted any of the forthcoming new or amended standards in preparing these condensed interim financial statements.

Notes to the condensed consolidated interim financial information
As at and for the six months ended 30 June 2025

In Qatari Riyals

5. Property and equipment

	Furniture and fixtures	Motor vehicle	Office equipment	Leasehold improvements	Total
Cost					
Balance at 1 January 2024	5,118,035	3,196,864	6,570,216	4,626,667	19,511,782
Additions	56,268	115,900	175,934	46,166	394,268
Balance at 31 December 2024	5,174,303	3,312,764	6,746,150	4,672,833	19,906,050
Balance at 1 January 2025	5,174,303	3,312,764	6,746,150	4,672,833	19,906,050
Additions	46,785	-	243,655	6,400	296,840
Balance at 30 June 2025	5,221,088	3,312,764	6,989,805	4,679,233	20,202,890
Accumulated depreciation					
Balance as at 1 January 2024	5,042,438	1,394,538	5,913,684	4,407,378	16,758,038
Depreciation	28,610	610,333	228,373	91,040	958,356
Balance at 31 December 2024	5,071,048	2,004,871	6,142,057	4,498,418	17,716,394
Balance as at 1 January 2025	5,071,048	2,004,871	6,142,057	4,498,418	17,716,394
Depreciation	19,379	307,475	132,681	43,069	502,604
Balance at 30 June 2025	5,090,427	2,312,346	6,274,738	4,541,487	18,218,998
Carrying amounts					
At 30 June 2025	130,661	1,000,418	715,067	137,746	1,983,892
At 31 December 2024	103,255	1,307,893	604,093	174,415	2,189,656

Notes to the condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

In Qatari Riyals

6. Right-Of-Use Assets

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

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Cost		
As at 1 January	11,221,005	5,435,713
Acquisition of subsidiary	-	5,785,292
Retirement	(5,435,713)	-
At 30 June / 31 December	5,785,292	11,221,005
Accumulated depreciation		
At 1 January	5,275,838	3,357,352
Depreciation	963,387	1,918,486
Retirement	(5,435,713)	-
At 30 June / 31 December	803,512	5,275,838
Carrying amounts	4,981,780	5,945,167

7. INVENTORIES

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Finished goods	12,879,589	14,523,603
Good in transit	231,802	66,263
Less: Provision for slow moving inventories	(3,624,767)	(4,338,247)
	9,486,624	10,251,619

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

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
At 1 January	4,338,247	4,247,535
Provision during the period / year	1,315,398	200,000
Write off during the period / year	(2,028,878)	(109,288)
At 30 June / 31 December	3,624,767	4,338,247

Notes to the condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

In Qatari Riyals

8. TRADE AND OTHER RECEIVABLE

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Trade receivables *	68,916,423	97,323,249
Retention receivables**	7,236,800	1,369,302
Accrued revenue	22,000,695	22,549,326
Contract assets ***	33,308,604	25,653,901
Advances to suppliers	21,533,628	23,142,779
Prepayments	132,294	128,545
Other receivables	489,512	804,824
Less: Allowance for expected credit losses	<u>(15,883,562)</u>	<u>(16,548,318)</u>
	<u>137,734,394</u>	<u>154,423,608</u>

* Trade receivables included notes receivables QAR 4,764,241(2024: QAR 5,236,025).

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
At 1 January	16,548,318	11,737,175
Reversal / Provided during the year	(315,398)	5,858,940
Write Off	<u>(349,358)</u>	<u>(1,047,797)</u>
At 30 June / 31 December	<u>15,883,562</u>	<u>16,548,318</u>

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

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Current Portion	7,236,800	1,369,302
Non-Current Portion	<u>1,206,855</u>	<u>12,335,034</u>
	<u>8,443,655</u>	<u>13,704,336</u>

*** As at 30 June 2025, Contract assets amounted to QAR 33,308,604 (2024: QAR 25,653,901). The movement is as follows:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Value of the work done at cost plus attributable profits	257,100,367	216,563,578
Less: Progress billings	<u>(223,791,763)</u>	<u>(190,909,677)</u>
At 30 June / 31 December	<u>33,308,604</u>	<u>25,653,901</u>

Notes to the condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

In Qatari Riyals

9. CASH AND BANK BALANCES

Cash and bank balances included in the statement of cash flows comprise the following balances:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Cash on hand	48,319	28,792
Current accounts	18,373,731	22,924,540
Islamic deposits*	55,000,000	45,000,000
Cash and cash equivalents	73,422,050	67,953,332

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

10. BORROWINGS

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Current	358,351	453,834
Non - Current	75,005	234,071
	433,356	687,905

- Borrowings are denominated in Qatari Riyals.
- Short term borrowings 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 borrowings have been secured against previous founding shareholders personal guarantees.

The movements of loans were as follows:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
At 1 January	687,905	11,938,645
Paid during the period / year	(254,549)	(11,250,740)
	433,356	687,905

11. LEASE LIABILITIES

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Lease liability pertaining to right-of-use asset	5,038,578	5,959,432

Notes to the condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

In Qatari Riyals

11. LEASE LIABILITIES (CONTINUED)

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

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
At 1 January	5,959,432	2,193,906
Acquisition of subsidiary company	-	5,785,292
Interest on lease liabilities	123,990	69,920
Payments during the period / year	(1,044,844)	(2,089,686)
At 30 June / 31 December	5,038,578	5,959,432

Presented in the statement of financial position as follows:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Current portion	1,864,654	1,840,158
Non-current portion	3,173,924	4,119,274
	5,038,578	5,959,432

12. TRADE AND OTHER PAYABLES

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Trade payables	13,565,834	21,006,089
Advances from customers	24,358,846	25,630,267
Contract liabilities *	27,919,470	34,421,605
Retention payable	2,897,187	2,859,681
Accruals and other payables	11,932,981	18,333,165
Contribution to social and sports fund	-	533,848
Other provisions	17,774,866	17,774,866
	98,449,184	120,559,521

* As at 30 June 2025, Contract liabilities movement is as follows:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Progress billings	423,849,101	412,880,357
Less: Contract costs incurred to date	(395,929,631)	(378,458,752)
At 30 June / 31 December	27,919,470	34,421,605

Notes to the condensed consolidated interim financial information
As at and for the six months ended 30 June 2025

In Qatari Riyals

13. 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 common management and control, key management personnel, entities in which the shareholders have controlling interest affiliates, and other related parties.

Transactions with related parties

Relationship	Nature of transactions	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
Other related party	Payment	<u>1,953,381</u>	<u>1,587,820</u>
Shareholder	Payment and distributions	<u>-</u>	<u>11,984,703</u>

(a) Due from related parties

Name of Party	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Choices Trading – other related party	<u>1,531,011</u>	<u>1,707,085</u>

(b) Compensation of key management personnel

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

	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
Long -term benefits	26,230	237,577
Short-term benefits	<u>3,187,075</u>	<u>2,208,000</u>
	<u>3,213,305</u>	<u>2,445,577</u>

Notes to the condensed consolidated interim financial information
As at and for the six months ended 30 June 2025

In Qatari Riyals

14. REVENUE

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

	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
<i>Type of goods or services:</i>		
Project revenue	98,116,751	104,049,387
Showroom and retail sales	4,917,322	7,101,009
	103,034,073	111,150,396
	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
<i>Timing of revenue recognition:</i>		
Goods and services transferred over time	98,116,751	104,049,387
Goods transferred at a point in time	4,917,322	7,101,009
	103,034,073	111,150,396

15. COST OF SALES

	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
Materials	42,781,487	48,552,266
Subcontract cost and provisions	9,270,279	16,591,021
Staff cost	13,318,474	11,306,067
Other direct cost	4,064,929	1,600,651
	69,435,169	78,050,005

Notes to the condensed consolidated interim financial information

As at and for the six months ended 30 June 2025

In Qatari Riyals

16. GENERAL AND ADMINISTRATIVE EXPENSES

	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
Salaries and related costs	14,477,165	12,334,337
Allowance for slow moving inventory	1,315,398	-
Management remuneration	3,187,075	2,208,000
Depreciation of property and equipment (Note 5)	502,604	470,520
Depreciation of right-of-use assets (Note 6)	963,387	959,244
Legal and professional fees	646,746	466,829
Government Fees	609,654	497,376
Rent	1,135,451	685,285
Electricity and fuel	291,727	261,748
Travelling expenses	254,927	80,083
Repairs and maintenance	179,780	240,040
Communication costs	389,372	359,799
Training costs	222,692	282,084
Printing and stationery	308,595	200,117
Bank Charges	152,506	45,447
Insurance	67,510	105,241
Miscellaneous expenses	708,120	677,364
	25,412,709	19,873,514

17. BASIC AND DILUTED EARNINGS PER SHARE

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

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

	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
Profit for the period	9,784,210	12,952,038
Weighted average number of shares outstanding during the year	84,500,000	84,500,000
Basic and diluted earnings per share	0.12	0.15

18. SEGMENT REPORTING

BUSINESS SEGMENTS

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

Six months ended 30 June 2025:

	AV-ELV	Business solutions	Others	Total
Description				
Revenue	58,896,123	16,601,335	27,536,615	103,034,073
Cost and expenses	(55,320,292)	(12,532,174)	(25,397,397)	(93,249,863)
Net profit	3,575,831	4,069,161	2,139,218	9,784,210

Six months ended 30 June 2024:

	AV-ELV	Business solutions	Others	Total
Description				
Revenue	74,909,708	12,977,663	23,263,025	111,150,396
Cost and expenses	(67,172,347)	(10,607,018)	(20,418,993)	(98,198,358)
Net profit	7,737,361	2,370,645	2,844,032	12,952,038

GEOGRAPHICAL SEGMENTS

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

19. CONTINGENCIES

As at 30 June 2025, the Group had contingent liabilities amounting to QAR 81,850,540 (2024: QAR 86,350,296) in respect of bank guarantees and letters of credit arising in the ordinary course of business.

20. FAIR VALUE MEASUREMENT

The Company's financial assets (trade and other receivables, and cash at bank) and financial liabilities (lease liabilities, financing credit facilities, and trade and other payables) are measured at amortised cost and not at fair value. Management believes that the carrying values of these financial assets and financial liabilities as at the reporting date are a reasonable approximation of their fair values.