

MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

FINANCIAL STATEMENTS

31 DECEMBER 2025

MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.
FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

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INDEPENDENT AUDITOR’S REPORT

TO THE SHAREHOLDERS OF MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mosanada Facility Management Services Q.P.S.C. (the “Company”), which comprise the statement of financial position as at 31 December 2025, and the statements of comprehensive income, changes in equity, and cash flows for the year then ended, and the notes to the financial statements, including a summary of the material accounting policies and other explanatory information as set out on the pages 10 to 41.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue cut-off	
See Notes 3 and 17 to the financial statements	
Key audit matter	How our audit addressed this key audit matter
The Company recognised revenue amounting to QR 145.5 million for the year ended 31 December 2025 (31 December 2024: QR 148.6 million).	Our audit procedures in this area included, among others: <ul style="list-style-type: none"> Obtaining an understanding of the Company’s contract management, revenue recognition, and monthly invoicing processes, including the identification of key processes and controls relevant to year-end revenue cut-off.

INDEPENDENT AUDITOR’S REPORT (Continued)

TO THE SHAREHOLDERS OF MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

Report on the audit of the financial statements (continued)

Key audit matter (continued)

Revenue cut-off (continued)	
See Notes 3 and 17 to the financial statements	
Key audit matter	How our audit addressed this key audit matter
<p>Revenue is a key performance indicator for the Company and, in accordance with International Standards on Auditing 240 “The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements”, there is a presumed risk of fraud relating to revenue recognition, with particular emphasis on the risk of inappropriate revenue cut-off at the reporting date.</p> <p>The Company generates revenue primarily from facility management and related service contracts, including contracts with government and government-related entities. Revenue from these contracts is recognised over time, based on the delivery of services to customers in accordance with IFRS 15 “Revenue from Contracts with Customer”.</p> <p>Determining whether revenue has been recognised in the appropriate accounting period requires assessment of the timing of services performed, particularly for services provided close to the reporting date. There is an inherent risk that revenue may be inappropriately recognised in the wrong reporting period due to cut-off errors, especially where services span year-end or where supporting service completion documentation is finalised shortly after year-end. Accordingly, revenue cut-off at year-end was considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • Assessing the design and implementation of relevant controls over revenue recognition and invoicing, with particular focus on procedures applied at or around the reporting date. • Evaluating the appropriateness of the Company’s revenue recognition policies in accordance with IFRS 15, particularly in respect of long-term service contracts with monthly billing arrangements. • Performing substantive revenue cut-off testing, including: <ul style="list-style-type: none"> ○ selecting revenue entries and related invoices recorded close to the reporting date; ○ tracing selected items to underlying contracts or other relevant supporting documentation to assess whether revenue has been recorded in the appropriate accounting period; and ○ testing invoices issued shortly after the reporting date to determine whether any relate to services performed prior to year-end. • Performing analytical procedures on year-end revenue, including comparisons to prior periods and expectations, to identify unusual movements, trends or relationships that may indicate potential cut-off issues. • Assessing the adequacy and completeness of revenue-related disclosures in the financial statements.

Emphasis of matter

We draw attention to Note 1 to the financial statements which describes that pursuant to the Extraordinary General Assembly Resolution held on 8 October 2025, the Company’s legal form was converted from a private shareholding company to a Qatari public shareholding company. The Company was subsequently directly listed on the Qatar Stock Exchange’s main market on 15 December 2025, resulting in a change in the composition and percentage of shareholders due to the public offering. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE SHAREHOLDERS OF MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

Report on the audit of the financial statements (continued)

Other matter

The financial statements of the Company as at and for the year ended 31 December 2024 were audited by another auditor who expressed unmodified opinion on those financial statements on 3 February 2025.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report (the "Annual Report") but does not include the financial statements and our auditor's report thereon. The Annual Report, including the report of the Board of Directors which forms part of the Annual Report, are expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we performed, we concluded that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board of Directors and those charged with governance for the financial statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE SHAREHOLDERS OF MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on legal and other regulatory requirements

Further, as required by the Qatar Commercial Companies Law (QCCL) No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 (the "amended QCCL"), we report the following:

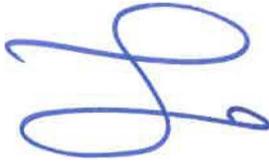
- The Company has maintained proper books of account and the financial statements are in agreement therewith;
- We have obtained all the information and explanations we considered necessary for the purpose of our audit;
- We are not aware of any violations of the amended QCCL or the Articles of Association having occurred during the year which might have had a material effect on the Company's financial position or on its financial performance as at and for the year ended 31 December 2025; and

INDEPENDENT AUDITOR'S REPORT (Continued)

TO THE SHAREHOLDERS OF MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

Report on legal and other regulatory requirements (continued)

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



Mohab Samy Misallam
Auditor's Registration No. 349
QFMA Registration No. 1201911
5 March 2026
Doha, State of Qatar



MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.**STATEMENT OF FINANCIAL POSITION**

AS AT 31 December 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

	Note	2025	2024
ASSETS			
Non-current assets			
Property and equipment	4	477,804	849,117
Intangible assets	5	1,899,619	1,543,717
Right-of-use assets	6	5,015,654	1,037,065
Investments in joint ventures	7	9,129,486	9,100,195
Total non-current assets		16,522,563	12,530,094
Current assets			
Trade and other receivables	8, 29	59,308,764	51,486,621
Due from related parties	9(b)	14,024,479	9,018,199
Cash and cash equivalents	10	186,808,231	94,877,132
Total current assets		260,141,474	155,381,952
TOTAL ASSETS		276,664,037	167,912,046
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	70,000,000	15,000,000
Legal reserve	12	11,526,509	7,500,000
Retained earnings		56,017,848	116,154,135
TOTAL EQUITY		137,544,357	138,654,135
LIABILITIES			
Non-current liabilities			
Employees' end-of-service benefits	14	15,363,673	15,412,082
Lease liabilities	15	1,506,513	579,209
Total non-current liabilities		16,870,186	15,991,291
Current liabilities			
Lease liabilities	15	3,672,360	502,327
Due to a related party	9(b)	66,422,092	-
Trade and other payables	16	52,155,042	12,764,293
Total current liabilities		122,249,494	13,266,620
TOTAL LIABILITIES		139,119,680	29,257,911
TOTAL LIABILITIES AND EQUITY		276,664,037	167,912,046

These financial statements were authorized for issue by the Company's management on 5 March 2026.



Mr. Abdulaziz Abdulla S A Al-Shareef
Chairman



These financial statements have been prepared by the management of the Company and stamped by the auditor for identification purposes only.

The accompanying notes are an integral part of these financial statements.

MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts expressed in Qatari Riyal unless otherwise stated)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Revenue	17	145,489,848	148,602,664
Cost of revenue	18, 29	(102,008,986)	(94,307,140)
Gross profit		43,480,862	54,295,524
Other income	22	1,228,996	373,965
General and administrative expenses	19	(6,679,653)	(8,254,470)
Share of (loss) / profit result in joint ventures	7	(220,134)	6,001,899
Impairment loss on trade receivables	8, 29	(1,126,092)	(958,924)
Finance income, net	21	3,581,113	2,542,009
Total comprehensive income for the year		40,265,092	54,000,003
BASIC AND DILUTED EARNINGS PER SHARE	24	0.66	36.00



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MOSANADA FACILITY MANAGEMENT SERVICES (Q.P.S.C.)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

	<u>Share capital</u>	<u>Legal reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Balance at 1 January 2024	15,000,000	7,500,000	102,654,132	125,154,132
Total comprehensive income for the year	-	-	54,000,003	54,000,003
Dividends declared (1)	-	-	(40,500,000)	(40,500,000)
Balance at 31 December 2024	15,000,000	7,500,000	116,154,135	138,654,135
Increase in share capital (Note 11)	55,000,000	-	(55,000,000)	-
Total comprehensive income for the year	-	-	40,265,092	40,265,092
Waiver of due to a related party (2)	-	-	1,631,757	1,631,757
Transfer to legal reserve (Note 12)	-	4,026,509	(4,026,509)	-
Transfer to Social and Sports Activities Fund (Note 13)	-	-	(1,006,627)	(1,006,627)
Dividends declared (1)	-	-	(42,000,000)	(42,000,000)
Balance at 31 December 2025	70,000,000	11,526,509	56,017,848	137,544,357

(1) On 23 May 2024, a dividend of QR 40,500,000 in respect of the profit for the year ended 31 December 2023 was declared and approved (Note 9) and was fully settled in year 2024.

On 17 November 2025, a dividend of QR 42,000,000 in respect of the profit for the year ended 31 December 2024 was declared and approved (Note 9) and remained unpaid as of the reporting date (Note 16).

(2) During the year, the Company and its founding shareholders, mutually agreed to waive an outstanding liability of QR 1,631,757 (2024: nil). Consequently, the liability was derecognised and the effect was recognised directly in equity (Note 9).



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The accompanying notes are an integral part of these financial statements.

MOSANADA FACILITY MANAGEMENT SERVICES (Q.P.S.C.)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts expressed in Qatari Riyal unless otherwise stated)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES			
Profit		40,265,092	54,000,003
<i>Adjustments for:</i>			
Depreciation of property and equipment	4	484,384	633,393
Gain from sale of property and equipment	4	(850)	(65)
Amortization of intangible assets	5	746,271	689,538
Depreciation of right-of-use assets	6	3,515,511	3,778,761
Share of loss / (profit) result in joint ventures	7	220,134	(6,001,899)
Impairment loss on trade receivables	8	1,126,092	958,924
Profit income from Mudarabah investments	10	(3,966,150)	(2,685,526)
Provision for employees' end-of-service benefits	14	2,625,417	3,366,606
Finance expense on lease liabilities	15	385,037	143,517
Net adjustment of leases		-	4,794
Operating profit before changes in working capital		45,400,938	54,888,046
<i>Working capital changes:</i>			
Trade and other receivables		(8,948,235)	2,230,293
Due from related parties		(5,006,280)	6,278,334
Trade and other payables		(3,615,878)	(12,787,331)
Cash generated from operating activities		27,830,545	50,609,342
Employees' end-of-service benefits paid	14	(2,673,826)	(4,179,972)
Net cash from operating activities		25,156,719	46,429,370
INVESTING ACTIVITIES			
Additions to property and equipment	4	(113,370)	(390,424)
Proceeds from sale of property and equipment	4	1,149	1,123
Additions to intangible assets	5	(1,102,173)	-
Net movement of working capital of joint ventures	7	(249,425)	38,792,514
Profit income from Mudarabah investments	10	3,966,150	2,685,526
Net cash from investing activities		2,502,331	41,088,739
FINANCING ACTIVITIES			
Repayments of lease liabilities including finance expense	15	(3,781,800)	(3,835,944)
Dividends paid	16	-	(40,500,000)
Net financing transactions with a related party		68,053,849	-
Net cash from / (used in) financing activities		64,272,049	(44,335,944)
Net increase in cash and cash equivalents		91,931,099	43,182,165
Cash and cash equivalents as at 1 January		94,877,132	51,694,967
Cash and cash equivalents as at 31 December	10	186,808,231	94,877,132
NON-CASH INVESTING ACTIVITY			
Right-of-use assets	6	7,494,100	1,493,374
NON-CASH FINANCING ACTIVITIES			
Waiver of due to a related party	9(b)	1,631,757	-
Increase in share capital through retained earnings' capitalization	11	55,000,000	-
Lease liabilities	15	7,494,100	1,493,374

These financial statements have been prepared by the management of the Company and stamped by the auditor for identification purposes only.

The accompanying notes are an integral part of these financial statements.



1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Mosanada Facility Management Services Q.P.S.C. (the “Company”) was registered as a limited liability company with the Ministry of Commerce and Industry under Commercial Registration No. 58773 dated 15 January 2013. Pursuant to the Extraordinary General Assembly Resolution dated 8 October 2025, the Company’s legal form was converted from a private shareholding company to a Qatari public shareholding company. The Company was subsequently directly listed on the Qatar Stock Exchange’s main market on 15 December 2025. As a result of the listing, a portion of the Company’s shares was offered to the public, leading to a change in the composition and percentage of shareholders. The Company’s registered office is located at Anchor 1, Sports Accelerator Building, Qatar Business District, Aspire Zone, Doha, State of Qatar.

The Company’s principal activities are facility management services, including the cleaning, management, and maintenance of stadiums, buildings, and parks.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and applicable requirements of Qatar Commercial Companies Law No. 11 of 2015, as amended by Law No. 8 of 2021.

b) Basis of measurement

These financial statements have been prepared under the historical cost basis except for lease liabilities which are measured at the present value of the lease payments discounted using the Company’s incremental borrowing rate.

c) Functional and presentation currency

These financial statements are presented in Qatari Riyals (QR), which is the Company’s functional and presentation currency.

d) Use of estimates and judgments

The information about significant areas of estimation uncertainty and critical judgments applied in the preparation of the financial statements are disclosed in Note 28.

e) Newly effective amendments to standards

The Company has applied the following amendments to International Financial Reporting Standards (IFRSs) that became effective for annual periods beginning on or after 1 January 2025. These amendments have been adopted in the preparation of these financial statements:

Amendments to IAS 21 – Lack of Exchangeability:

These amendments provide guidance on how entities determine the exchange rate to use when a currency is not exchangeable.

The adoption of these amendments did not have a material impact on the Company’s financial statements.

2. BASIS OF PREPARATION (Continued)

f) New standards and amendments and improvements to standards not yet effective but available for early adoption

The following new standards and amendments and improvements to IFRSs have been issued but are not yet effective for annual periods beginning on or after 1 January 2025. The Company has not early adopted these new standards and amendments and improvements to standards but may consider their application in future periods:

Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (Effective 1 January 2026):

These amendments clarify the assessment of contractual cash flows, derecognition of financial liabilities settled electronically, and enhance related disclosures.

Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (Effective 1 January 2026):

These amendments provide guidance on accounting for contracts referencing variable electricity and enhance related disclosures.

Annual Improvements to IFRS Accounting Standards – Volume 11 (Effective 1 January 2026):

These improvements include minor amendments to clarify wording or correct unintended consequences in several IFRS Standards.

IFRS 18 – Presentation and Disclosures in Financial Statements (Effective 1 January 2027):

This new standard introduces updated requirements for the presentation and disclosure of financial statements to enhance consistency and transparency.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures (Effective 1 January 2027):

This standard reduces disclosure requirements for subsidiaries without public accountability to simplify reporting while maintaining useful information.

The Company is currently assessing the potential impact of these new standards and amendments and improvements to standards on its financial statements.

g) Amendments to standards not yet effective

The following amendments to IFRSs have been issued but are not yet effective and are available for early adoption:

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Effective date to be determined):

These amendments address the accounting treatment for transactions between an investor and its associate or joint venture.

h) Climate-related matters

The Company considers climate-related matters in accounting judgements, estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Most climate-related risks are expected to impact over a term that is generally longer than the contractual maturity of most exposures, nonetheless climate-related matters increase the uncertainty in estimates and assumptions underpinning certain items in the financial statements. Currently, climate-related risks do not have a significant impact on measurement, though the Company is closely monitoring relevant changes and developments. The items and considerations that are most directly impacted by climate-related matters include useful life of property and equipment, impairment of non-financial assets, and expected credit losses, among others.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies of the Company applied in the preparation of the financial statements are set out below. These policies have been applied consistently to both years presented in these financial statements.

Property and equipment

Property and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

	<u>Years</u>
Household furniture and appliances	3
Motor vehicles	5
Computer equipment	3
Office equipment	3
Furniture and fixtures	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

Intangible assets

Software

Cost associated with maintaining software programmes are recognised as an expense when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- Management intends to complete the software and use or sell it;
- There is an ability to use or sell the software;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Right-of-use assets

The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liabilities 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. Right-of-use assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

Depreciation is calculated to write off the cost of items of right-of-use assets using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Investments in joint ventures

A joint venture is a joint contractual arrangement whereby the Company and one or more parties have joint control of the arrangement and have rights to the net assets of the arrangement.

The Company's interests in joint ventures are accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost and is subsequently adjusted to recognise the Company's share of the post-acquisition profit or loss and other comprehensive income of the joint venture. The Company's share of the joint venture's profit or loss is recognised in the statement of profit or loss within share of profit / (loss) of joint ventures.

Financial instruments

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at Fair Value Through Profit or Loss (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.

Financial assets: Classification and subsequent measurement

On initial recognition, a financial asset is classified at:

- a) 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 of principal and interest (SPPI) on the principal amount outstanding.
- b) Fair Value Through Other Comprehensive Income (FVTOCI) - if it meets both of the following conditions and is not designated as at FVTPL:
 - it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
 - its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

- c) Fair Value Through Profit or Loss (FVTPL) - All financial assets not classified as measured at amortised cost or FVTOCI as described above.

On initial recognition, the Company may irrecoverably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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.

The Company has classified on initial recognition its financial assets at amortised cost. The Company does not hold any other financial assets.

Financial assets: Business model assessment

The Company 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 cash flows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company'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 Company's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

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 SPPI, the Company 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 Company 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 Company's claim to cash flows from specified assets (e.g. non-recourse features).

3. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Financial assets: Assessment whether contractual cash flows are SPPI (continued)

A prepayment feature is consistent with the SPPI 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.

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 assets FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The Company does hold such assets.
- Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. The Company does not hold such assets.
- Equity investments at FVTOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never derecognised to profit or loss. The Company does not hold such assets.

Financial liabilities: Classification and subsequent measurement

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.

Financial assets: Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a company of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; and
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Financial assets: Derecognition (continued)

The Company 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: Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company 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.

Impairment

Non-derivative financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost. The Company does not hold debt investments measured at amortised cost.

The Company measures loss allowance either at an amount equal to:

- lifetime ECLs, which are those ECLs that result from all possible default events over the expected life of a financial instruments; or
- 12-month ECLs, which includes the portion of ECLs that results 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 Company is exposed to credit risk.

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

Loss allowances for due from related parties are measured either at an amount equal to 12-months or lifetime ECLs depending on the magnitude of increases in credit risk since the initial recognition of the assets.

Loss allowances on cash and bank balances are always measured at an amount equal to 12-month ECLs.

The Company considers a financial asset to be in default when customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The Company considers cash and bank balances to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Impairment (continued)

Non-derivative financial 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 Company 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 company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company 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 a breach of contract such as a default.

Presentation of allowance for ECL in the statement of financial position

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

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company 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 Company 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 Company's procedures for recovery of amounts due. Financial assets were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor will enter bankruptcy; or
- observable data indicating that there is measurable decrease in expected cash flows from a company of financial assets.

Financial assets measured at amortized cost

The Company considered evidence of impairment for the financial assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Impairment (continued)

Non-derivative financial assets (continued)

Financial assets measured at amortized cost (continued)

Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by companying together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (property and equipment, intangible assets, right-of-use assets, and investment in joint ventures) 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 companied together into the smallest company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or a 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 a CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash and bank balances and bank deposits with original maturities of three months or less.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares are recognised as a deduction from equity.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expense. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligations.

Employees' end-of-service benefits

The Company provides end of service benefits to its expatriate employees in accordance with employment contracts and the Qatar Labor Law No. 14 of 2004. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. The resulting charge is included within the "Staff cost" in the statement of comprehensive income. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised when they are due. This has been presented as non-current liabilities in the statement of financial position.

Leases

At inception of a contract, the Company 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their stand-alone price.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Leases (continued)

The Company as a lessee

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

The right-to-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The estimated useful life of right-of-use assets are determined on the same basis of as those of property and equipment. In addition, the right-of-use assets is periodically reduced by impairment losses, if any, and adjusted for certain premeasurements of the lease liabilities.

The lease liabilities are 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, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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 Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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

When the lease liabilities are remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in the statement of comprehensive income if the carrying amount of the right-of-use assets has been reduced to zero.

Short-term lease and lease of low-value assets

The Company has not elected to recognise right-of-use assets and lease liabilities for short-term leases of staff accommodation that have a lease term of 12 months or less. The Company recognises the lease payments associated with these lease as an expenses on a straight-line basis over the lease term.

Dividends

The Company recognises a liability when dividend distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Qatar Commercial Law No 11 of 2015, amended by Law No. 8 of 2021, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers

The Company recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

- Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of 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 Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognise revenue when (or as) the Company satisfies a performance obligation.

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

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

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

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance.

When the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to contract liability.

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

Revenue is recognised in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition (continued)

Facility management services

Revenue from rendering of facility management comprises of cleaning and maintenance services. Revenue is recognised over time in the accounting period when services are rendered. For fixed-price contracts, revenue recognised is based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer simultaneously receives and consumes the benefits provided by the Company. This is determined based on the time elapsed relative to the total contract period.

Other income

Other income is recognized when earned.

Finance income / expense

Finance income / expense are recognised in the statement of comprehensive income using the effective interest method.

The effective profit rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial assets (or, where appropriate, a shorter period) to the carrying amount of the financial assets. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective profit rate includes all transaction costs and fees and points paid or received that are an integral part of the effective profit rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial assets. Finance income / expense presented in the statement of comprehensive income include profit on financial assets measured at amortised cost calculated on an effective interest basis.

Income tax

Effective from 28 October 2025, following the change in the Company's legal form and completion of the relevant regulatory approvals, the Company qualified as a Qatari public shareholding company and became eligible for income tax exemption under the applicable tax regulations.

Prior to obtaining the Qatari public shareholding company status, income tax expense comprises current and deferred tax attributed to the non-GCC shareholders of the Company. It is recognized in profit or loss. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year attributed to the non-GCC shareholders of the Company, and any adjustments to the tax payable or receivable in respect of previous years. It is calculated on the basis of the tax laws enacted (Income Tax Law No. 24 of 2018 and its executive regulations and Income Tax Law No. 11 of 2022) or substantively enacted at the reporting date in the State of Qatar. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

3. MATERIAL ACCOUNTING POLICIES (Continued)

Current versus non-current classification

The Company presents assets and liabilities based on current / non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting.

The Company classifies all other liabilities as non-current.

Operating segments

Operating segments are identified on the basis of internal management reports that are regularly reviewed by the Chief Executive Officer for the purpose of allocating resources and assessing performance. Based on the Company's internal reporting structure and management assessment, the Company operates as a single operating segment. Accordingly, no separate segmental information is presented. Further information is disclosed in Note 27 to the financial statements.

Contingent assets and liabilities

Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts expressed in Qatari Riyal unless otherwise stated)

4. PROPERTY AND EQUIPMENT

	Household furniture and appliances	Motor vehicles	Computer equipment	Office equipment	Furniture and fixtures	Total
Cost						
At 1 January 2024	1,951,823	1,392,121	3,828,858	868,927	638,900	8,680,629
Additions	-	-	75,084	62,740	252,600	390,424
Disposals (1)	-	-	(4,750)	-	-	(4,750)
At 31 December 2024	1,951,823	1,392,121	3,899,192	931,667	891,500	9,066,303
Additions	-	-	88,320	21,450	3,600	113,370
Disposals (1)	-	-	(2,150)	-	-	(2,150)
At 31 December 2025	1,951,823	1,392,121	3,985,362	953,117	895,100	9,177,523
Accumulated depreciation						
At 1 January 2024	1,947,770	806,136	3,521,627	689,923	622,029	7,587,485
Charge for the year (Note 18)	2,359	216,382	244,885	115,715	54,052	633,393
Disposals (1)	-	-	(3,692)	-	-	(3,692)
At 31 December 2024	1,950,129	1,022,518	3,762,820	805,638	676,081	8,217,186
Charge for the year (Note 18)	1,693	208,820	101,574	83,257	89,040	484,384
Disposals (1)	-	-	(1,851)	-	-	(1,851)
At 31 December 2025	1,951,822	1,231,338	3,862,543	888,895	765,121	8,699,719
Carrying amounts						
At 31 December 2025	1	160,783	122,819	64,222	129,979	477,804
At 31 December 2024	1,694	369,603	136,372	126,029	215,419	849,117

(1) In the statement of cash flows, proceeds from sale of property and equipment comprise:

	2025	2024
Carrying amount	299	1,058
Gain on sale of property and equipment	850	65
Proceeds from sale of property and equipment	1,149	1,123

MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.
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5. INTANGIBLE ASSETS

	<u>2025</u>	<u>2024</u>
Cost		
At 1 January	5,599,772	5,599,772
Additions (1)	1,102,173	-
At 31 December	<u>6,701,945</u>	<u>5,599,772</u>
Accumulated amortization		
At 1 January	4,056,055	3,366,517
Charge for the year (Note 18)	746,271	689,538
At 31 December	<u>4,802,326</u>	<u>4,056,055</u>
Carrying amount	<u>1,899,619</u>	<u>1,543,717</u>

(1) This pertains to the acquisition of computer software used for the Company's facility management operations.

6. RIGHT-OF-USE ASSETS

	<u>2025</u>	<u>2024</u>
Cost		
At 1 January	30,352,547	28,893,104
Additions (Note 15)	7,494,100	1,493,374
Adjustment	-	(33,931)
At 31 December	<u>37,846,647</u>	<u>30,352,547</u>
Accumulated depreciation		
At 1 January 2024	29,315,482	25,536,721
Charge for the year (Note 18)	3,515,511	3,778,761
At 31 December 2025	<u>32,830,993</u>	<u>29,315,482</u>
Carrying amount	<u>5,015,654</u>	<u>1,037,065</u>

7. INVESTMENTS IN JOINT VENTURES

	<u>2025</u>	<u>2024</u>
At 1 January	9,100,195	41,890,810
Net movement of working capital of joint ventures	249,425	(38,792,514)
Share in (loss) / profit of joint ventures (1)	(220,134)	6,001,899
At 31 December	<u>9,129,486</u>	<u>9,100,195</u>

(1) The table below represents the share of profit or loss of the joint ventures:

	<u>2025</u>	<u>2024</u>
Mosanada – Como Facility Management Services (MCFM)	(479,139)	633,729
Mosanada – Arena Consulting Service (MACS)	259,005	5,368,170
	<u>(220,134)</u>	<u>6,001,899</u>

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7. INVESTMENTS IN JOINT VENTURES (Continued)

a) Mosanada – Como Facility Management Services (MCFM)

The Company engaged in a joint venture with “Como Facility Management Services W.L.L.” on a 50:50 profit sharing basis named “Mosanada – Como Joint Venture Integrated Facilities Management” which is unincorporated with the place of business in the State of Qatar. The Joint Venture primarily engages in providing integrated facilities management for the Qatar Petroleum (Qatar Energy) headquarters.

Based on the agreement signed with the Como Facility Management Services W.L.L., both the companies have commenced activities in 2021 for a period of five years.

	<u>2025</u>	<u>2024</u>
Mosanada – Como Facility Management Services (MCFM)	<u>50:50</u>	<u>50:50</u>

The following table summarizes the financial information of the joint ventures, based on their separate financial statements:

Statement of financial position

	<u>2025</u>	<u>2024</u>
Non-current assets	559,065	922,687
Current assets	38,521,782	43,177,722
Non-current liabilities	(1,266,526)	(1,038,441)
Current liabilities	(15,908,082)	(20,197,452)
Net assets	<u>21,906,239</u>	<u>22,864,516</u>
Company’s share in net assets (50%)	<u>10,953,120</u>	<u>11,432,258</u>

Statement of results of operation

	<u>2025</u>	<u>2024</u>
Revenue	43,953,296	40,300,380
Expenses	(44,911,573)	(39,784,012)
Net (loss) / profit	<u>(958,277)</u>	<u>516,368</u>
Company’s share in net (loss) / profit (50%)	<u>(479,139)</u>	<u>258,184</u>
Share of result from joint venture prior period	-	375,545
Total share of result from joint venture	<u>(479,139)</u>	<u>633,729</u>

b) Mosanada – Arena Consulting Service (MACS)

The Company engaged in a joint venture with "Lima Management Consulting W.L.L" on a 50:50 profit sharing basis named "Mosanada – Arena Consulting Services (MACS)" which is unincorporated with the place of business in the State of Qatar. The Joint venture primarily engages in providing integrated facilities management for the Public Works Authority.

Based on the agreement signed with Lima Management Consulting W.L.L., the MACS JV commenced its activities on 10 April 2023 to deliver the International Horticultural Expo 2023 Doha Qatar event, and it was concluded on 30 July 2024 following the successful delivery of the event.

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7. INVESTMENTS IN JOINT VENTURES (Continued)

b) Mosanada – Arena Consulting Service (MACS) (continued)

	<u>2025</u>	<u>2024</u>
Mosanada – Arena Consulting Services (MACS)	<u>50:50</u>	<u>50:50</u>

The following table summarizes the financial information of the joint ventures, based on their separate financial statements:

Statement of financial position

	<u>2025</u>	<u>2024</u>
Current assets	-	684,655
Current liabilities	-	(545,942)
Net assets	<u>-</u>	<u>138,713</u>
Company's share in net assets (50%)	<u>-</u>	<u>69,357</u>

Statement of results of operation

	<u>2025</u>	<u>2024</u>
Revenue	-	35,857,590
Other income / (expenses)	518,010	(25,121,249)
Net profit	<u>518,010</u>	<u>10,736,341</u>
Company's share in net profit (50%)	<u>259,005</u>	<u>5,368,170</u>

8. TRADE AND OTHER RECEIVABLES

	<u>2025</u>	<u>2024</u>
		(Note 29)
Trade receivables, gross (1) (Note 17)	43,014,228	35,445,399
Less: provision for impairment of trade receivables (2)	(1,268,766)	(142,674)
Trade receivables, net	41,745,462	35,302,725
Accrued income (3) (Note 17)	12,602,647	11,952,706
Prepayments	2,860,014	2,270,409
Security deposits	1,592,305	1,357,895
Advances to suppliers	38,115	141,860
Other receivables	470,221	461,026
	<u>59,308,764</u>	<u>51,486,621</u>

(1) In 2024, the Company wrote off trade receivables amounting to QR 816,250. No receivables were written off during the current year.

(2) The movements in the provision for impairment of trade receivables were as follows:

	<u>2025</u>	<u>2024</u>
At 1 January	142,674	-
Provision made during the year	1,126,092	142,674
31 December	<u>1,268,766</u>	<u>142,674</u>

(3) This pertains to accrued income arising from facility management services performed but not yet invoiced.

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9. RELATED PARTY DISCLOSURES

Related parties represent shareholders and key management personnel of the Company and companies in which they are major owners. Pricing policies and terms of these transactions are approved by the Company's management.

a) Related party transactions

	<u>2025</u>	<u>2024</u>
<i>Major shareholders:</i>		
Revenues (Note 17)	<u>58,662,370</u>	<u>64,618,520</u>
Dividends declared (Note 16)	<u>42,000,000</u>	<u>40,500,000</u>
Waiver of due to a related party (Note 9(b))	<u>1,631,757</u>	<u>-</u>
Fund transfers	<u>1,490,073</u>	<u>1,667,495</u>

b) Related party balances

(i) Due from related parties

	<u>2025</u>	<u>2024</u>
<i>Major shareholders:</i>		
Aspire Zone Foundation (Note 17)	12,527,327	7,593,126
Cushman and Wakefield – Qatar – Holdings Pty. Ltd.	1,497,152	1,425,073
	<u>14,024,479</u>	<u>9,018,199</u>

The above balances are of mainly trading in nature, bear no interest or securities, receivable on demand and collectible in cash.

(ii) Due to a related party

	<u>2025</u>	<u>2024</u>
<i>Major shareholder:</i>		
Aspire Zone Foundation	<u>66,422,092</u>	<u>-</u>

The above balance is of financing in nature, bears no interest or securities, payable on demand and to be settled in cash.

During the year, the Company waived off balances amounting to QR 1,631,757 (Note 9(a)).

c) Compensation of key management personnel

	<u>2025</u>	<u>2024</u>
Short-term employee benefits	4,417,870	4,431,336
Director's remuneration	1,761,598	3,395,000
	<u>6,179,468</u>	<u>7,826,336</u>

10. CASH AND CASH EQUIVALENTS

	<u>2025</u>	<u>2024</u>
Short-term deposits (1)	105,000,000	80,500,000
Cash at banks (2)	81,802,047	14,362,551
Cash on hand	6,184	14,581
	<u>186,808,231</u>	<u>94,877,132</u>

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10. CASH AND CASH EQUIVALENTS (Continued)

- (1) Cash held in short term bank deposit accounts mature within 30–90 days earns profit income at 3% - 4.75 % per annum (2024: 4.45% - 5.5%). During the year, the Company earned profit income of QR 3,966,150 (31 December 2024: QR 2,685,526). Short-term bank deposits are on monthly, quarterly, and half yearly maturity basis (Note 21).
- (2) Cash held in bank accounts earns no return.

11. SHARE CAPITAL

	2025		2024	
	No. of shares	Amount	No. of shares	Amount
<i>Authorised, issued, and fully paid share capital</i>				
70,000,000 shares (2024: 1,500,000 shares) with a par value of QR 1 per share (2024: QR 10 per share)	70,000,000	70,000,000	1,500,000	15,000,000

On 19 February 2025, the Company approved the increase in share capital amounting to QR 55,000,000 through the capitalization of retained earnings (Note 24). As a result of this increase, the number of shares was adjusted, and the nominal value of each share was reduced from QR 10 to QR 1. The legal documents were updated accordingly.

12. LEGAL RESERVE

In accordance with the requirements of the Qatar Commercial Companies Law No. 11 of 2015 and the Company’s Articles of Association, an amount equal to 10% of the net profit for the year should be transferred to a legal reserve each year until this reserve is equal to 50% of the paid-up share capital. The reserve is not available for distribution except in the circumstances stipulated in the above law and the Company’s Articles of Association. In accordance with its Articles of Association and statutory law requirements, the Company is transferring a specific percentage from their annual net profit to the legal reserve.

13. CONTRIBUTION TO SOCIAL AND SPORTS ACTIVITIES FUND

In accordance with Law No. 8 of 2011 (Amendment to Law No. 13 of 2008), the Company made an appropriation of profit in amount of QR 1,006,627 (equivalent to 2.5% of the net profit for the year for the support of sports, cultural, social and charitable activities (Note 16). No such appropriation was made in the prior year as the Company was not listed in 2024.

14. EMPLOYEES’ END-OF-SERVICE BENEFITS

	2025	2024
At 1 January	15,412,082	16,225,448
Provision made (Note 20)	2,625,417	3,366,606
Payments made	(2,673,826)	(4,179,972)
At 31 December	15,363,673	15,412,082

Management has classified the obligation within non-current liabilities in the statement of financial position as it does not expect that there will be significant payments towards its employees’ end-of-service benefits obligation within 12 months from the reporting date. The provision is not discounted to present value as the effect of the time value of money is not expected to be significant.

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15. LEASE LIABILITIES

	<u>2025</u>	<u>2024</u>
At 1 January	1,081,536	3,309,726
Additions (1) (2) (Note 6)	7,494,100	1,493,374
Payments of lease liabilities including finance expense	(3,781,800)	(3,835,944)
Finance expense (Note 21)	385,037	143,517
Other movement	-	(29,137)
At 31 December	<u>5,178,873</u>	<u>1,081,536</u>

The lease liabilities are presented in the statement of financial position as follows:

	<u>2025</u>	<u>2024</u>
Non-current	1,506,513	579,209
Current	3,672,360	502,327
	<u>5,178,873</u>	<u>1,081,536</u>

The maturity analysis of the contractual undiscounted cash flows of lease liabilities is as follows (Note 25):

	<u>2025</u>	<u>2024</u>
Less than one year	3,866,400	550,800
More than one year	1,653,300	596,700
Total undiscounted lease liabilities at the end year	<u>5,519,700</u>	<u>1,147,500</u>

The amounts recognised in the statement of comprehensive income are as follows:

	<u>2025</u>	<u>2024</u>
Depreciation of right-of-use of assets (Note 6)	3,515,511	3,778,761
Finance expense on lease liabilities	385,037	143,517
	<u>3,900,548</u>	<u>3,922,278</u>

The Company recognised the following amounts in the statement of cash flows:

	<u>2025</u>	<u>2024</u>
<i>Cash flows from operating activities:</i>		
Depreciation of right-of-use of assets (added back)	<u>3,515,511</u>	<u>3,778,761</u>
Finance expense on lease liabilities (added back)	<u>385,037</u>	<u>143,517</u>
	<u>2025</u>	<u>2024</u>
<i>Cash flow from a financing activity:</i>		
Repayments of lease liabilities including finance expense	<u>(3,781,800)</u>	<u>(3,835,944)</u>

- (1) On 1 January 2025, the Company entered into a contract for leasing of staff accommodation. This finance lease liabilities is repayable by monthly rental obligations of QR 234,000 commencing on 1 January 2025 until 31 December 2026, bears an incremental borrowing finance rate of 6% per annum.

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15. LEASE LIABILITIES (Continued)

- (2) On 27 February 2025, the Company entered into a contract for leasing its motor vehicles. This finance lease liabilities is repayable by monthly rental obligations of QR 42,300 commencing on 1 March 2025 until 28 February 2030, bears an incremental borrowing finance rate of 6% per annum.

16. TRADE AND OTHER PAYABLES

	<u>2025</u>	<u>2024</u>
Dividends payable (1)	42,000,000	-
Provision for bonus	4,588,706	6,750,000
Trade payables	1,442,679	1,014,197
Accrued expenses	1,070,139	1,849,727
Provision for leave and air tickets	1,031,524	1,683,229
Provision for Social and Sports Activities Fund (Note 13)	1,006,627	-
Income tax payable (Note 23)	972,079	1,420,073
Other payables	43,288	47,067
	<u>52,155,042</u>	<u>12,764,293</u>

- (1) On 17 November 2025, the shareholders approved a dividend of QR 42,000,000 (2024: QR 40,500,000) in respect of the profit for the year ended 31 December 2024. As at the reporting date, this dividend had not yet been paid (Note 9(a)).

17. REVENUE

	<u>2025</u>	<u>2024</u>
<i>Types of services:</i>		
Facility management services	124,389,383	130,204,469
Manpower secondment services	21,100,465	18,398,195
	<u>145,489,848</u>	<u>148,602,664</u>

	<u>2025</u>	<u>2024</u>
<i>Timing of services provided:</i>		
Services transferred at over time	<u>145,489,848</u>	<u>148,602,664</u>

	<u>2025</u>	<u>2024</u>
<i>Customer relationship:</i>		
Third party customers	86,827,478	83,984,144
Related party (Note 9)	58,662,370	64,618,520
	<u>145,489,848</u>	<u>148,602,664</u>

	<u>2025</u>	<u>2024</u>
<i>Contract balances (Notes 8 and 9):</i>		
Trade receivables (1)	<u>43,014,228</u>	<u>35,445,399</u>
Accrued income	<u>12,602,647</u>	<u>11,952,706</u>
Due from related parties	<u>12,527,327</u>	<u>7,593,126</u>

- (1) The Company had recognized cumulative provision for impairment losses on trade receivables arising from contracts with customers, primarily relating to third-party customers, amounting to QR 1,268,766 as at 31 December 2025 (2024: QR 142,674) (Note 8).

The Company satisfies its performance obligations upon completion of services. Invoicing is typically on a monthly basis, with standard payment terms of 90 days.

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18. COST OF REVENUE

	2025	2024
		(Note 29)
Staff cost (Note 20)	87,837,750	78,768,445
Depreciation of right-of-use assets (Note 6)	3,515,511	3,778,761
Rent (1)	2,455,493	3,092,769
Software maintenance	2,184,094	2,260,523
Travel and transportation	2,009,089	2,199,630
Bank charges	873,900	786,377
Amortization of intangible assets (Note 5)	746,271	689,538
Printing and stationery	493,721	379,475
Depreciation of property and equipment (Note 4)	484,384	633,393
Communication	465,243	679,921
Repairs and maintenance	138,259	344,070
Professional fees	93,625	348,875
Insurance	64,092	55,367
Supplies and utilities	60,763	24,652
Others	586,791	265,344
	102,008,986	94,307,140

(1) This pertains to short-term lease of staff accommodation.

19. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Staff cost (Note 20)	5,244,365	6,173,346
Professional fees	629,155	1,472,154
Entertainment	285,557	237,128
Travel and transportation	183,971	132,124
Bank charges	158,109	92,219
Others	178,496	147,499
	6,679,653	8,254,470

20. STAFF COST

	2025	2024
Salaries, wages, and other benefits	90,456,698	81,575,185
Provision for employees' end-of-service benefits (Note 14)	2,625,417	3,366,606
	93,082,115	84,941,791

The staff cost has been allocated in the statement of comprehensive income as follows:

	2025	2024
Cost of revenues (Note 18)	87,837,750	78,768,445
General and administrative expenses (Note 19)	5,244,365	6,173,346
	93,082,115	84,941,791

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21. FINANCE INCOME – Net

	<u>2025</u>	<u>2024</u>
Profit income from Mudarabah investments (Note 10)	3,966,150	2,685,526
Finance expense on lease liabilities (Note 15)	(385,037)	(143,517)
	<u>3,581,113</u>	<u>2,542,009</u>

22. OTHER INCOME

This mainly pertains to administrative and operational support services amounting to QR 1,228,996 (31 December 2024: QR 373,965).

23. INCOME TAX

	<u>2025</u>	<u>2024</u>
Profit before income tax	40,265,092	54,000,003
Add: non-deductible expenses	6,822,610	12,374,692
Adjustments	220,134	(9,571,788)
Net taxable income	47,307,836	56,802,907
Effective income tax rate (1)	2.05%	2.5%
Income tax expense / payable (2)	<u>972,079</u>	<u>1,420,073</u>

(1) Effective from 28 October 2025, following the change in the Company’s legal form and completion of the relevant regulatory approvals, the Company qualified as a listed entity and became eligible for income tax exemption under the applicable tax regulations. Accordingly, income tax expense for the year 2025 has been recognised for 300 days, with no income tax applicable for the remaining 65 days of the year.

(2) The movements of income tax payable are as follows:

	<u>2025</u>	<u>2024</u>
At 1 January	1,420,073	1,656,861
Income tax expense	972,079	1,420,073
Income tax paid	(1,420,073)	(1,656,861)
At 31 December	<u>972,079</u>	<u>1,420,073</u>

Income tax at a rate of 10% on the share of taxable profits attributable to foreign partners is borne directly by the foreign partners.

24. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to shareholders of the Company by the weighted average number of shares outstanding during the year. There were no potentially dilutive shares outstanding at any time during the year and, therefore, the dilutive earnings per share are equal to the basic earnings per share.

The Company completed its initial public offering and was listed on the Qatar Stock Exchange on 15 December 2025. Earnings per share for the comparative period have been presented in accordance with IAS 33 “Earnings Per Share” and are based on the weighted average number of ordinary shares outstanding during that period, notwithstanding that the Company was not listed at that time.

	<u>2025</u>	<u>2024</u>
Net profit for the year attributable to shareholders / partners	<u>40,265,092</u>	<u>54,000,003</u>
Weighted average number of shares outstanding at the end of year (Note 11)	<u>60,804,110</u>	<u>1,500,000</u>
Basic and diluted earnings per share	<u>0.66</u>	<u>36.00</u>

25. CONTINGENCIES AND COMMITMENTS

Contingencies

The Company had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	<u>2025</u>	<u>2024</u>
Performance bond	103,371,020	103,371,020
Tender bond	4,521,261	2,000,000
	<u>107,892,281</u>	<u>105,371,020</u>

Commitments

a) Operating lease commitments

The Company leases staff accommodation and office space under non-cancellable operating lease agreements with various lessors for different lease terms (Note 15).

b) Capital expenditure commitments

As at 31 December 2025, capital expenditure commitments mainly relate to computers, furniture and fixtures and computer software.

26. FINANCIAL RISKS AND CAPITAL MANAGEMENT

Financial risks management

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

- Market risk;
- Credit risk; and
- Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company and to monitor risks.

a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, profit rates and equity prices will affect the Company's income or the value of its holdings of financial assets. The objective of market risks management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company has a set of acceptable parameters, based on value at risk, that may be accepted and which is monitored on a regular basis.

(i) Currency risk

The Company is not exposed to significant foreign exchange risk as it primarily transacts in Qatari Riyal, which is the Company's functional currency.

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26. FINANCIAL RISKS AND CAPITAL MANAGEMENT (Continued)

Financial risks management (continued)

a) Market risk (continued)

(ii) Profit rate risk

At the reporting date, the profit rate profile of the Company's profit-bearing financial instruments is:

	<u>2025</u>	<u>2024</u>
<i>Floating profit rate instruments:</i>		
Short-term deposits	105,000,000	80,500,000
Lease liabilities	(5,178,873)	(1,081,536)
	<u>99,821,127</u>	<u>79,418,464</u>

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably possible changes in profit 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 profit rates for one year, based on the floating rate financial liabilities held at the reporting date.

The effect of the decreases in profit rates is expected to be equal and opposite to the effect of the increases shown:

	<i>Change in basis points</i>	<i>Effect on profit</i>
2025		
Floating profit rate instruments	+25	(249,553)
	-25	249,553
2024		
Floating profit rate instruments	+25	(198,546)
	-25	198,546

(iii) Equity price risk

The Company is not exposed to any material equity price risk as it has no equity investments measured at fair value as at the reporting date.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables and due from related parties.

The carrying amount of the financial assets represent the maximum credit exposures.

	<u>2025</u>	<u>2024</u>
Trade receivables	43,014,228	35,445,399
Due from related parties	14,024,479	9,018,199
Accrued income	12,602,647	11,952,706
Security deposits	1,592,305	1,357,895
Other receivables	470,221	461,026
Short-term deposits	105,000,000	80,500,000
Cash at banks	81,802,047	14,362,551
At 31 December	<u>258,505,927</u>	<u>153,097,776</u>

26. FINANCIAL RISKS AND CAPITAL MANAGEMENT (Continued)

Financial risks management (continued)

b) Credit risk (continued)

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management also considers factors that may influence the credit risk of its customer base.

The Company limits its exposure to credit risk by assessing the creditworthiness of each counterparty before entering into contracts, establishing credit limits for each counterparty that are reviewed regularly, and periodically reviewing the collectability of its receivables to identify any impaired amounts.

The Company uses an allowance matrix to measure expected credit losses (ECLs) on its trade receivables. In monitoring credit risk, customers are grouped based on shared credit characteristics. All of the Company's customers are government or government-related entities. Management considers that the credit risk relating to such customers is low; accordingly, no material impairment provision has been recognised based on historical experience and forward-looking information.

The following table provides information about the Company's exposure to credit risk and expected credit losses for trade receivables as at 31 December, as applicable.

	Weighted average loss rate (1)	Gross carrying amounts	Loss allowance
2025			
1-30 days past due	-	7,838,289	-
31-60 days past due	-	5,187,332	-
61-180 days past due	0.61%	20,113,181	122,690
181-365 days past due	0.53%	8,465,589	44,976
Above 365 days	78.10%	1,409,837	1,101,100
Total (Note 8)	2.95%	43,014,228	1,268,766
	Weighted average loss rate (1)	Gross carrying amounts	Loss allowance
2024			
1-30 days past due	-	7,266,680	-
31-60 days past due	-	4,789,480	-
61-180 days past due	0.61%	18,923,567	115,434
Above 365 days	0.61%	4,465,672	27,240
Total (Note 8)	0.40%	35,445,399	142,674

(1) Weighted average loss rates are calculated using a 'net flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Net flow rates are calculated based on common credit risk characteristics.

Due from related parties

The Company uses an allowance matrix to measure the expected credit losses of its receivables from government entities. Based on this assessment, management concluded that there was no significant exposure to credit risk related to these receivables and, accordingly, no provision for impairment was recognised. Management believes that there is no significant credit risk from receivables from government counterparties, given their strong credit standing and historical settlement patterns.

26. FINANCIAL RISKS AND CAPITAL MANAGEMENT (Continued)

Financial risks management (continued)

b) Credit risk (continued)

Security deposits

The Company prefers well-known business establishments in the selection of locations for staff accommodation to ensure profitable operation and recovery of refundable deposits upon termination of lease agreements.

Other receivables

Credit risks on other receivables are considered to be minimal as these are substantially recovered on monthly basis and based on historical payment behaviour and analysis of customer credit base and accordingly no provision for impairment on these receivables is recognized.

Cash at banks and short-term deposits

The Company's cash at banks and short-term deposits are held with reputable and creditworthy Islamic financial institutions. Accordingly, management believes that the credit risk relating to cash at banks and fixed-term deposits is minimal.

c) Liquidity risk

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

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual finance payments and exclude the impact of netting agreements.

The table summarises the maturity profile of the Company's undiscounted financial liabilities at 31 December based on contractual payment dates and current market profit.

	2025			
	Carrying amounts	Contractual cash flows	Less than 1 year	More than 1 year
<i>Non-derivative financial liabilities</i>				
Lease liabilities	5,178,873	5,519,700	3,866,400	1,653,300
Trade payables	1,442,679	1,442,679	1,442,679	-
Dividends payable	42,000,000	42,000,000	42,000,000	-
Due to a related party	66,422,092	66,422,092	66,422,092	-
Other payables	43,288	43,288	43,288	-
	115,086,932	115,427,759	113,774,459	1,653,300

26. FINANCIAL RISKS AND CAPITAL MANAGEMENT (Continued)

Financial risks management (continued)

c) Liquidity risk (continued)

Exposure to liquidity risk (continued)

	2024			
	Carrying amounts	Contractual cash flows	Less than 1 year	More than 1 year
<i>Non-derivative financial liabilities</i>				
Lease liabilities	1,081,536	1,147,500	550,800	596,700
Trade payables	1,014,197	1,014,197	1,014,197	-
Other payables	47,067	47,067	47,067	-
	2,142,800	2,208,764	1,612,064	596,700

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital, reserves and retained earnings of the Company. The management monitors the return on capital, which the Company defines as net operating income divided by total shareholders' equity.

The Company's main objectives when managing capital, when applicable, are:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to provide an adequate return to shareholders by pricing services commensurately with the level of risk; and
- to attain a strong credit rating.

Further, the Board of Directors seeks to maintain a balance between higher targeted returns and the advantages and security afforded by the strong capital position of the Company.

27. OPERATING SEGMENTS

The Company is engaged principally in the provision of facility management services and operates solely within the State of Qatar. The Company's operating activities are managed as a single operating segment, as the results of the Company are reviewed as a whole by the Chief Executive Officer for the purposes of performance assessment and resource allocation. Accordingly, no separate segmental information is presented.

28. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

In preparing these financial statements, the Board has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

28. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

Information about significant areas that involve higher degree of judgment or complexity, or areas where assumptions or estimates have a significant risk of resulting in a material adjustment to the amounts recognised in the financial statements are as follows:

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

Useful lives of property and equipment, right-of-use assets, and intangible assets

The Company's management determines the estimated useful lives of its property and equipment, right-of-use assets, and intangible assets in order to calculate the depreciation and the amortization. This estimate is determined after, considering the expected usage of the asset and intangibles, physical wear and tear, technical or commercial obsolescence. The Company's management reviews the residual value and useful lives annually and future depreciation and amortization charge would be adjusted where the management believes the useful lives differ from previous estimates.

Valuation of lease liabilities and right-of-use assets

The application of IFRS 16 requires the Company to make judgments 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 determined by the Company comprises non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Company is certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

For lease contracts with indefinite term, the Company estimates the length of the contract to be equal to the estimated useful life of non-current assets located in the leased physically connected with it or determines the length of the contract to be equal to the average or typical market contract term of particular type of lease. The same economic useful life is applied to determine the depreciation rate of right-of-use assets.

The present value of the lease payment is determined using the discount rate representing the rate of finance cost rate 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 Company's rating, observed in the period when the lease contract commences or is modified.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets (property and equipment, right-of-use assets, intangible assets, and equity-accounted joint venture) are reviewed at each reporting date to determine whether there is any indication of impairment. Such indications may include decline in value of asset significantly, significant changes with an adverse effect on the company have taken place, obsolescence or physical damage of asset, deterioration in the economic performance of the asset etc. If any such indication exists, then the asset's recoverable amount is estimated.

28. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (Continued)

Interests in other entities (equity-accounted joint venture)

Judgment is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Company may obtain control, joint control or significant influence over the entity or arrangement. The Company considers that it has significant influence over investees when it has board representation which allows them to participate in the financial and operating policy decisions but is not control or joint control of those policies. Judgment is also required to assess whether the arrangement is a joint operation or a joint venture. The Company assesses the arrangement as a joint venture since the rights of the Company reside in the net assets of the joint arrangement (i.e. it is the joint arrangement, not the parties to the joint arrangement, that has a direct right to the assets, and obligations for the liabilities of the joint arrangement).

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how company of financial assets are managed together to achieve a particular business objective. This is assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes required during the year.

Impairment of receivables

The expected credit loss (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Provision for employees' end-of-service benefits

Management has measured the Company's obligation for the post-employment benefits of its employees based on the provisions of the Qatar Labour Law No. 14 of 2004. Management does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision. The calculation of the provision is performed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end-of-service benefits in the statement of comprehensive income.

Other provisions and liabilities

Other provisions and liabilities are recognised in the period only to the extent management considers it probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the actual cash outflows can take place in subsequent years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances. A change in estimate of a recognised provision or liability would result in a charge or credit to the statement of comprehensive income in the period in which the change occurs.

MOSANADA FACILITY MANAGEMENT SERVICES Q.P.S.C.
NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
 (All amounts expressed in Qatari Riyal unless otherwise stated)

29. COMPARATIVE INFORMATION

Certain changes in the classification of accounts and accordingly, to the supporting note disclosures have been made to the previous year's financial statements to conform to the current year's financial statement presentation. See below for more details:

- Contract assets were previously presented separately and have been reclassified and included within Trade and other receivables as "accrued income" in the statement of financial position, as they are of a similar nature. Presenting them within a single line item provides more relevant and reliable information.
- Impairment of trade receivables was previously included within "Cost of revenue" and has been reclassified and presented separately on the face of the statement of comprehensive income to improve clarity and in accordance with the requirements of IAS 1 "Presentation of Financial Statements".

Statement of financial position	As previously reported 31 December 2024	Reclassification	As reclassified 31 December 2024
Trade and other receivables (Note 8)	39,533,915	11,952,706	51,486,621
Contract assets	11,952,706	(11,952,706)	-
Statement of comprehensive income			
Impairment loss on trade receivables	-	958,924	958,924
Cost of revenue (Note 18)	95,266,064	(958,924)	94,307,140

The presentation and classification of items in the financial statements shall be retained from one period to the next unless a change in presentation including the reclassification of comparative figures provides more reliable and relevant information to the users of the financial statements. The reclassifications of comparative figures did not affect the previously reported results of operations and retained earnings.

30. SUBSEQUENT EVENTS

On 2 February 2026, the Board of Directors approved the appointment of a Board Advisor in connection with the Company's proposed expansion into the Kingdom of Saudi Arabia. In addition, the Board approved the Company's entry into a joint venture in the Kingdom of Saudi Arabia and the incorporation of a wholly-owned subsidiary for the purpose of investing in the joint venture.

Except for the matters described above, there were no other material subsequent events that require adjustment to, or disclosure in, these financial statements.