QG™
MEDICAL DEVICES

Annual Report

2025



His Highness

Sheikh Tamim Bin Hamad Al-Thani
Amir of the State of Qatar

Annual Report 2025

Chairman's Message



Mr. Yaser Sultan Al-Mannai
Chairman

The year 2025 represented a period of continued progress and consolidation for Qatari German for Medical Devices (QGMD). Building upon the foundations established during the previous year, we focused on strengthening our operational framework, enhancing governance practices, and pursuing sustainable opportunities that support the Company's long-term objectives.

As a Board of Directors, we remained committed to navigating challenges with discipline and determination while reinforcing a culture of accountability, transparency, and collaboration across all levels of the organization. Our efforts throughout the year were directed toward creating greater value for shareholders and positioning QGMD for a more resilient and sustainable future.

As we move forward, QGMD remains steadfast in supporting the objectives of Qatar National Vision 2030. We are committed to contributing to the nation's economic diversification and sustainable development agenda while strengthening our role within Qatar's healthcare and industrial sectors.

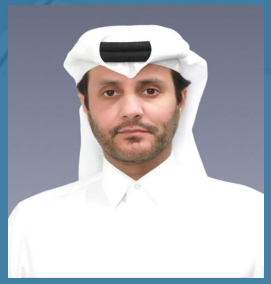
Looking ahead, we approach the future with confidence and optimism. The lessons learned, initiatives implemented, and partnerships strengthened throughout 2025 have created a stronger platform for growth. Together, we will continue to pursue new opportunities, overcome challenges, and drive sustainable success for our shareholders and stakeholders alike.

On behalf of the Board of Directors, I would like to express my sincere appreciation to our shareholders, employees, customers, business partners, and regulatory authorities for their continued trust, support, and confidence in QGMD.

Table of Content

- Board of Directors 1
- Clarification from the Board of Directors 2
- Our Vision 3
- Our Mission 4
- Who We Are? 5
- What we do? 6
- Our Production Facility 8
- Corporate Governance 10
- Financial Statement 32

Board of Directors



Mr. Yaser Sultan Al-Mannai
Chairman Represent himself. (In dependent)



Mr. Fahad Abdulla Malik
Vice chairman Represent himself. (Independent)



Mr. Abdulaziz Mohamed Al-Tamimi
MD & Board Member Represent himself. (Independent))



Mr. Abdulla Khaled Al-Obaidan
Board Member Represent himself. (Independent)



Mr. Mubarak Ali Al-Marri
Board Member Represent himself. (Independent)



Mr. Mohammed Ahmad Al-Asmakh
Board Member Represent himself. (Independent)

Clarification by the Board of Directors of the Qatari German Company for Medical Devices regarding the annual financial statements for the year 2025.

Esteemed Shareholders,

We are pleased to present to you the Company's results for the fourth quarter of the financial year 2025, which reflect a noticeable improvement in overall performance as a result of the administrative and organizational efforts made during the past period, particularly with regard to managing and settling liabilities, as well as increasing revenues and investments in the Company.

Despite the financial challenges and difficulties faced by the Company during the first half of the year, a clear future plan was approved in July 2025 to improve the Company's position. Its implementation has already commenced through internal restructuring aimed at enhancing operational efficiency and elevating institutional performance. In August, practical steps were initiated to address accumulated liabilities, where a significant portion was settled and repaid, positively impacting the Company's financial position. In addition, internal legal processes were activated, and greater scrutiny was applied to procedures and transactions.

As part of improving operational efficiency, the Company initiated negotiation processes with suppliers and partners to reduce operating costs, while maintaining the quality of products and services without any compromise.

The Company has also worked on attracting a number of manufacturers in the medical sector, contributing to maximizing the utilization of its advanced facilities, expanding its business base, and increasing revenues.

We reaffirm our full commitment to our shareholders and promise to continue exerting further efforts in the coming phase. We look forward to 2026 as a foundational year for building a strong and sustainable base for the Company through enhancing internal governance systems, increasing revenues, and launching new production lines that support growth and expansion.

Our Vision

QGMD was set up with a vision to revolutionize international patient care safety standards around the world.

Through our innovation in every aspect of product development and disposal, our responsibility for the wellbeing of healthcare personnel and our commitment to raising the quality of patient care – we are determined to contribute back to our communities by raising awareness about healthcare safety wherever we are in the world.

Our Mission

QGMD is striving to become a leading medical devices manufacturer in the healthcare industry worldwide, by continuing to introduce innovative and superior medical devices which guarantee better patient care.

- To introduce cutting edge solutions to the medical devices industry whereby Patient and Medical Staff Care are the core of our innovation.
- To provide the international health community with safe, effective, and efficient medical devices of the highest quality.
- To reduce/eliminate (where possible) any potential risks associated with Medical Devices reuse and accidental needle stick injuries.
- Continued R&D and investment to produce innovative medical devices for the benefit our patients and medical staff, and the community as a whole.

Who We Are ?

QG Medical Devices is a leading manufacturer of Medical Devices in the Middle East. Headquartered in Doha, Qatar, QG Medical Devices boasts a state-of-the-art production facility designed by reputable innovative technology providers from Germany, Switzerland and Italy.

QG has proved to be a credible contender in the medical devices industry where progressive healthcare markets of uncompromising standards, such as Europe, started to rely on QG patient-centric products for superior quality. For the same reasons, QG Medical Devices is realizing rapid growth of market share worldwide.

What we do ?

QG Medical Devices is striving to become a leading medical devices manufacturer in the healthcare industry worldwide, by continuing to introduce innovative and superior medical devices which guarantee better patient care.

1) To introduce cutting edge solutions to the medical devices industry whereby Patient and Medical Staff Care are the core of our innovation

2) To provide the international health community with safe, effective, and efficient medical devices of the highest quality.

3) To reduce/eliminate (where possible) any potential risks associated with Medical Devices reuse and accidental needle stick injuries.

What we do ?

4) Continued R&D and investment to produce innovative medical devices for the benefit of our patients and medical staff, and the community as a whole

To introduce cutting edge solutions to the medical devices industry whereby Patient and Medical Staff Care are the core of our innovation.

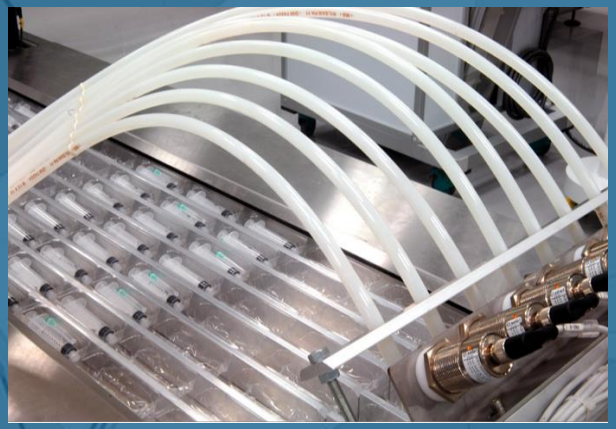




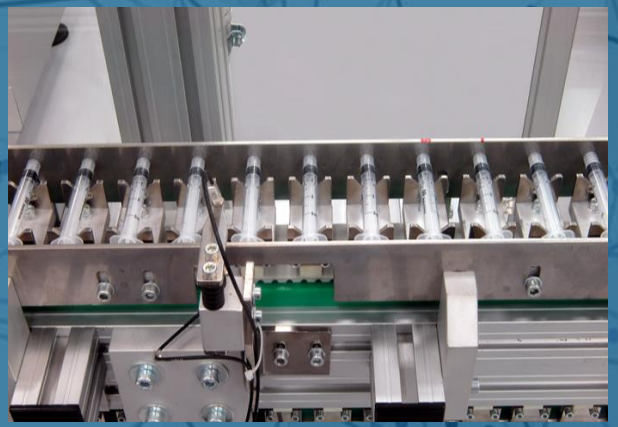
Our Production Facility







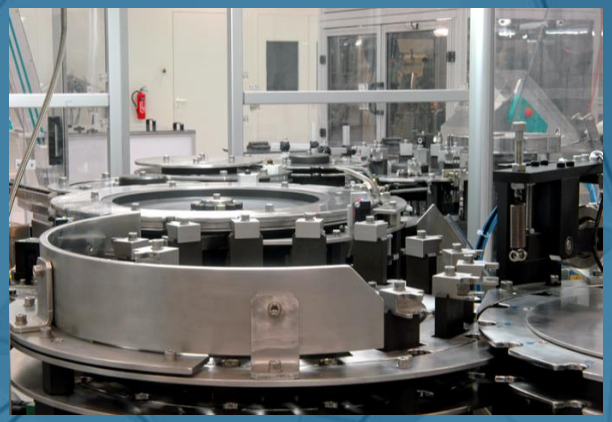


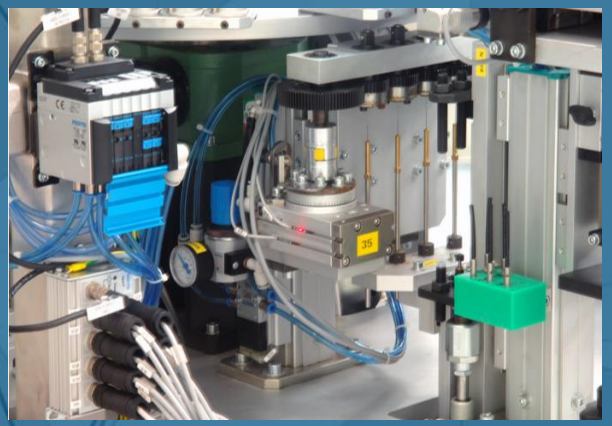




Our Production Facility













Corporate Governance

QATARI GERMAN FOR MEDICAL DEVICES COMPANY

(Q.P.S.C)

CORPORATE GOVERNANCE REPORT 2025

Index

Contents

Introduction 3
Commitment to Comply with Corporate Governance 3
Corporate Governance Achievements for the Year Ended 31 December 2025 3
Board Members Experience : 5
Board Meetings : 6
Changes in the Board's directorships during 2025 7
Non-executive Board Members 7
Independence 7
Prohibition of combining positions 8
Board's Role 8
Board Duties 8
Board of Directors Evaluation: 9
Remuneration 10
Chairman of the Board 10
Board Secretary 11
Board Committees 11
QGMD Executive management: 15
Internal Control Systems 17
Risk Management 17
Internal Audit 18
External Audit 18
Shareholder's Rights : 19
Conflict of Interest and Insider Trading 19
List of Board Member s' Share ownership 20
Environmental Responsibility 20
Social Responsibility: 20
Disputes and Lawsuit 20
Violations and penalties 21
Transactions and dealings with related parties 21
QGMD' s Capital 21

الشركة القطرية الألمانية للمستلزمات الطبية (ش.م.ع.ق)
Qatari German For Medical Devices Company (Q.P.S.C)
QG™ MEDICAL DEVICES

Introduction

The Qatari German For Medical Devices Company (Q.P.S.C) is a leading company in the field of medical supplies in the Middle East. Its headquarters is located in Doha, Qatar.

It utilizes its most modern and advanced manufacturing facility, making it a strong competitor in the medical supplies industry. Advanced healthcare markets rely on the company's high-quality products, which prioritize patient needs.

This report outlines the company's corporate governance framework and key governance practices. The Qatari German Company for Medical Devices continues to adopt a framework aimed at full compliance with regulatory requirements.

The Board of Directors has adopted a corporate governance framework that defines how the Board, its committees, and the executive management team govern and manage the affairs of the Qatari German Company for Medical Devices. Developing corporate governance standards to achieve best governance practices is a priority for both the Board of Directors and senior executive management. The company continuously enhances and improves its governance principles and structure in the interest of its shareholders and current and potential stakeholders.

Commitment to Comply with Corporate Governance

Qatari German For Medical Devices Company (Q.P.S.C) comply with all relevant rules and regulations issued by the Qatar Financial Markets Authority ("QFMA" or the "Authority") including the Governance Code for Companies and Legal Entities Listed in the Main Market.

Corporate Governance Achievements for the Year Ended 31 December 2025

The Qatari German for Medical Devices Company has developed and commenced several initiatives to comply with the new requirements of the Qatar Financial Markets Authority in relation to adopting and implementing the new regulatory developments, including but not limited to the following:

- Continued to enhance its Corporate Governance Framework with the aim of achieving full compliance with the codes and related laws.
- The company has a corporate governance policy developed in line with the best standards of corporate governance.
- As a result of the company's compliance with the principles of the governance framework , the company did not receive any warnings or penalties during the year 2025.

Board of Directors

Board Members

- The Board of Directors currently consists of 6 members who were originally elected for the term 2024–2027. Members may be re-elected in accordance with the company's Articles of Association through a secret ballot by the General Assembly.

- According to the company's Articles of Association (Article 24), the Board of Directors shall consist of 7 members. However, in the event of a vacancy, the Board may continue with the remaining members provided that their number does not fall below 5 members, in accordance with Article (29).

- Independent members represent more than one-third of the Board of Directors, with the majority being non-executive members, in compliance with Article 1, paragraph four, clause 3 of the Corporate Governance Code issued by the Qatar Financial Markets Authority.

- The table below provides information on the current Board members (2024–2027):

Name	Representing	Designation	Executive/Non-Executive
Mr. Yaser Sultan Al-Mannai	Himself	Chairman - Independent	Non-Executive
Mr. Fahad Abdulla Malik	Himself	Vice Chairman - Independent	Non-Executive
Mr. Mubarak Ali Al-Marri	Himself	Board Member - Independent	Non-Executive
Mr. Abdulaziz Mohammed Saad Al-Tamimi	Himself	Board Member – (Managing Director)	Executive
Mr. Mohammed Ahmad Al-Asmakh	Himself	Board Member - Independent	Non-Executive
Mr. Abdulla Khaled Al-Obaidan	Himself	Board Member - Independent	Non-Executive

Board Members Experience :

Board Member Name	Board Member Experience
Mr. Yaser Sultan Al-Mannai	• More than 23 years of professional experience, he currently holds the position of General Manager of AlMaham international • General Manager of Connecting U Business Company • He also worked as director of the private hospitality office for His Highness the Amir • Member of the founding committee of Al Rayyan Channel • Founding partner of Alec Al Doha Contracting Company • Worked as project manager for the reconstruction of southern Lebanon (2006) • He holds a bachelor's degree in planning and policies Development from Qatar University
Mr. Fahad Abdulla Malik	• More than 16 years of professional experience, he is currently the Manager of External Relations and Liaison at the Education Above All Foundation • He also holds the honorary position of Manager of Public Relations and Communications at the Friends of the Environment Center • Previously, he served as Manager of Partnerships and Resource Development at Silatech Foundation • He previously held the position of Manager of the Public Services Department at Silatech • He holds a bachelor's in Arts in management from Harriot Watt University - Scotland • He also later obtained a master's degree in human resources from Jadara University - Jordan
Mr. Mubarak Ali Al-Marri	• Over 18 years of professional experience; currently serving as a Senior Public Relations Specialist at the Ministry of Education and Higher Education • Member of the Board of Directors of Al-Sailiya Sports Club • Head of the Youth Department at Al-Sailiya Club since 2022 • Member of the Public Relations Committee in the Qatari Hajj Mission for four seasons (1428–1432 AH) in the Holy Sites – Makkah • Deputy Head of Protocol at Marriott Hotel during the 2011 Arab Games in Doha • Member of the Ceremonies Committee for the 24th Men's Handball World Championship (Qatar) as Assistant Protocol Officer from 01/01/2015 to 15/02/2015 • Head of the Qatari delegation participating in the 4th Young Media Forum, Lebanon 2019 • Head of the Qatari delegation participating in the GCC Summer Scout Camp, Oman 2023 • Holds a Bachelor's degree in Business Administration
Mr. Abdulaziz Mohammed Saad Al- Tamimi	• Over 12 years of professional experience; currently working as a Legal Advisor at Ooredoo Qatar • Previously worked on the Hamad Port project, representing in several committees and serving as Secretary for the Steering Committee and the Tender Committee for 9 years • In addition to his role at the Qatar Fund for Development as a Contracts Specialist and Project Supervisor • He holds a Bachelor's degree in Law with honors and Professional English - Bangor University, United Kingdom
Mr. Mohammed Ahmed Al-Asmakh	• He currently holds the position of member of the Board of Directors of Qatar Oman Investment Company • Also serves as a Board Member of Widam Food Company • He worked at Qatari Diar Real Estate Investment Company in financial management • Holds a bachelor's degree in finance - University of San Diego – USA • Also holds a master's degree in international business administration and development from Birkbeck university London – UK • Board Member in Qatar Oman Investment Company
Mr. Abdulla Khaled Al-Obaidan	• He holds the position of Senior Contracts and Procurement Engineer at Qatar Airways • He held a responsible position in the transformation and strategy department at Qatar Airways • He holds a Bachelor's degree in Mechanical Engineering from the University of San Diego - USA

Qatari German For Medical Devices Company (Q.P.S.C) MEDICAL DEVICES

Board Meetings :

• The Board of Directors held 12 meetings during the year 2025, in compliance with the minimum requirements of the Corporate Governance Code issued by the Qatar Financial Markets Authority (Article 2, Second Clause) and the Company's Articles of Association (Article 31).

• All Board meetings were attended by the majority of members, including the Chairman of the Board, in compliance with the Company's Articles of Association (Article 31), which stipulates that a Board meeting is only valid if attended by at least half of the members, provided that the number of attendees is not less than three members.

• Board members are committed to acting in good faith, exercising due diligence and care, expressing their views openly, and maintaining their loyalty to the Company. They also take all reasonable steps to remain fully aware of any potential issues affecting the Company. In addition, Board members are committed to dedicating the necessary time and effort to perform their duties throughout their term of office.

• The table below presents information related to the Board meetings held in 2025.

Board Meetings			
No	Date	Attendees	Absentees
1	2025/02/26	6	0
2	2025/03/23	6	0
3	2025/04/15	5+1 Delegation	0
4	2025/05/28	6	0
5	2025/07/08	6	0
6	2025/08/14	6	0
7	2025/08/21	6	0
8	2025/09/22	6	0
9	2025/10/05	6	0
10	2025/10/28	6	0
11	2025/11/12	6	0
12	2025/12/24	5+1 Delegation	0

Changes in the Board's directorships during 2025

Appointment of a Managing Director:

Name	Representing	Position	Executive / Non-executive	Date of appo
Mr. Abdulaziz Mohammed Saad Al-Tamimi	Himself	Board Member – (Managing Director)	Executive	02 June 2025

New joiners to the board of directors:

Name	Representing	Position	Executive / Non-executive	Joining Date
None				

Non-executive Board Members

The majority of the Board of Directors were non-executive members throughout the year ended 31 December 2025. The Company applied the definition of a non-executive Board member in accordance with the Regulations, which states that a non-executive director is a member who does not perform executive management duties within the Company, is not dedicated full-time to managing the Company or participating in its day-to-day operations, and does not receive a monthly remuneration.

Independence

The Company acknowledges that, in accordance with the Corporate Governance Rules, at least one-third of the Board members are independent, and it strives to the best of its ability to achieve the independence of one-third of the Board of Directors.

The independent members of the Board of Directors are not currently subject to any factors that may limit their ability to address the Company's affairs in a neutral and objective manner, based on known and established facts.

Prohibition of combining positions

Board members refrain from holding prohibited positions, in compliance with Article (3) of the law issued by the Authority.

All members of the Board of Directors have submitted the annual declaration form disclosing independence and conflicts of interest.

Board's Role

The Board of directors independently oversees the activities of the Company with the objective of sustainable creation of value, considering the interests of the shareholders, its employees and other stakeholders.

The Board members act in good faith and in such a manner, as they reasonably believe, to be in the best interests of the Company. The Directors also:

- Comply with all applicable laws, regulations, confidentiality obligations and other corporate policies of the Company.
- Follow all policies, procedures and internal control systems of the Company.
- Act with honesty, good faith and in the best interests of the Company, and not in the interest of the group it represents, or who voted for him.

The Board commits to complying with the principles of justice and equality among stakeholders without discrimination. Among them on basis of race, gender and religion; and transparency.

Board Duties

The Board independently manages the Company with the objective of sustainable creation of value, considering the interests of the shareholders, its employees and other stakeholders.

- The Board develops the Company's strategy and ensures its implementation.

  The Board ensures that all provisions of law and the Company's internal policies are abided by and works to achieve their compliance by members of the Company (compliance).
- The Board ensures appropriate risk management and risk controls within the Company
- The Board advises regularly, and supervises, the Executive Management of the Company and the General Managers. It must be involved in decisions of fundamental importance to the Company.
- The Board is responsible for issuing and publishing the Board Charter as per the requirement of the Code.
- The Board examines the efficiency of its activities on a regular basis
- In discharging their duties, the members of the Board act in good faith and exercise the same care and diligence which an ordinary, prudent person would exercise in taking

Qatari German For Medical Devices Company (Q.P.S.C)
MEDICAL DEVICES

care of his own money under similar circumstances, and reasonably act in the best interest of the Company.

- Members of the Board take reasonable steps to be fully aware of all relevant issues, including engaging in due diligence, and make informed and independent decisions when voting on Company matters. The duty of care also requires the members of the Board to take reasonable steps to monitor the Company's Executive Management and finances.

Board Members' Duties

All Board members shall comply with the following duties:

- Attending meetings of the Board and committees regularly, and not withdrawing from the Board.
- Ensuring that priority shall be given to the shareholders' interests over their own.
- Providing opinion on strategic matters, project implementation, staff accountability systems, resources, key appointments, and operation standards.
- Monitoring the Company's performance in realizing its agreed objectives and goals and reviewing its performance reports including the Company's annual, half yearly and quarterly reports.
- Supervising the development of procedural rules for QGMD governance to ensure their implementation in an optimal manner and in accordance with QFMA's requirements.
- Using their varied skills and experiences with diversified specialties and qualifications through an effective and productive management of the Company, and working to achieve the interests of QGMD, partners, shareholders, and other stakeholders.
- Effective participation in the Company's general assemblies, and achieving its members' demands in a balanced and fair manner.
- Disclose financial and trade relations, and litigants, including the judicial, which may impact negatively on carrying out the tasks and functions assigned to them.

The Board members, at the Company's expense, may request an opinion of an independent external consultant on issues relating to any of the Company's affairs.

Board of Directors Evaluation:

The company shall perform an annual board of directors evaluation which includes

The main components of the BOD structure and its responsibilities, including the composition of the BOD, the ease of access to information and their quality, the main responsibilities and tasks of the board members, their relationship with the executive management and also the performance of the board committees.

It also includes a section on evaluating the authorities and public information in terms of their availability and effectiveness.

And another part about clarity of statements, meetings mechanism, professionality, and commitment of members.

According to the performance evaluation for the year, the following outcomes were reported:

Rating scale: (1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

First: Evaluation in terms of composition: The average score was **(3.5)**. The following comments and recommendations were noted:

- Separate remuneration for active members.
- Assigning and selecting members based on their experience and competence.
- Increasing the number of Board members to enhance independence and decision-making.
- Some Board members need to exert more effort and engagement to improve Board decisions.
- Encourage members to discuss topics in detail, provide proposals, and exert greater effort for development.

Second: Structure and Committees: The average score was **(3.9)**. The following comments and recommendations were noted:

- Restructuring the committees.
- Dissolving the Executive Committee.
- Amending the mandates of committees, particularly the Nomination and Audit Committees, to enhance their independence in decision-making.
- The Audit Committee is considered important and the current committee is making sufficient efforts to improve and align its role with full independence. However, the committee still requires a member with expertise in auditing and accounting, and with comprehensive knowledge of its responsibilities in detail.

Third: Authorities and general information: The average score was **(3.7)**:

- No comments or recommendations.

Fourth: Work procedures: The average score was **(3.6)**. The following comments and recommendations were noted:

- All Board members need to follow up on key matters and contribute to providing support and advice, in addition to requesting any additional information or documents prior to Board meetings for inclusion.

Remuneration

The Chairman and members of the Board of Directors unanimously approved the allocation of a budget for Board members' meeting attendance remuneration for the year 2025, at a rate of QAR 15,000 per member, with a minimum of QAR 10,000, and a total amount not exceeding QAR 90,000, subject to approval by the upcoming General Assembly in accordance with the regulations.

Note: In accordance with the Extraordinary General Assembly meeting held on 22 June 2025 of the Qatar German Medical Devices Company (Q.P.S.C.), which included an amendment to Article (36) regarding the remuneration of the Chairman and members of the Board of Directors in the Company's Articles of Association, the matter is currently being processed with the relevant authorities in the State.

Qatari German For Medical Devices Company (Q.P.S.C) MEDICAL DEVICES

Chairman of the Board

Responsibilities

The Chairman is responsible for ensuring the proper functioning of the Board in an appropriate and effective manner by ensuring that the Board discusses all the issues presented to it in a timely manner and approving the agenda of every meeting of the Board and taking into consideration matters proposed.

Duties

- The Chairman chairs the Board meetings; coordinates work within the Board and attends to the affairs of the Board externally.
- The Chairman is responsible for calling Board meetings and approving their agendas. This may be delegated by the Chairman to the Vice Chairman, a Board Member but remains the Chairman's ultimate responsibility.
- The Chairman of the Board shall regularly maintain contact with the Board, and consult with them on strategy, business development and risk management of the Company. The Chairman of the Board will inform the Board without delay of important events which are essential for the assessment of the situation and development as well as for the management of the Company.

Board Secretary

The Board Secretary assists the Chairman and all Board members in conducting their duties. His/her principal role is to advise the Board and the Chairman on governance matters that have the potential to affect the Company's operations whilst enhancing the Board's performance through the provision of impartial and relevant advice regarding guidance on Board procedures, legal requirements and other areas of corporate governance, along with developments in international best practice.

During the year 2025, Ms. Marwa Makki held the position of Board Secretary in addition to her role as Investor Relations Officer since 6 March 2024. She later resigned from her position, and Mr. Abdullah Karimi was appointed in her place, he has over 12 years of experience in administrative and financial affairs. One of his most notable professional roles was serving at the Qatar Red Crescent as an Executive Secretary in the Medical Affairs Sector during the period 2010–2012.

Board Committees

The Board forms committees with sufficient expertise. The committees serve to increase the efficiency of the Board's work and the handling of complex issues. The nominated committee chairmen report regularly to the Board on the work of their respective committees.

الشركة القطرية الألمانية للمستلزمات الطبية (ش.م.ق.ك)
Qatari German For Medical Devices Company (Q.P.S.C)
MEDICAL DEVICES

Executive Committee

The Executive Committee consists of 3 members, and it is chaired by an independent member. The table below presents information regarding the current committee members (2024–2027).

Name	Representing	Designation	Executive/Non-Executive
Mr. Abdulla Khaled Al-Obaidan	Himself	Head of Committee	Non-Executive
Mr. Mubarak Ali Al-Marri	Himself	Member	Non-Executive
Mr. Abdulaziz Mohammed Al-Tamimi	Himself	Member	Executive

- The Executive Committee held 5 meetings during the year 2025

The table below presents information regarding the Executive Committee meetings held in 2025.

Executive Committee meetings			
Committee Meeting Ref.	Date	Members attended	Members Absent
1	2025/02/16	3	0
2	2025/06/04	3	0
3	2025/07/15	3	0
4	2025/09/18	3	0
5	2025/10/15	2	1

Major decisions and actions taken by the executive committee:

- Approval of the proposed plan to secure the necessary materials and spare parts to avoid disruption of operations.
- Approval of the Company's strategic plan and initiation of its implementation, which shall be supervised by the Managing Director.
- Approval of an operational plan to reduce electricity consumption at the factory.

الشركة القطرية الألمانية للمستلزمات الطبية (ش.م.ع.ق)
Qatari German For Medical Devices Company (Q.P.S.C)
QG MEDICAL DEVICES

Audit Committee

The Audit Committee consists of 3 members and is chaired by an independent member. The table below presents information regarding the current committee members (2024–2027).

Name	Representing	Designation	Executive/Non-Executive
Mr. Mohammad Ahmed Al-Asmakh	Himself	Head of Committee	Non-Executive
Mr. Mubarak Ali Al-Marri	Himself	Member	Non-Executive
Mr. Abdulla Khaled Al-Obaidan	Himself	Member	Non-Executive

- The Audit Committee held 12 meetings during the year 2025, in compliance with the minimum requirements of the Corporate Governance Code issued by the Qatar Financial Markets Authority (Article 4).
- The Table below table presents the information about Audit Committee Meetings held in 2025:

Committee Meeting Ref.	Date	Members attended	Members Absent
1	12/01/2025	3	0
2	23/02/2025	3	0
3	20/03/2025	3	0
4	29/04/2025	2+1 Delegation	0
5	04/06/2025	3	0
6	13/07/2025	3	0
7	30/07/2025	3	0
8	18/08/2025	3	0
9	21/08/2025	3	0
10	14/10/2025	3	0
11	28/10/2025	3	0
12	01/12/2025	3	0

Key resolutions of the Audit Committee:

- Review and approval of the interim and annual financial statements for the year 2025 of the Company, and discussion thereof with the Executive Management and the external auditor prior to their submission and approval by the Board.
- Recommendation to the Board of Directors to ensure compliance with the provisions of Qatar Financial Markets Authority Board Decision No. (5) of 2025, particularly with regard to committee membership and the appointment of an internal auditor.
- Approval of the external audit firm for the year 2025.
- Approval of the internal audit firm for the fourth quarter of 2025 and for the year 2026.

Nomination & Remuneration and Governance Committee

The Nomination, Remuneration, and Governance Committee consists of 3 members and is chaired by the Managing Director. The table below presents information regarding the current committee members (2024–2027).

Name	Representing	Designation	Executive/Non-Executive
Mr. Abdulaziz Mohamed Al-Tamimi	Himself	Head of Committee	Executive
Mr. Mubarak Ali Al-Marri	Himself	Member	Non-Executive
Mr. Fahad Abdulla Malik	Himself	Member	Non-Executive

- The Nomination, Remuneration, and Governance Committee held 9 meetings during the year 2025.
- The table below presents information regarding the meetings of the Nomination, Remuneration, and Governance Committee held in 2025.

Nomination , Remuneration and Governance Committee Meetings				
No	Committee Meeting Ref.	Date	Members attended	Members Absent
1	1	2025/01/14	3	0
2	2	2025/02/09	3	0
3	3	2025/02/17	3	0
4	4	2025/04/23	3	0
5	5	2025/06/06	3	0
6	6	2025/09/21	3	0
7	7	2025/10/28	3	0
8	8	2025/11/24	3	0
9	9	2025/12/30	2+1 Delegation	0

Key decisions of the Nominations, Remuneration, and Governance Committee:

- Approval of the amendment to the Company's organizational structure to align with the nature of its operations.
- Review of the proposed amendment to the Human Resources policy applied within the Company and its alignment with the Labour Law.
- Approval of the proposal to amend working days from 5 days to 6 days per week.
- Approval of the proposed mechanism for enforcing disciplinary sanctions related to job underperformance and negligence.
- Recommendation to the Board of Directors to ensure compliance with the provisions of Qatar Financial Markets Authority Board Decision No. (5) of 2025, with regard to the formation of a mandatory committee named the (Risk Management and Compliance Committee).

QGMD Executive management:

Mr. Amer Abu Shaikha resigned from the Company, and Mr. Abdulaziz Mohammed Saad Al-Tamimi was appointed as Managing Director.

Job Responsibilities

- Supervise the Company's operational management.
- Be responsible to the Board of Directors for the efficient and effective operations of the Qatar German Medical Devices Company, and for ensuring compliance with regulatory requirements as well as adherence to Board-approved policies.
- Provide the required link between the Board of Directors and management.
- Supervise and monitor the performance of the Company and its departments.
- Chair weekly meetings and meetings held with all department managers to follow up on budget, strategy, and the implementation of Board resolutions.
- Create business opportunities and follow up on administrative policies.
- Establish and maintain strong relationships with various clients and investors.
- Submit periodic reports on the Company's activities to the Board of Directors.
- Manage the Company's financial resources, supervising and monitoring financial performance to ensure financial stability and sustainable profitability.
- Initiate a debt settlement strategy for accumulated debts over past years and resolve them.
- Initiate the pharmaceutical trading business and enter into a partnership with Dawi Holding Company (Egypt), one of the largest pharmaceutical companies in the Middle East, and work on the project agreement for implementation in 2026.
- Develop a policy to increase external sales, initially focusing on 5 countries, and review pricing for international sales.
- Develop a policy to assess employee efficiency and productivity.
- Review employee contracts and establish a retention policy aligned with the Company's strategy and operations.
- Conduct a business nature study, risk assessment, and develop contingency plans.

Mr. Shalin Paul, Financial Accountant, resigned from the Company, and Mr. Shehroz Majeed, Accountant, was assigned to handle financial affairs.

Job Responsibilities:

- Participate in developing the main objectives of financial management, developing and implementing plans, programs and projects that contribute to achieving these objectives,and ensuring the existence of accurate frameworks and standards to determine the level of achievement of these plans and objectives.
- Ensure the implementation of the company's financial policies, rules, decisions, and instructions, develop financial strategies in accordance with established goals and objectives, and oversee the identification of financial needs, return requirements, and risk framework.

- Coordinate with other departments to identify their financial needs, monitor spending movements, ensure they are recorded in accordance with established financial regulations, and submit relevant recommendations to executive management.
- Supervising the preparation of financial reports and balance sheets, analyzing final accounts, organizing financial and accounting records and books, ensuring the integrity of entries, following up on their closure, directing subordinate employees, and ensuring their compliance with all applicable financial and accounting systems and rules.
- Supervising the preparation of summaries and reports that clarify the overall achievement rates regarding financial resources, presenting them to senior management, informing them of various challenges and developments, and consulting them on various important future issues and initiatives.

Ms. Nitho Das – Sales and Marketing Supervisor.

Job Responsibilities

- Increasing, attracting, and retaining more customers
- Designing annual sales plans based on market research and monitoring customer requests to ensure they are met.
- Determining strategic sales objectives by setting a set of expectations about the volume of sales that will be achieved, compared to the amount of profits that include the revenues that have been collected, and also relying on studying and analyzing the company's previous sales.
- Developing the projected sales percentage and planning to achieve it in the future. This is accomplished by preparing a study related to current economic data, reviewing previous sales results, and monitoring these results.
- Achieving and increasing expected profits according to pre-established plans.

Eng. Abdul Qader Saleh – Operations Manager

Job Responsibilities

- Develop and implement production plans and schedules that ensure production targets are met and products meet or exceed quality standards.
- Manage and oversee all aspects of production, from raw material selection to processing, packaging, and distribution.
- Develop and implement strategies to increase production efficiency and reduce waste. This may include analyzing production processes and identifying areas for improvement. such as reducing downtime, improving schedules, or implementing new technologies.
- Ensure the development and maintenance of standard operating procedures for all aspects of the production.

Qatari German For Medical Devices Company (Q.G.M.D.C)
MEDICAL DEVICES

- Ensure compliance with all relevant regulations and safety standards, including labors' safety, environmental, and labor laws.
- Ensure the facility is maintained in a safe and clean condition, implement safety protocols, and conduct regular safety audits to identify potential hazards and risks.
- Develop and manage budgets, control costs, and ensure production goals are met within budget.

Mrs. Marwa Mekky – HR and Admin Manager, resigned from the Company, and Mr. Abdullah Karimi was assigned to handle Human Resources affairs Job

Responsibilities

- Forming a link between the company's management and employees, resolving any problems that arise between them.
- Supervising interviews with candidates for admission to the company.
- Developing and directing the company's administrative policies and services.
- Supervising the approval or rejection of leave and leave permits.

Internal Control Systems

- Internal control represents an integral part of the Company's activities and helps ensure the achievement of the Company's objectives in terms of operational effectiveness and performance, reliability of financial reporting, and compliance with applicable laws and regulations.

- The Board of Directors, Executive Management, and all other employees collectively bear responsibility for developing and maintaining sound internal control systems.

Risk Management

The reputation of the Qatar German Medical Devices Company depends on its ability to mitigate risks through various mechanisms for their assessment and management.
The Company manages risks primarily by ensuring that the Board of Directors, its committees, executive management, officers, and employees are fully focused on their defined roles and responsibilities.
The Company believes that training and awareness of the risk management framework are essential for all employees to instill a risk management culture within the organization, and to ensure that every Board member, executive, manager, and employee is capable of managing potential risks arising from the execution of their duties.
During the year 2025, the main risk factor faced by the Company was maintaining a stable rate of business growth during the financial recovery phase. In response, the Chief Executive Officer, in cooperation with the Board of Directors, developed recovery plans to mitigate such risks.
The Company also undertook certain risks to launch new projects aligned with changes in global commercial markets, following an analysis of compliance outcomes versus the level of risk exposure.

Qatari German For Medical Devices Company (Q.P.S.C)
QG MEDICAL DEVICES

Internal Audit

The Company prepared an internal audit report under the supervision of the Executive Management, which was approved by the Audit Committee. The following is a summary of the findings:

Governance	Risk Management	Compliance	Digital Capability
1.2 / 5.0 Immature	1.1 / 5.0 Immature	1.3 / 5.0 Immature	1.6 / 5.0 Immature

The Executive Management is working to appoint a specialized company to develop the internal systems, in order to enhance performance in relation to the areas mentioned in the above table. The Executive Management confirms that the Company has a governance framework in place that meets the required standards. Most of the assessments relate to updating systems in line with the Company's new structure and the requirements of relevant laws issued by the competent regulatory authorities.

External Audit

In accordance with the Companies Law and the regulations of the Qatar Financial Markets Authority, the Company's General Assembly appoints an external auditor based on the recommendation of the Audit Committee to the Board of Directors. The external auditor is appointed for a one-year term, renewable for a similar period, not exceeding five consecutive years.

The appointed external auditor is registered in the list of external auditors of the Qatar Financial Markets Authority. The auditor must comply with the highest professional standards, be fully independent from the Company and its Board members, and have no conflict of interest in its relationship with the Company.

The external auditor submits the audit report to the General Assembly. The auditor or their representative must read the report before the General Assembly and respond to shareholders' questions.

The Ordinary General Assembly of the Qatar German Medical Devices Company selected Moore Stephens & Partners, in its meeting held on 5 May 2025, to audit the Company's accounts for the year ended 31 December 2025, marking the third consecutive year.

Shareholder's Rights :

Shareholders' rights are protected by the Companies law, the Articles of Association, the Board Charter and the Code.
In accordance with the procedures described in the Articles of Association, the Company makes available the following documents to the shareholders upon request:

- Shareholders' register
- Board member information (available on the website)
- Articles of Association
- Annual Report of the Board submitted to the General Assembly
- Any other document submitted to the General Assembly

The company has established a mechanism for shareholders' rights in the governance policy. The company has also dedicated a link on its website for "investor relations", through which it provides shareholders and other stakeholders information related to the company. The information is updated regularly to ensure shareholders receive the most recent information.

Conflict of Interest and Insider Trading

The Qatari German for Medical Devices Company has a well-established conflict of interest policy that forms part of the governance policy framework

- Members of the Board and employees may not, in connection with their work, demand nor accept third-party payments or other advantages for themselves or for any other person or grant third parties' unlawful advantages.
- Members of the Board are bound by the company's best interests. No member of the Board may pursue personal interests in his/her decisions or use business opportunities intended for the Company for himself/herself.
- The Board must disclose information relating to insiders' dealings related to the Company without delay unless it is exempted from the disclosure requirement in an individual case.
- All Board members and Executive Management and people who have access to the Company's financial results and obtain remuneration from the Company are prohibited from trading in the company's stock, as per the QSE's bylaws Article 173 which regulate blackout periods.
- The blackout periods are as follows
    - 1st and 3rd quarter: 1 week prior to the quarter-end until the disclosure date of the financial statements
    - 2nd quarter and year-end: between the period of calling the Board meeting and date of disclosure.
- The Board members shall sign an annual independence and conflict of interest declaration form to confirm that they are responsible for disclosing to the Board any conflicts of interest that exist or is likely to exist with QGMD and disclose their trading in the Company's securities as well as the trading of their spouses and minor children.
- The Board members completed and signed the independence and conflict of interest declaration form for the year 2020.

List of Board Member s' Share ownership

Name	Representing	Designation	Shares Ownership
Mr. Yaser Sultan Al-Mannai	Himself	Chairman	None
Mr. Fahad Abdulla Malik	Himself	Vice Chairman	10 Shares
Mr. Mubarak Ali Al-Marri	Himself	Independent Member	None
Mr. Abdulaziz Mohamed Al-Tamimi	Himself	Managing Director	349,854 Shares
Mr. Mohammed Ahmad Al-Asmakh	Himself	Independent Member	None
Mr. Abdulla Khaled Al-Obaidan	Himself	Independent Member	None

Environmental Responsibility

QGMD is committed to its environmental responsibility, as excess raw plastic is reused in manufacturing under strict quality control. All paper waste rejected during the production process is also recycled

Social Responsibility:

In line with the Company's commitment to its positive social role and its continuous support for the local community and related communities, the Company is also keen to make its annual contribution to a fund supporting social and sports activities.

Disputes and Lawsuit

During the year 2025, the Company resolved several disputes and disagreements related to outstanding receivables from third parties for the current and previous years. The most notable cases are as follows:

1. A financial settlement with Kahramaa regarding accumulated amounts owed by the Company as overdue receivables, which resulted in the restoration of services after their suspension.
2. A financial settlement with Milaha following the initiation of a legal claim for payment, which was subsequently resolved and the case was withdrawn.

Qatari German For Medical Devices Company (Q.P.S.C)

Violations and penalties

There were no violations or penalties related to governance procedures during the year 2025

Transactions and dealings with related parties

During the year 2025, the company did not enter into any transactions or deals with any related party, as the Board of Directors is very keen to disclose any delas that may involve a conflict of interest or dealing with related parties

QGMD' s Capital

The current share capital for the company is QR 115,500,000 and the share price is QR)1(. The Company's capital structure is disclosed in the Company's financial statements as well as on the Qatar Exchange website and the company's website.
In accordance with the company's Article of Association, the company's shareholding ceiling is 25% of the total number of shares. The company receives a monthly Shareholders register from Qatar Central Securities Depository (QCSD). According to the information obtained from QCSD on 31 December 2025, no shareholder exceeds the limit of 25%. The foreigners allowed to own maximum up to 49% of the total shares of the company.

Note: In accordance with the Extraordinary General Assembly meeting held on 22 June 2025 of the Qatar German Medical Devices Company (Q.P.S.C.), which included an amendment to Article (7) regarding the percentage of non-Qatari ownership, the matter is currently being processed with the relevant authorities in the State.

Yaser Sultan Al-Mannai
Chairman
Qatari German for Medical Devices Company

Financial Statement

QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

مورستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants

QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

CONTENTS **Page(s)**

Independent auditor's report 1-5

Financial statements

Statement of financial position 6

Statement of profit or loss and other comprehensive income 7

Statement of changes in shareholders' equity 8

Statement of cash flows 9

Notes to the financial statements 10 - 39

MSP
موريستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
P.O. Box: 17085
T +974 4443 6156
T +974 4443 6105
F +974 4427 9617
Doha, State of Qatar

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Qatari German Company for Medical Devices Q.P.S.C.
Doha, State of Qatar

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Qatari German Company for Medical Devices Q.P.S.C.** (the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, comprising a summary of material accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position, financial performance and its cash flows for the year ended 31 December 2025 in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Qualified Opinion

The Company has reported gross trade receivables of QR 52,073,408 as of 31 December 2025. We did not receive direct balance confirmations from majority of customers. Accordingly, we were unable to determine whether any adjustments to the carrying amounts of trade receivables as of 31 December 2025 might be necessary.

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 in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to Note 16(b) to the financial statements, which describe the status of the Company's borrowings. During 2023, Qatar Development Bank filed a lawsuit against the Company, where the Supreme Judiciary Council - Investment and Trade court ruled to pay the plaintiff an amount of one hundred and twenty-seven million six hundred and eighty-two thousand, eight hundred and seventy riyals (QR: 127,682,870) with an annual profit return of 5% commencing from 12 June 2023 until the date of full payment.

Subsequently, during the year ended 31 December 2024, a settlement agreement was entered into between the parties, and the restructuring of the borrowings commenced. During the year ended 2025, Qatar Development Bank rescheduled the loans with revised terms and conditions as disclosed in Note 16(b) to the financial statements. Accordingly, the Company has reclassified the related liabilities between current and non-current based on the revised repayment schedule.

Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company has accumulated losses of QR 182,795,834 as of 31 December 2025 (2024: QR 190,911,118) exceeding 50% of the share capital of the Company and which resulted in a negative net equity of QR 23,408,879 (2024: QR 32,451,624). As a result, the requirements of Article 295 of the Qatar Commercial Companies Law No. 11 of 2015, as amended by Law No. 8 of 2021, are applicable. Further, the Company's current liabilities exceeded its current assets by an amount of QR 3,230,924 as at 31 December 2025 (2024: QR 141,239,333).

These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists in the Company's ability to continue as a going concern. The accompanying financial statements have been prepared on a going concern basis as management have concluded that the going concern basis of accounting remains appropriate.

Our opinion is not modified in respect of this matter.

MSP
موريستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
P.O. Box: 17085
T +974 4443 6156
T +974 4443 6105
F +974 4427 9617
Doha, State of Qatar

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

Key Audit Matters	How our audit addressed the key audit matters
• **Valuation of buildings under property, plant and equipment and investment property**	
The Company's statement of financial position as of 31 December 2025 includes property, plant and equipment of book value amounting to QR 95,617,788 (2024: QR 100,126,811) and it represents 71% (2024: 70%) of the Company's total assets. The carrying value of buildings under property, plant and equipment amounting to QR 30,139,635 (2024: QR 32,074,303) represents 32% (2024: 32%) and machinery and equipment amounting to QR 64,857,869 (2024: QR 67,211,185) represents 68% (2024: 67%) of the total property, plant and equipment. Investment properties in the statement of financial position amounting to QR 12,441,000 (2024: QR 12,441,000) represent 9% (2024: 9%) of the Company's total assets. Estimating fair value is a complex process involving number of judgements and estimates including key assumptions. Consequently, the valuation of the building and investment property is considered as a key audit matter.	Our audit procedures in this area included, among others: • Assessing the competence, capabilities and objectivity of the expert appointed by the management. • Agreeing the property information in the valuation by tracing a sample of inputs to the underlying property records held by the Company. • Assessing the consistency of the valuation basis and appropriateness of the methodology used, based on generally accepted valuation practices. • Evaluating the appropriateness of the assumptions applied to key inputs such as market prices, which included comparing these inputs with externally derived data as well as our own assessments based on our knowledge of the Company and the industry.
• **Expected credit loss impairment allowance against trade receivables**	
As at 31 December 2025, the Company had trade receivables of QR 52,073,408 net of expected credit loss ("ECL") impairment allowance of QR 50,784,022. We considered this as a key audit matter, as the determination of ECL involves significant estimation and management judgement and these has a material impact on the financial statements of the Company. The key areas of judgment include: 1. Categorization of trade receivables into stage 1, 2 and 3 based on the identification of: i. exposure with a significant increase in credit risk since their origination; and ii. individually impaired/defaulted exposures. 2. Assumptions used in the ECL model determining the probability of default, loss given default, and exposure at default, including but not limited to assessment of financial condition of counterparties, expected future cashflows, developing and incorporating forward looking assumption, macro-economic factors and the associated scenarios and expected probabilities weightages.	Our audit procedures in this area included, among others: • Obtaining understanding of management's assessment of ECL allowance against trade receivables including the Company's internal rating model, accounting policy, model methodology including any key changes made during the year. • Comparing the Company's accounting policy for ECL allowance and the ECL methodology with the requirements of IFRS 9. • Testing of completeness and accuracy of data supporting the ECL calculations as at 31 December 2025. • Assessment of the adequacy of disclosures in the financial statements.

MSP
موريستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
P.O. Box: 17085
T +974 4443 6156
T +974 4443 6105
F +974 4427 9617
Doha, State of Qatar

Key Audit Matters (continued)

The application of these judgements and estimates results in greater estimation uncertainty, and the associated audit risk regarding the ECL calculation as at 31 December 2025. Refer to the following notes of the financial statements. • Note 3.2 – Material accounting policies; • Note 4 – Critical accounting estimates and judgments • Note 10 – Trade and other receivables; and • Note 27 – Financial risk management	

Other Information

The Board of Directors are responsible for other information. The other information comprises of Annual report for 2025, which is expected to be made available to us after the date of auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or 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 we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MSP
موريستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
P.O. Box: 17085
T +974 4443 6156
T +974 4443 6105
F +974 4427 9617
Doha, State of Qatar

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association 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, management 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.

Those charged with governance are 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.

- 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 those charged with governance 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.

MSP
موورستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
P.O. Box: 17085
T +974 4443 6156
T +974 4443 6105
F +974 4427 9617
Doha, State of Qatar

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies Law, we report the following:

- We are in the opinion that proper books of account were maintained by the Company and physical inventory verification has been duly carried out.
- Except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, we obtained all the information and explanations which we considered necessary for the purpose of our audit.
- To the best of our knowledge and belief and according to the information given to us, except for the below, no contraventions of the applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association were committed during the year which would materially affect the Company's financial position and performance.
- As disclosed in Note 11(a) to the financial statements, the Company accrued remuneration to the members of the Board of Directors during the year ended 31 December 2025. Commercial Companies Law No. (11) of 2015, as amended by Law No. (8) of 2021, and further clarified by Circular No. 352/124 (1) issued by the Ministry of Commerce and Industry, prescribe specific conditions and limits for the remuneration of the Chairman and members of the Board of Directors. In particular, where a company achieves profits but does not distribute dividends, board remuneration is subject to defined limits, and is subject to approval by the General Assembly and should be in compliance with limits and conditions stipulated in the Company's Articles of Association.

  During the year, the Company accrued board remuneration without obtaining the required approval from the General Assembly and without meeting the conditions stipulated in its Articles of Association. The management is in the process of taking necessary actions to amend the Articles of Association of the Company where necessary.

  Accordingly, the Company did not comply with the above-mentioned legal requirements as well as with the provisions of Article 18 on corporate governance and legal entities listed on the main exchange as per the QFMA's Decision No. (5) of 2016 regarding the approval of the Board of Directors' remuneration.

موورستيفنز وشركاه محاسبون قانونيون
موورستيفنز
MOORE STEPHENS
Moore Stephens and Partners
Certified Public Accountants
License No. 27 | P.O. Box: 17085 | Doha, Qatar

Fathi Abu Farah
Partner
Moore Stephens and Partners
License No. 294
QFMA Auditor's Registration No. 120189

15 April 2026
Doha, State of Qatar

QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 QR	2024 QR
ASSETS			
Non-current assets			
Property, plant and equipment	*5*	**95,617,788**	100,126,811
Right-of-use assets	*6*	**51,112**	60,405
Investment properties	*7*	**12,441,000**	12,441,000
Intangible assets	*8*	**8,223,245**	10,227,475
Total non-current assets		**116,333,145**	122,855,691
Current assets			
Inventories	*9*	**15,410,162**	15,799,094
Trade and other receivables	*10*	**2,357,023**	4,716,777
Cash and bank balances	*12*	**638,343**	524,023
Total current assets		**18,405,528**	21,039,894
TOTAL ASSETS		**134,738,673**	143,895,585
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY			
Share capital	*13*	**115,500,000**	115,500,000
Legal reserve	*14*	**31,735,090**	30,807,629
Revaluation reserve	*15*	**12,151,865**	12,151,865
Accumulated losses		**(182,795,834)**	(190,911,118)
TOTAL EQUITY		**(23,408,879)**	(32,451,624)
LIABILITIES			
Non-current liabilities			
Borrowings	*16*	**136,098,876**	13,186,722
Provision for employees' end of service benefits	*17*	**369,150**	828,332
Lease liabilities	*6*	**43,074**	52,928
Total non-current liabilities		**136,511,100**	14,067,982
Current liabilities			
Borrowings	*16*	**5,826,063**	138,444,204
Trade and other payables	*18*	**15,800,515**	23,825,483
Lease liabilities	*6*	**9,874**	9,540
Total current liabilities		**21,636,452**	162,279,227
TOTAL LIABILITIES		**158,147,552**	176,347,209
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**134,738,673**	143,895,585

These financial statements were approved by the Board of Directors on 14 April 2026 and were signed on its behalf by:

Yaser Sultan Al-Mannai
Chairman of the Board of Directors

Fahad Abdulla Malik
Vice-Chairman of the Board of Directors

The attached notes from 1 to 32 are an integral part of these financial statements.

موريستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
MOORE STEPHENS
Stamped For Identification Purpose Only

QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	**2025 QR**	2024 QR
Revenue	*19*	**4,572,822**	9,984,533
Costs of revenue	*20*	**(3,021,808)**	(6,940,072)
Gross profit		**1,551,014**	3,044,461
Gain on restructuring of borrowings	*16*	**9,585,423**	–
Other income	*21*	**11,158,942**	2,762,376
Provision of impairment of trade receivables	*10*	**(1,647,270)**	(45,295,586)
Provision for obsolete and non-moving inventories	*9*	**–**	(7,908,492)
Depreciation of property, plant and equipment	*5*	**(4,509,757)**	(4,525,281)
Selling and distribution expenses	*22*	**(71,212)**	(165,702)
General and administrative expenses	*23*	**(5,087,024)**	(5,356,403)
Finance costs	24	**(1,705,506)**	(11,041,287)
Profit/(loss) before income tax		**9,274,610**	(68,485,914)
Income tax expense		**–**	–
Net profit/(loss) for the year		**9,274,610**	(68,485,914)
Other comprehensive income		**–**	–
Total comprehensive income/(loss) for the year		**9,274,610**	(68,485,914)
Basic and diluted earnings per share *(Expressed in QR per share)*	*25*	**0.080**	(0.593)

The attached notes from 1 to 32 are an integral part of these financial statements.

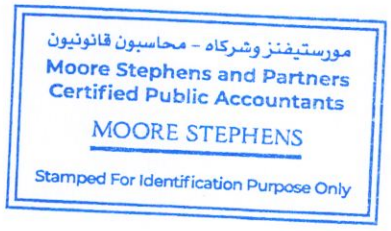
مورستيفنز وشركاه - محاسبون قانونيون
Moore Stephens and Partners
Certified Public Accountants
MOORE STEPHENS
Stamped For Identification Purpose Only

QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital QR	Legal reserve QR	Revaluation reserve QR	Accumulated losses QR	Total QR
As at 1 January 2025	115,500,000	30,807,629	12,151,865	(190,911,118)	(32,451,624)
Total comprehensive income for the year:					
Net profit for the year	–	–	–	9,274,610	9,274,610
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the year	–	–	–	**9,274,610**	**9,274,610**
Transfer to legal reserve	–	927,461	–	(927,461)	–
Social and sports fund contribution	–	–	–	(231,865)	(231,865)
As at 31 December 2025	**115,500,000**	**31,735,090**	**12,151,865**	**(182,795,834)**	**(23,408,879)**
As at 1 January 2024	115,500,000	30,807,629	12,151,865	(122,425,204)	36,034,290
Total comprehensive income for the year:					
Net loss for the year	–	–	–	(68,485,914)	(68,485,914)
Other comprehensive income	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	**(68,485,914)**	**(68,485,914)**
As at 31 December 2024	**115,500,000**	**30,807,629**	**12,151,865**	**(190,911,118)**	**(32,451,624)**

The attached notes from 1 to 32 are an integral part of these financial statements.

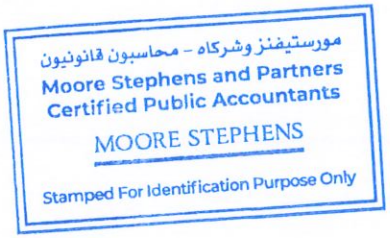


QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 QR	2024 QR
OPERATING ACTIVITIES			
Net profit/(loss) for the year		**9,274,610**	(68,485,914)
Adjustments for:			
Depreciation of property, plant and equipment	5	**4,509,757**	4,525,281
Impairment loss on investment property	7	**–**	43,000
Impairment loss on intangible assets	8	**2,004,230**	102,462
Interest on lease liabilities	6	**2,007**	2,290
Depreciation of right-of-use assets	6	**9,293**	9,293
Gain on disposal of property, plant and equipment		**(64,109)**	–
Gain on restructuring of borrowings		**(9,585,423)**	–
Net (reversal)/provision for employees' end of service benefits	17	**(50,398)**	147,630
Interest on borrowings	24	**1,687,023**	10,746,072
Operating cashflow before movement in working capital		**7,786,990**	(52,909,886)
Changes in			
Inventories		**388,932**	8,930,106
Trade and other receivables		**2,359,754**	43,645,188
Trade and other payables		**(8,559,677)**	2,146,301
Cash generated from operating activities		**1,975,999**	1,811,709
Employees' end of service benefits paid	17	**(105,940)**	(179,824)
Interest on borrowings paid		**(550,536)**	(573,981)
Net cash generated from operating activities		**1,319,523**	1,057,904
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		**64,200**	–
Movement in cash margin account		**221,935**	–
Purchase of property, plant and equipment	5	**(825)**	(36,271)
Net cash generated from/(used in) investing activities		**285,310**	(36,271)
FINANCING ACTIVITIES			
Net movement in borrowings		**(1,257,051)**	(827,910)
Lease repayments	6	**(11,527)**	(11,527)
Net cash used in financing activities		**(1,268,578)**	(839,437)
Net increase in cash and cash equivalents		**336,255**	182,196
Cash and cash equivalent as at beginning of the year		**302,088**	119,892
Cash and cash equivalents as at the end of the year	12	**638,343**	302,088

The attached notes from 1 to 32 are an integral part of these financial statements.



1. Legal status and principal activities

Qatari German for Medical Devices Company Q.P.S.C. (the "Company") was established in the State of Qatar under commercial registration number 23349, as Qatari Public Shareholding Company. The Company was incorporated as a Qatari Public Shareholding Company by virtue of Emiri Decree No. 39 issued on 15 October 2000 and was publicly listed at Qatar Stock Exchange (the "QSE") on 25 March 2002. The Company's registered office is at P.O Box 22556, Doha, State of Qatar.

The Company is engaged in the manufacture of single use disposable syringes and trading in medical equipment, tools and supplies.

These financial statements were authorized for issuance by the Board of Directors on 14 April 2026.

Going concern

The accumulated losses of the Company, as of 31 December 2025 amounted to QR 182,795,834 (2024: QR 190,911,118), which exceeded 50% of the Company's share capital, and resulted in a negative net equity of QR 23,408,879 (2024: QR 32,451,624). Further, as of 31 December 2025, the Company's current liabilities exceeded its current assets by QR 3,230,924 (2024: QR 141,239,333).

Article 295 of the Qatar Commercial Companies Law No. 11 of 2015, as amended by Law No. 8 of 2021, states that if the losses of a shareholding company reach half of its capital, the members of the Board of Directors shall invite the Extraordinary General Assembly of shareholders to convene to discuss the continuity or dissolution of the Company before the term set in its Articles of Association. Furthermore, the law states that if the Board of Directors does not invite the Extraordinary General Assembly, or it was not possible to take a decision regarding the said matter, any stakeholder may request the competent court to dissolve the Company.

As the Company's accumulated losses as of 31 December 2024 exceeded 50% of the share capital, in accordance with Qatar Commercial Companies Law No. 11 of 2015 Article 295, the extraordinary general assembly meeting was held on 22 June 2025 where it was resolved to continue the operations of the Company. The Board of Directors will call the extraordinary general assembly meeting to discuss the same for the year 2025.

2. Adoption of new and revised IFRS Accounting Standards

2.1. New standards and amendments effective in the periods beginning on or after 1 January 2025

The financial statements have been drawn up based on accounting standards, interpretations, and amendments effective at 1 January 2025. The Company has adopted the following new and revised Standards and Interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which were effective for the current accounting period:

Description	Effective from
Amendments to IAS 21 "Lack of Exchangeability"	1 January 2025

The application of this amendment has not had any material impact on the amounts reported for the current and prior periods on the financial statements of the Company.

2.2. New and amended standards not yet effective, but available for early adoption

The Company has not applied the below new or amended standards and interpretations that have been issued by the IASB but are not yet mandatory for the financial year ended 31 December 2025.

Description	Effective from
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	1 January 2026
Annual Improvements to IFRS Standards Volume 11 "Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7"	1 January 2026
Amendments to IFRS 9 and IFRS 7 "Power Purchase Agreements"	1 January 2026
Amendments to IFRS 18 "Presentation and disclosures in financial statements"	1 January 2027
Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	1 January 2027

2. Adoption of new and revised IFRS Accounting Standards (Continued)

2.2. New and amended standards not yet effective, but available for early adoption (Continued)

Description	Effective from
Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investment in Associates and Joint Ventures" are on the sale or contribution of assets between an investor and its associate or joint venture.	Deferred indefinitely

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable, and adoption of these new standards, interpretations, and amendments may have no material impact on the financial statements of the Company in the period of initial application.

3. Basis of preparation and material accounting policies

3.1 Basis of preparation

Statement of compliance

These financial statements of the Company have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), applicable provisions of the Company's Articles of Association, and the applicable provision of the Qatar Commercial Companies Law No. 11 of 2015 and subsequent amendments by Law No. 8 of 2021. The management is in the process of taking necessary actions needed to ensure full compliance with the amended law, including amending the Articles of Association of the Company where necessary and has concluded that the non-compliance at reporting date does not have material impact on the financial statements of the Company.

The financial statements have been prepared in Qatari Riyals (QR), which is the Company's functional and presentation currency and all financial information has been rounded off to the nearest QR, unless otherwise indicated.

Basis of measurement

These financial statements have been prepared under the historical cost convention, except for lease liabilities which are measured at the present value of the lease payments discounted using the Company's incremental borrowing rate of 3.5%, investment property and building and machinery and equipment under property, plant and equipment which have been measured at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Company. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in relevant notes as summarized in note 4. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

3.2 Material accounting policies

The principal accounting policies that have been applied consistently by the Company to all periods presented in these financial statements, are set out below.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses except for building on leasehold land and machinery and equipment which is measured at fair value. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, including the capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognized in the income statement as the expense is incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognized.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Property, plant and equipment (Continued)

The building, machinery and equipment held for use in the Company's operations are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of such assets is recognised in other comprehensive income and accumulated in equity under revaluation surplus, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the property and equipment revaluation reserve relating to a previous revaluation of that asset.

All other fixed assets are caried at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If any such indication exists and where the carrying value of an asset exceeds the estimated recoverable amount, the asset is written down to its recoverable amount.

Depreciation is recognised in income statement on a straight line basis over the estimated useful lives of each component of an item of property plant and equipment. Estimated useful lives of property, plant and equipment for the current and comparative years are as follows:

Buildings on leasehold land	30 years
Machinery and equipment	35 years
Motor vehicles	5 years
Furniture and fixtures	5 years
Computer and software	3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Leases

The Company has leased land from the Ministry of Municipal Affairs and Agriculture for a period of thirty years. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices unless it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Leases (Continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's investment in the relevant leases. Income from finance leases is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the relevant leases.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

Investment property

Land held under operating leases is classified and accounted for by the Company as investment property when the rest of the definition of investment property is met.

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An external independent valuer, having appropriate recognised professional qualifications and current experience of the location and type of property being valued, values the Company's investment property annually. Fair values are based on market values. Market values are the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

Where current prices cannot be established by reference to an active market, valuations are prepared by considering the aggregate of the estimated net cash flows to be received from renting the property. A yield that recognises the specific risks inherent in the net cash flows is then applied to the net annual rental cash flows to determine the value.

Valuations reflect the type of occupier and the general perception of their likely creditworthiness, the division of related costs between landlord and tenant, the incidence of rent reviews and anticipated revised rental levels, and the remaining economic life of the property.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and any change in estimate is accounted for on prospective basis.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the separate statement of profit or loss and other comprehensive income when the asset is derecognised.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Intangible assets (Continued)

Amortization is charged on intangible assets so as to write off the cost or valuation of assets, over their estimated useful lives, on a straight-line basis. Estimated useful lives of intangible assets for the current and comparative years are as follows:

Patent and know-how	Indefinite useful life
Computer software	5 years

Borrowing costs capitalization

Borrowing costs are finance cost and other costs that the Company incurs in connection with the borrowing of funds. A qualifying asset for finance cost capitalization is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Company capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Company recognizes other borrowing costs as an expense in the period in which it incurs them.

The Company begins capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the Company first meets all of the following conditions:

i) Incurs expenditures for the asset;
ii) Incurs borrowing costs; and
iii) Undertakes activities that are necessary to prepare the asset for its intended use or sale.

To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings, if any.

The borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than those specific borrowings mentioned above as made specifically for the purpose of obtaining a qualified asset, are capitalized by applying a capitalization rate to the expenditures on that asset. The amount of borrowing costs that the Company capitalizes during the period is not to exceed the amount of borrowing costs it incurred during that period.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset, and ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses (except for goodwill), the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Trade receivables

Trade receivables without a significant financing component are recognised when they are initiated at their transaction price. All other receivables are initially recognised at fair value, which generally equates to transaction price, less any transaction costs.

Subsequent to initial recognition, trade and other receivables are measured at amortised cost as they are held for the purpose of obtaining contractual cash flows, which are solely interest and principal. Interest is calculated using the effective interest method and included in finance income in profit or loss. Impairment is presented in a separate line in profit or loss.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Trade receivables (Continued)

Derecognition

Trade and other receivables are derecognised when:

- The contractual rights to cash flows from the financial asset expire, or
- the rights to the cashflows are transferred such that:
- substantially all the risks and rewards of ownership are transferred; or
- the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.
- Where the Company enters into transactions where trade and other receivables are transferred but it retains all or substantially all the risks and rewards of the asset, those assets are not derecognised.

Other financial assets

Other financial assets are all initially recognised at fair value, which generally equates to their transaction price. For those not measured at fair value through profit or loss, transaction prices are also adjusted against the carrying amount.

Financial assets at fair value through profit or loss
Financial assets whose payments are not simply payments of principal and interest, including equity instruments and derivatives, are classified as fair value through profit or loss, with all changes in fair value presented in finance income and expense.

Equity instruments at fair value through other comprehensive income
For equity investments that the Company considers to be long term strategic investments, the Company has taken elected to present the changes in fair value through other comprehensive income. On the sale of these equity investments, the cumulative OCI gain/ loss will be transferred within equity and will not be recycled through profit or loss.

Dividends are recognised as other income when there is a right to receive payment.

Derecognition

Financial assets are derecognised when:

- The contractual rights to cash flows from the financial asset expire, or
- The asset is transferred such that:
  a) substantially all the risks and rewards of ownership are transferred; or
  b) The Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

Other financial liabilities

Other financial liabilities are all initially recognised at fair value, which generally equates to their transaction price.

Financial instruments at fair value through profit or loss
Financial instruments are categorised as fair value through profit or loss if they are derivatives, held for trading or designated as such on initial recognition. Gains and losses on such financial liabilities are recognised in the income statement.

Derecognition

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled or expires. If the terms of an existing financial liability (loans and borrowings) are substantially modified this will be considered to meet the criteria for derecognition of the original liability, and a new financial liability is recognised.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Impairment

The following assets have specific characteristics for impairment testing:

Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost.

Loss allowances for trade, retention and other receivables are always measured at an amount equal to lifetime 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 realizing security (if any is held); or
- The financial asset is more than 360 days past due.

Impairment of financial assets

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

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 withing the 12 months after 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 entity 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 amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

- Significant financial difficulty of the customer or issuer;
- a breach of contract such as a default or being more than 360 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the customer will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

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

Impairment losses related to financial assets are presented under net impairment (loss) / reversal on financial assets in the income statement.

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 entirely of 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 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.

3. **Basis of preparation and material accounting policies (Continued)**

3.2 **Material accounting policies (Continued)**

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition, excluding borrowing costs. Cost of the inventory is determined by the weighted average cost methods and includes invoiced cost and other expenditures incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw materials.

Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with banks and highly liquid financial assets with original maturities of three months or less that are subject to an insignificant risk of change in their fair value, and are used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

Equity

Share capital represents the total capital per commercial registration which is treated as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Retained earnings include all accumulated profits or losses of the Company less any dividends, legal reserve and social and sports fund.

Borrowings

After initial recognition at fair value net of directly attributable transaction costs, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Employees' end of service benefits

The end of service benefits to its employees is in accordance with Qatar Labor Law. The entitlement to these benefits is based upon the employees' final salary and length of service. The expected costs of these benefits are accrued over the period of employment.

Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. When measuring fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Fair value measurements (Continued)

The fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Revenue recognition

Revenue from contract with customers

"Revenue from contract with customer" outlines a single comprehensive model of accounting for revenue arising from contract with customers. It establishes a five-step model that applies to revenue arising from contract with customers.

Step 1: Identify the contract(s) with customer.
Step 2: Identify the performance obligation in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate transaction price to the performance obligation in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Sale of goods

The Company is engaged to manufacture single use of disposable syringes and trading medical equipment, tools and supplies.

The Company's contracts with customers for the delivery of goods generally include one performance obligation. The company has concluded that the revenue from sale of goods should be recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery.

Delivery occurs when the goods have been shipped to the specific location, the risks of loss have been transferred to the customer, and either the customer has accepted the products in accordance with the contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any), and existence of significant financing component.

Interest income

Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Revenue recognition (Continued)

Rental income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognised as other income.

The Company has applied IFRS 15 Revenue from Contracts with Customers to allocate consideration in the contract to each lease and non-lease component.

Others
Other income is recognized when earned, and on the accrual basis.

Cost and expense recognition

Expenses are also recognized in the statement of profit or loss and other comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability that can be measured reliably has arisen. Expenses are recognized in the statement of profit or loss and other comprehensive income on the basis of a direct association between costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting years and the association can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

Income tax

Income tax is computed on the net profit adjusted for the tax purposes in accordance with the provisions of Law no. 24 of 2018 concerning Qatari income tax.

Tax expense

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- A business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

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 parent by the weighted average number of ordinary shares outstanding during the period. 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.
Where the effect of the assumed conversion of the convertible notes and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as provision.

3. Basis of preparation and material accounting policies (Continued)

3.2 Material accounting policies (Continued)

Events after the reporting date

Post year-end events that provide additional information about the Company's financial position at reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

4. Critical accounting estimates and judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Certain areas of financial statements require management to make judgements and estimates in application of accounting policies and measurement of reported amounts. These are continuously monitored for any factors that would lead to a change in assumption or lead to a different decision. Any changes in estimates are accounted for prospectively.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are noted below with reference to relevant notes containing further assessment of the nature and impact of the assumptions.

Satisfaction of performance obligation

The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine appropriate method of recognising revenue. The Company has assessed that based on the contract, the Company does not create an asset with an alternative use to the Company, the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company perform and usually has an enforceable right to payment for performance completed to date. In these circumstances the Company recognises revenue over time and in other cases, revenue is recognised at a point in time.

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 Groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement 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 these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or FVOCI 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 the 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.

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP of the country in which it sells its goods to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

4. Critical accounting estimates and judgements (Continued)

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, there has been no revision in the lease terms.

Going concern

Management has assessed 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, management is not aware of any material uncertainties, other than those described in Note 1 to the financial statements, 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.

Fair value measurement of investment properties and property, plant and equipment

The Company carries its investment properties and building, machinery and equipment under property, plant and equipment at fair value, with changes in fair value being recognised in the statement of profit or loss and other comprehensive income. The Company engages independent external valuers to determine the fair value. The valuers used recognised valuation techniques such as market comparable approach.

Impairment of financial assets

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios and the relevant inputs used.

The Company exercises its judgement in assessing whether there has been a significant increase in credit risk in relation to a specific counterparty based on qualitative factors.

The Company also exercises its judgement in determining the relevant scenarios, the related weight of each scenario and the relevant macro-economic factors while calculating the ECL.

Trade receivables
The Company applies the simplified approach to measuring expected credit losses to its trade receivables, which uses a provision matrix. The provision rates are based on days past due for groupings of various customer segments that substantially share the same risk characteristics or loss patterns. The provision rates are initially based on the Company's historical observed default rates and adjusted with current conditions and the Company's view of economic conditions over the expected lives of the receivables. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Cash and bank balances
Impairment on bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its bank balances have low credit risk based on the external credit ratings of the counterparties. While cash balances are also subject to impairment, the identified impairment loss is considered immaterial.

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

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

Use of incremental rate of borrowing

For measuring the lease liability, the Company discounted the lease payments based on its incremental rate of borrowing. The definition of incremental borrowing rate states that the rate should reflect what the Company would be charged to borrow over a similar term and under similar circumstances. To determine an appropriate rate, the Company has obtained the relevant information from its bankers.

4. Critical accounting estimates and judgements (Continued)

Impairment of property, plant and equipment and right-of-use assets

A decline in the value of property, plant and equipment and right-of-use assets could have a significant effect on the amounts recognized in the financial statements. Management assesses the impairment of property, plant and equipment and right-of-use assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that are considered important which could trigger an impairment review include the following:

- significant changes in the technology and regulatory environment
- evidence from internal reporting which indicates that the economic performance of the asset is, or will be, worse than expected

Provision for slow moving or obsolete inventories

Inventories are held at the lower of cost or net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence.

5. Property, plant and equipment

Cost:	Buildings on leasehold land QR	Machinery and equipment QR	Motor vehicles QR	Furniture and fixtures QR	Computers and software QR	Total QR
As at 1 January 2025	58,040,028	95,983,902	330,500	4,040,766	671,627	159,066,823
Additions during the year	–	–	–	516	309	825
Disposals during the year	–	(121,959)	(78,500)	(22,073)	–	(222,532)
As at 31 December 2025	**58,040,028**	**95,861,943**	**252,000**	**4,019,209**	**671,936**	**158,845,116**
Accumulated depreciation						
As at 1 January 2025	25,965,725	28,772,717	330,500	3,206,971	664,099	58,940,012
Charge for the year	1,934,668	2,353,315	–	217,184	4,590	4,509,757
Disposals during the year	–	(121,958)	(78,500)	(21,983)	–	(222,441)
As at 31 December 2025	**27,900,393**	**31,004,074**	**252,000**	**3,402,172**	**668,689**	**63,227,328**
Accumulated impairment						
As at 1 January 2025	–	–	–	–	–	–
As at 31 December 2025	–	–	–	–	–	–
Net carrying amount, **As at 31 December 2025**	**30,139,635**	**64,857,869**	**–**	**617,037**	**3,247**	**95,617,788**

5. Property, plant and equipment (Continued)

Cost:	Buildings on leasehold land QR	Machinery and equipment QR	Motor vehicles QR	Furniture and fixtures QR	Computers and software QR	Total QR
As at 1 January 2024	58,040,028	95,955,858	205,500	4,162,883	666,283	159,030,552
Additions during the year	–	28,044	–	2,883	5,344	36,271
Reclassification during the year	–	–	125,000	(125,000)	–	–
As at 31 December 2024	58,040,028	95,983,902	330,500	4,040,766	671,627	159,066,823
Accumulated depreciation						
As at 1 January 2024	24,031,128	26,419,596	205,500	3,107,324	651,183	54,414,731
Reclassification during the year	–	–	125,000	(125,000)	–	–
Charge for the year	1,934,597	2,353,121	–	224,647	12,916	4,525,281
As at 31 December 2024	25,965,725	28,772,717	330,500	3,206,971	664,099	58,940,012
Accumulated impairment						
As at 1 January 2024	–	–	–	–	–	–
Reversal during the year	–	–	–	–	–	–
As at 31 December 2024	–	–	–	–	–	–
Net carrying amount, As at 31 December 2024	32,074,303	67,211,185	–	833,795	7,528	100,126,811

5. Property, plant and equipment (Continued)

a) The property, plant and equipment listed above were pledged against the loans and borrowings obtained by the Company.

b) Buildings have been constructed on leasehold land obtained from Ministry of Municipal Affairs and Agriculture with an annual lease rental of QR 11,527 for 30 years which will be expired on 30 June 2031 subject to renewal. The right-of-use assets and lease liabilities related to this lease contract are disclosed in Note 6.

c) During 2024, management conducted a review of the estimated useful lives of the machinery and equipment using an independent valuation expert, and as a result had revised the estimated useful life of machinery and equipment from 25 years to 35 years. This change in estimate was made to better reflect the expected utility and economic benefits of these assets over time. The revised useful lives are applied prospectively from the date of the change.

Management believes that the revised estimated useful lives provide a more accurate representation of the economic value and service potential of the assets.

Impairment of property, plant and equipment

The accounting policy related to assessment of impairment has been applied each reporting period to estimate the recoverable value of entire class of property, plant and equipment. As a result and as per management's estimations the recoverable value of the entire class of property, plant and equipment are higher than their carrying value as of reporting date.

In general, the recoverable value of machinery and equipment is determined based on external independent valuer, having appropriate recognised professional qualifications and knowledge of the regional market and understanding to undertake the valuation of machinery and equipment.

During 2017, the independent appraiser's estimated recoverable value of machinery and equipment is lower than its carrying value by QR 6,603,312. Accordingly, the amount was recognised as impairment in the statement of profit or loss and other comprehensive income during the year 2017.

Based on the appraiser's outcome of 2020, the carrying value of machinery and equipment has been increased to QR 75,792,341 and which resulted to reverse the previously recognised impairment loss of QR 4,388,081 during the year ended 31 December 2020.

Based on the appraiser's outcome of 2022, the recoverable value of machinery and equipment amounting to QR 69,800,000 which was higher than their carrying values as of reporting date (which was not significantly deviated to reverse the previously recognised impairment losses).

Based on the appraiser's outcome of 2023, the recoverable value of machinery and equipment has been increased to QR 69,536,262, which resulted in reversal of the previously recognised impairment loss of QR 2,215,231 during the year ended 31 December 2023.

Based on the appraiser's outcome of 2024, the recoverable value of machinery and equipment amounted to QR 67,207,953, which was not significantly different from the carrying value as of 31 December 2024.

Based on the appraiser's outcome of 2025, the recoverable value of machinery and equipment amounted to QR 64,857,866, which was not significantly different from the carrying value as of 31 December 2025.

6. Leases

Lease represents the discounted value of future lease payments for the leased land obtained from Ministry of Municipal Affairs and Agriculture with an annual lease rental of QR 11,527 for 30 years which will be expired on 30 June 2031 subject to renewal. Set below are the carrying amounts of the Company's right-of-use asset and lease liabilities and the movements during the current and comparative years.

Right-of-use asset

	2025 QR	2024 QR
As at 1 January	**116,164**	116,164
As at 31 December	**116,164**	116,164

	2025 QR	2024 QR
Accumulated depreciation		
As at 1 January	**55,759**	46,466
Charges for the year *(Note 23)*	**9,293**	9,293
As at 31 December	**65,052**	55,759
Net book value	**51,112**	60,405

Lease liabilities

	2025 QR	2024 QR
As at 1 January	**62,468**	71,705
Interest expense for the year *(Note 24)*	**2,007**	2,290
Payments of lease liabilities	**(11,527)**	(11,527)
As at 31 December	**52,948**	62,468

	2025 QR	2024 QR
Net lease liabilities:		
Non-current portion	**43,074**	52,928
Current portion	**9,874**	9,540
	52,948	62,468

7. Investment properties

Investment properties are measured at fair value and are presented as follows:

	Building QR	**Total QR**
As at 1 January 2025	12,441,000	12,441,000
As at 31 December 2025	**12,441,000**	**12,441,000**

7. Investment properties (Continued)

	Building QR	Total QR
As at 1 January 2024	12,484,000	12,484,000
Less: Impairment loss *(Note 23)*	(43,000)	(43,000)
As at 31 December 2024	12,441,000	12,441,000

The Company's investment properties consist of a building constructed on the portion of leasehold land (65,779 square feet) for the use of warehouse rented out to an external party based on an operating lease agreement. The rental income arising from the above investment property amounting to QR 2,475,000 for the year ended 31 December 2025 (2024: QR 2,520,000) included under other income (*Note 21*).

The fair value of investment property as at 31 December 2025 was determined by an external independent property valuer, having the appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value was determined based on market comparable approach that reflects recent transaction prices for similar properties. In estimating the fair value of investment property, the highest and best us of property is their current use.

8. Intangible assets

2025	**Patents and know-how QR**	**Computer software QR**	**Total QR**
Cost			
As at 1 January 2025	10,329,937	596,044	10,925,981
As at 31 December 2025	**10,329,937**	**596,044**	**10,925,981**
Accumulated amortization			
As at 1 January 2025	–	596,044	596,044
As at 31 December 2025	**–**	**596,044**	**596,044**
Accumulated impairment			
As at 1 January 2025	102,462	–	102,462
Charge during the year *(Note 23)*	2,004,230	–	2,004,230
As at 31 December 2025	**2,106,692**	**–**	**2,106,692**
Net book value			
As at 31 December 2025	**8,223,245**	**–**	**8,223,245**

During the year, based on the external appraiser's report of 2025, the recoverable value of patents and know-how is valued at QR 8,223,245 which resulted in an impairment loss recognized of QR 2,004,230 (2024: nil) during the year ended 31 December 2025 *(Note 23)*.

8. Intangible assets (Continued)

2024	Patents and know-how QR	Computer software QR	Total QR
Cost			
As at 1 January 2024	10,329,937	596,044	10,925,981
As at 31 December 2024	10,329,937	596,044	10,925,981
Accumulated amortization			
As at 1 January 2024	–	596,044	596,044
As at 31 December 2024	–	596,044	596,044
Accumulated impairment			
As at 1 January 2024	–	–	–
Charge during the year *(Note 23)*	102,462	–	102,462
As at 31 December 2024	102,462	–	102,462
Net book value			
As at 31 December 2024	10,227,475	–	10,227,475

The Company acquired the full rights for the use of the patents and know-how without any limitations and the patents now belong to the Company with full rights. However, defects (if any) on existing patent rights are being upgraded by the management to meet overall objective of the Company.

9. Inventories

	2025 QR	2024 QR
Trading stocks	**8,502,867**	8,521,074
Finished goods	**3,629,638**	3,594,084
Work in progress	**1,265,099**	1,362,879
Raw materials	**7,295,148**	7,599,518
Spare parts	**2,561,253**	2,563,535
Consumables	**158,609**	161,649
Goods in transit	**15,512**	14,319
	23,428,126	23,817,058
Less: Provision for obsolete and slow-moving items	**(8,017,964)**	(8,017,964)
	15,410,162	15,799,094

Movement in provision for obsolete and slow-moving items on inventories is recognized as follows:

	2025 QR	2024 QR
As at 1 January	**8,017,964**	109,472
Provision made during the year	**–**	7,908,492
As at 31 December	**8,017,964**	8,017,964

10. Trade and other receivables

	2025 QR	2024 QR
Trade receivables	**52,073,408**	52,612,547
Less: Impairment loss allowance on trade receivables	**(50,784,022)**	(49,136,752)
	1,289,386	3,475,795
Advances to suppliers	**885,851**	1,087,039
Prepaid expenses	**19,655**	12,688
Staff receivables	**97**	2,227
Other receivables	**162,034**	139,028
	2,357,023	4,716,777

Movement in impairment loss allowance on trade receivables is recognized as follows:

	2025 QR	2024 QR
As at 1 January	**49,136,752**	3,841,166
Provision made during the year	**1,647,270**	45,295,586
As at 31 December	**50,784,022**	49,136,752

The following table provides information about the aging of trade receivables from customers as at 31 December.

	2025 QR	2024 QR
Neither past due not impaired	**807,908**	5,063,033
1 - 90 days	**378,841**	2,864,273
91 - 180 days	**7,725**	158,888
Over 180 days	**50,878,934**	44,526,353
Impaired	**(50,784,022)**	(49,136,752)
	1,289,386	3,475,795

11. Related parties

Related parties represent the major shareholders, directors 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) Compensation to key management personnel

Key management compensation included in the statement of profit or loss as follows:

	2025 QR	2024 QR
Salaries and short-term benefits of key management personnel	**165,000**	–
Board of Directors expenditure (including attendance allowances)	**90,000**	–
	255,000	–

12. Cash and bank balances

	2025 QR	2024 QR
Cash in hand	**32,668**	12,908
Bank accounts	**605,675**	289,180
Cash and cash equivalents as per statement of cashflows	**638,343**	302,088
Margin deposit	–	221,935
Cash and bank balances as per statement of financial position	**638,343**	524,023

13. Share capital

As at 31 December 2025 and 2024, the authorized shares of 115,500,000 at QR 1 par value were issued and paid. The share capital amounts to QR 115,000,000.

14. Legal reserve

In accordance with Qatar Commercial Companies Law and the Company's articles of association, the Company must transfer 10% of the annual net profit to a legal reserve account. The Company may resolve to discontinue the annual transfers when the reserve totals 50% of the share capital. The reserve is not available for distribution except in the circumstances stipulated for in the Commercial Companies Law.

15. Revaluation reserve

The revaluation reserve amounting to QR 12,151,865 as at December 2025 (2024: QR 12,151,865) relates to the revaluation of building in previous years recognised in property, plant and equipment.

Movement in revaluation reserve is as follows:

	2025 QR	2024 QR
As at 1 January	**12,151,865**	12,151,865
As at 31 December	**12,151,865**	12,151,865

16. Borrowings

	2025 QR	2024 QR
Bank facilities	**141,461,790**	150,462,502
Document credit facilities	**463,149**	1,168,424
	141,924,939	151,630,926

a) Bank facilities

The Company obtained several bank loans, documentary credit, overdraft and bank guarantees facilities from Qatar National Bank and Qatar Development Bank for the purpose of warehouse construction and short-term working capital. The bank facilities had different rescheduling agreements during the previous years.

As of 31 December 2025, the term loan facility with Qatar National Bank was under restructuring. The restructured facility is to be settled over 98 monthly instalments of QR 175,000 with the final installment due on 28 February 2034. The facility bears interest at the Qatar Central Bank rate plus a margin of 0.75% per annum, subject to a minimum interest rate of 5.25% per annum.

b) Details of bank facilities from Qatar Development Bank

The Company has obtained numerous facilities from Qatar Development Bank for different purposes such as to purchase machineries and equipment, settlement of outstanding supplier dues, meeting operational and working capital requirements, purchase of raw materials, to finance warehouse construction and purchase of medical supplies for resale.

Though the underlying facilities are carried at different maturity periods and supposed to settle in shorter period, the facilities have been rescheduled in previous years by Qatar Development Bank frequently. Hence, during previous years, most of the above loans have been rescheduled with revised terms and conditions. However, until 31 December 2020, from the date when the bank disposed their ownership from the Company, the borrowings terms and conditions were generalized and the Company was obligated to pay the borrowings as and when they fall due.

16. **Borrowings (Continued)**

b) Details of bank facilities from Qatar Development Bank (Continued)

In prior years, the Company had breached certain loan covenants which gave the right to Qatar Development Bank to claim the full balance from the Company.

During the year ended 31 December 2023, Qatar Development Bank filed a lawsuit against the Company, and on 27 December 2023, the Supreme Judiciary Council- Investment and Trade court ruled to pay the plaintiff an amount of one hundred and twenty-seven million six hundred and eighty-two thousand, eight hundred and seventy riyals (QR: 127,682,870) with an annual profit return of 5% commencing from 12 June 2023 until the date of full payment.

As of 31 December 2024, the settlement agreement with the bank was under process. Accordingly, the Company classified all the borrowings from Qatar Development Bank under current liabilities as at 31 December 2024.

During the year ended 2025, pursuant to the Banking Master Agreement dated 10 December 2024, Qatar Development Bank rescheduled the loans with revised terms and conditions as follows:

1. The bank granted an Islamic banking facility for an amount of QR 8,785,648, and carrying a profit rate of 2% annually, by converting existing conventional loan liabilities.

2. The Company was provided a grace period until 29 January 2026 with the first installment of QR 3,262,914 due on 30 January 2026. The installments are to be repaid on annual basis until 2043. The Company has therefore classified borrowings from Qatar Development Bank of QR 3,262,914 under current liabilities and QR 124,568,822 under non-current liabilities.

c) Details of collateral provided against the facilities

Pursuant to the Banking Master Agreement signed with Qatar Development Bank, the following are the conditions precedent:
- Assignment of insurance policies covering 100% of credit exposure from Qatar Development Bank
- Pledge over fixed assets covering 120% of Qatar Development Bank financing amount. This pledge is currently under signature.

Based on the mortgaged contract with Qatar Development Bank (being a first beneficiary and major debt provider), the Company's trade name, license, industrial registration, machinery and equipment including production lines, intangible assets including intellectual properties owned by the Company have been pledged with Qatar Development Bank. The Company's industrial registration has been notified to provide the above pledges.

Based on the mortgaged contract with Qatar National Bank (being a second beneficiary and a lender), the Company's right-to-use buildings, factory, machinery and equipment, tools, raw materials, finished goods and other related assets including license are pledged with the above bank.

The outstanding borrowings are classified and presented in the statement of financial position as follows:

	2025 **QR**	2024 QR
Non-current portion	**136,098,876**	13,186,722
Current portion	**5,826,063**	138,444,204
	141,924,939	151,630,926

16. Borrowings (Continued)

The movement of borrowings were as follows:

	2025 QR	2024 QR
As at 1 January	**151,630,926**	142,286,745
Additions during the year	**669,656**	1,382,275
Restructuring of borrowings from QDB *(i)*	**(9,585,423)**	–
Restructuring of bank overdraft	**25,730**	1,710,626
Repayments	**(1,952,437)**	(3,920,812)
Accrued interest	**1,687,023**	10,746,073
Interest paid	**(550,536)**	(573,981)
As at 31 December	**141,924,939**	151,630,926

(i) During the year 2025, following the restructuring of the borrowings, Qatar Development Bank waived an amount of QR 9,585,423 from the outstanding loan balance of the Company. Given the significance of the amount, the waiver has been presented separately on the face of the statement of profit or loss and other comprehensive income.

17. Provision for employees' end of service benefits

	2025 QR	2024 QR
As at 1 January	**828,332**	860,526
Provided during the year *(Note 23)*	**88,821**	147,630
Paid during the year	**(105,940)**	(179,824)
Reversal during the year *(Note 21)*	**(139,219)**	–
Transfer to accrued expenses *(i)*	**(302,844)**	–
As at 31 December	**369,150**	828,332

(i) During the year ended 31 December 2025, end of service benefit obligations due to employees who had resigned prior to year-end were reclassified to accrued expenses and are presented under trade and other payables in the statement of financial position.

18. Trade and other payables

	2025 QR	2024 QR
Trade payables	**12,350,266**	20,677,858
Advances from customers	**1,595,510**	2,370,122
Accrued expenses	**1,204,587**	368,684
Provision for social and sports fund contribution	**231,865**	–
Dividends payable	**214,841**	214,841
Retention payable	**99,858**	99,858
Provision for leave salaries and airfare	**79,069**	77,693
Other payables	**24,519**	16,427
	15,800,515	23,825,483

19. Revenue

The following sets out the disaggregation of the Company's revenue from contracts with customers:

a) Type of goods and services

	2025 QR	2024 QR
Sales of trading products	**1,331,608**	1,570,200
Sales of syringes	**1,308,672**	3,222,654
Sales of sterilization products	**1,135,236**	1,383,768
Sales of IV cannula	**414,821**	3,622,632
Sales of packed needles	**382,485**	185,279
	4,572,822	9,984,533

b) Timing of satisfaction of performance obligation

	2025 QR	2024 QR
Goods transferred at a point in time	**4,572,822**	9,984,533
	4,572,822	9,984,533

c) Customer relationship

	2025 QR	2024 QR
Government customers	**2,525,302**	3,706,437
Corporate customers	**2,047,520**	6,278,096
	4,572,822	9,984,533

20. Cost of revenue

	2025 QR	2024 QR
Cost of syringes	**1,302,818**	2,161,841
Cost of trading products	**841,371**	881,079
Cost of IV cannula	**464,843**	2,803,116
Cost of packed needles	**292,869**	177,438
Cost of sterilization products	**119,907**	143,815
Others	**–**	772,783
	3,021,808	6,940,072

21. Other income

	2025 QR	2024 QR
Write-back of trade payables *(i)*	**8,446,366**	–
Rental income from investment properties ***(Note 7)***	**2,475,000**	2,520,000
Reversal of provision for employees' end of service benefits ***(Note 17)***	**139,219**	–
Gain on disposal of property, plant and equipment	**64,109**	–
Foreign exchange gain	**20,983**	–
Miscellaneous income	**13,265**	242,376
	11,158,942	2,762,376

21. Other income (Continued)

(i) During the year ended 31 December 2025, the Company recognized a write-back of QR 8,446,366 in respect of long outstanding trade payables, based on management's assessment that the balances are no longer payable and no present obligation exists. This assessment was supported by external confirmations obtained as part of the year-end reconciliation process. The write-back was reviewed by the Audit Committee and approved by the Board of Directors.

22. Selling and distribution expenses

	2025 QR	2024 QR
Export shipping charges	**71,212**	165,702

23. General and administrative expenses

	2025 QR	2024 QR
Impairment loss on intangible assets *(Note 8)*	**2,004,230**	102,462
Salaries and other staff related costs*	**1,917,088**	2,611,267
Legal and professional fees	**383,072**	667,403
Board remuneration	**255,000**	–
Utilities	**173,956**	216,550
Communication expenses	**99,422**	210,560
Repairs and maintenance expenses	**96,627**	158,344
Government fee	**52,761**	513,104
Travelling expenses	**40,000**	11,440
Advertisement and marketing expenses	**27,926**	125,426
Office expenses	**16,370**	28,884
Depreciation of right of-use-assets *(Note 6)*	**9,293**	9,293
Write-off of supplier advances	**–**	32,749
Donations	**–**	162,005
Impairment loss on investment properties *(Note 7)*	**–**	43,000
Foreign exchange losses	**–**	43,950
Insurance expenses	**–**	196,881
Rent expenses	**–**	6,400
Others	**11,279**	216,685
	5,087,024	5,356,403

* Salaries and other staff related costs include QR 88,821 relating to provision for employees' end of service benefits (2024: QR 147,630).

24. Finance costs

	2025 QR	2024 QR
Interest on borrowings	**1,687,023**	10,746,072
Interest expense on lease liabilities *(Note 6)*	**2,007**	2,290
Penalty and interest claim from customer	**–**	180,332
Other finance charges	**16,476**	112,593
	1,705,506	11,041,287

25. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to the owners of the Company by the weighted average number of ordinary outstanding shares during the year as follows:

	2025 QR	2024 QR
Profit/(loss) for the year attributable to the owners of the Company (QR)	**9,274,610**	(68,485,914)
Weighted average number of shares outstanding during the period *(Note 13)*	**115,500,000**	115,500,000
Basic and diluted earnings per share (QR)	**0.080**	(0.593)

26. Contingent liabilities

	2025 QR	2024 QR
Guarantees (a)	**539,606**	993,538
Letters of credit (b)	–	1,476
Guarantee cheques	–	21,153
	539,606	1,016,167

a) This represents the financial guarantees issued by the banks on behalf of the Company in the ordinary course of the business and will mature within twelve months from the reporting date.
b) This represents the value of letters of credit issued by a local bank to overseas banks for the purchase of raw materials.

27. Financial risk management

The Company has exposure to the following risks from its use of financial instruments:
Market risk
Credit risk
Liquidity risk
Capital risk

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. There have been no changes to the Company's exposures to risk or the methods used to measure and manage these risks during the year.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in the light of the risks faced by the Company.

The Company's financial instruments consist mainly of deposits with banks, trade receivable and payable, borrowings and lease liabilities.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, equity price and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

Currency risk
Currency risk is the risk that the value of financial assets and liabilities will fluctuate due to a change in foreign exchange rates. The Company is not exposed to significant foreign exchange risk as it primarily transacts in Qatar Riyal which is the Company's functional currency. As the Qatari Riyals is pegged to the US Dollar, balances in US Dollar are not considered to represent a significant currency risk.

Interest rate risk management
The Company is exposed to interest rate risk as it borrows funds at floating interest rates. Management does not hedge its interest rate risk. For borrowings, a sensitivity analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate.

At 31 December 2025, if interest rates on QR denominated borrowing had been 100 basis higher/lower with all other variant held constant, profit for the year would have been QR 1,419,249 (2024: QR 1,516,309) lower/higher, mainly as a result of higher/lower interest expense on borrowings.

	Profit or loss		Equity	
	100 bp increase	**100 bp decrease**	**100 bp increase**	**100 bp Decrease**
2025				
Borrowings	**(1,419,249)**	**1,419,249**	**(1,419,249)**	**1,419,249**
2024				
Borrowings	(1,516,309)	1,516,309	(1,516,309)	1,516,309

27. **Financial risk management (Continued)**

Credit risk (Continued)

Equity price risk
The Company has no listed equity securities; thus, it is not susceptible to market price risk arising from uncertainties about future values of the investment securities.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty.

Credit risk arises on trade receivables and bank balances.

The Company's maximum exposure to credit risk as at the reporting date is the carrying amount of its financial assets, which are the following:

2025	**12-month or life time ECL**	**Gross carrying amount QR**	**Loss allowance QR**	**Net carrying amount QR**
Trade receivables	Lifetime ECL	52,073,408	(50,784,022)	1,289,386
Balance with banks	12-month ECL	605,675	–	605,675

2024	12-month or life time ECL	Gross carrying amount QR	Loss allowance QR	Net carrying amount QR
Trade receivables	Lifetime ECL	52,612,547	(49,136,752)	3,475,795
Balance with banks	12-month ECL	511,115	–	511,115

Trade receivables

Loss rates are based on actual credit loss experience over the five years. These rates are multiplied by forward looking factors to reflect difference between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic condition over the expected lives of the receivables.

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

Balances with banks

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Bank balances are held with reputed banks in and outside Qatar. Given this, management do not expect these banks to fail on their obligations.

None of the bank balances are credit impaired and the expected credit losses are insignificant.

27. Financial risk management (Continued)

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 approach to 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.

The table below summarizes the contractual maturities of the Company's financial liabilities at the reporting date. The Company's financial liabilities include any contractual interest payments.

2025	**Less than 12 months QR**	**More than 12 months QR**	**Total QR**
Borrowings	5,826,063	136,098,876	141,924,939
Trade and other payables*	13,894,071	–	13,894,071
Lease liabilities	9,874	43,074	52,948

2024	Less than 12 months QR	More than 12 months QR	Total QR
Borrowings	138,444,204	13,186,722	151,630,926
Trade and other payables*	21,377,688	–	21,377,688
Lease liabilities	9,540	52,928	62,468

**Excluding advances from customers, provision for leave salaries and airfare and provision for social and sports fund contribution.*

Capital risk management

The Company's objective when managing capital is to ensure its ability to maintain a strong credit rating and healthy capital ratios in order to support its business to provide returns for its shareholders and to provide best returns on capital investment by pricing goods and services commensurately with the level of risk.

The Company sets the amount of capital funds in accordance with the planned level of operations and in proportion to the levels of risk. The Company manages the shareholder's funds and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or realise assets in order to reduce debt. The Company's equity comprises share capital, legal reserve, revaluation reserve and accumulated losses and is measured at deficit of QR 23,408,879 as at 31 December 2025 (2024: QR 32,451,624 (deficit)).

28. Fair value measurements

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the financial assets held at FVTPL and biological assets by following valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

28. Fair value measurements (Continued)

The following table shows the fair values of non-financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value, including trade receivables, bank balances, trade payables and borrowings, where the carrying amount is a reasonable approximation of fair value.

	2025 QR	Level 1 QR	Level 2 QR	Level 3 QR
Non-financial assets				
Investment properties	13,158,750	–	–	13,158,750
Machinery and equipment	64,857,866	–	–	64,857,866
Buildings on leasehold land	31,265,000	–	–	31,265,000

	2024 QR	Level 1 QR	Level 2 QR	Level 3 QR
Non-financial assets				
Investment properties	12,441,000	–	–	12,441,000
Machinery and equipment	67,207,953	–	–	67,207,953
Buildings on leasehold land	33,670,000	–	–	33,670,000

During the year ended 31 December 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. There were no movements within Level 3 fair value measurements.

29. Social and sports fund

In accordance with Law No. 13 of 2008, the Company is required to provide a provision for the support of sports, social, cultural, and charitable activities with an amount equivalent to 2.5% of the annual net profit. This social and sports contribution is considered as an appropriation of retained earnings of the Company and presented in the statement of changes in shareholders' equity.

30. Legal claims

a) During 2023, Qatar Development Bank filed a lawsuit against the Company, and on 27 December 2023, the Supreme Judiciary Council- Investment and Trade court ruled to pay the plaintiff an amount of one hundred and twenty-seven million six hundred and eighty-two thousand, eight hundred and seventy riyals (QR: 127,682,870) with an annual profit return of 5% commencing from 12 June 2023 until the date of full payment.

Subsequently, during the year ended 31 December 2024, a settlement agreement was entered into between the parties, and the restructuring of the borrowings commenced. During the year ended 2025, Qatar Development Bank rescheduled the loans with revised terms and conditions as disclosed in Note 16(b) to the financial statements.

b) The Company had previously received an advance payment of QR 3,250,000 in respect of a contract for supply of face masks. As the Company did not fulfill its contractual obligations, Industrial and Commercial Bank of China Limited ("ICBC") initiated arbitration proceedings. During 2024, the Company and ICBC entered into a settlement agreement, following which a suspension order was issued by the Enforcement Court on 29 December 2024 at the request of ICBC. Under the terms of the settlement, the Company agreed to pay a total amount of QR 1,691,832 in 24 equal monthly installments of QR 70,493 and commenced repayment in accordance with the agreed terms since 2024. The outstanding payable as of 31 December 2025 amounts to QR 845,916 and is included under advances from customers under Note 18.

c) During the year, the Company was subject to a commercial claim by Milaha Maritime Works and Integrated Logistics amounting to QAR 118,325. The matter was amicably settled on 28 April 2025, and the Investment and Trade Court declared the matter concluded on 15 May 2025, pursuant to a settlement agreement. Under the settlement, the Company agreed to pay QAR 78,981 in full and final settlement of all claims and costs, which has been fully settled as at 31 December 2025.

31. Events after the reporting date

a) Subsequent to the reporting date, the Company identified matters relating to suspected mismanagement during the period from 2021 to 2024 and has formally reported these to the competent authorities. The Company has also initiated legal proceedings in this regard.

As at the date of approval of these financial statements, the outcome of these proceedings cannot be reliably determined and, accordingly, no adjustment has been made to the accompanying financial statements.

b) Subsequent to the reporting date, geopolitical tensions in the Middle East escalated following the outbreak of armed conflict involving the United States, Israel, and Iran. The situation remains evolving and has contributed to increased regional and global economic uncertainty. The escalation has also led to missile and drone attacks targeting locations across the Gulf region, including Qatar, and has disrupted regional air travel, trade routes, and energy markets.

Management has assessed the potential impact of these developments on the Company's operations and financial position. As of the date of approval of these financial statements, no material direct impact has been identified. Accordingly, these events are considered non-adjusting events after the reporting date, and no adjustments have been made to the amounts recognized in these financial statements.

Apart from the above, there were no significant events after the reporting date, which have a bearing on these financial statements.

32. Comparative figures

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

Thank you.

Qatari German for Medical Devices

www.qgmd.com