QG™
MEDICAL DEVICES

Annual Report

2024



His Highness

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

Annual Report 2024

Chairman's Message



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

This phase marks a significant milestone for the newly elected board of Directors as we embark on a transformative journey at Qatari German For Medical Devices (QGMD). Together, we are poised to script a new narrative for the company—one characterized by resilience and innovation, encapsulated in what we dub as the Challenge Chapter.

Looking ahead to our next chapter, we will uphold this commitment to those we represent and that includes all of the shareholders. Central to our ethos is the creation of an inclusive, deeply collaborative work environment where individuals are not just employees, but empowered contributors to our collective success. And we firmly believe our Future Work model will help us continue to do that.

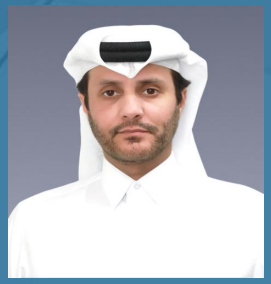
During the next phase , QGMD stands resolute in its commitment to align with the aspirations outlined in the Qatar National Vision 2030. Our pledge is to actively contribute to Qatar's journey towards becoming an advanced society, fostering sustainable development, and ensuring a high quality of life for present and future generations.

The forthcoming months will witness the full integration of our new operational model throughout the company's departments , and we are confident in our ability to excel in this venture. Our collective efforts will not only elevate QGMD but also uphold Qatar as a source of accomplishment and pride. Together, we are poised to seize the future and emerge victorious in our endeavors.

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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
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 from the Board of Directors Regarding the Annual Financial Statements for the Year 2024

The Board of Directors of the Company extends its thanks to the shareholders, employees, and all supporters of the Company.
With reference to the annual financial statements for the year 2024 and the shareholders' inquiries regarding the amount of QAR 68,485,914 and the loss per share of QAR -0.5929, we would like to reassure our valued shareholders that the new Board of Directors has put in place certain measures to be taken by the Company's management to overcome the accumulated losses and improve the Company's financial and operational performance:

The Company's Strategy for 2024 and Overcoming Challenges:

The Board of Directors has adopted decisions aimed at restoring the Company to the forefront and building a foundation that will help the Company continue and compete in new markets. The decisions taken during 2024, following a review of the financial provisions, resulted in an increase in the Company's financial losses during this year, the positive impact of which will become evident in the coming period. The Company has also resolved and settled many obstacles, which will be reflected in the Company's performance and its ability to recover.

Future Vision:

The Board of Directors is keen on entering new markets and opening new production lines that contribute to increasing the Company's revenues and enhancing its ability to compete with major medical companies. It also seeks to increase its sales revenues and build long-term relationships in both the local and international markets. The Company's management also focuses on developing new projects of a sustainable nature through which the Company can address market fluctuations and compensate for accumulated losses.
The Company aspires to be among the Qatari public shareholding companies that support the Qatari economy by supporting the local market and achieving self-sufficiency in medical supplies, as well as by increasing the export of Qatari products abroad.

Conclusion:

The Board of Directors is confident in the Company's ability to recover and emerge in a better position in 2025, based on the strategy that has been put in place and the Company's commitment to increasing revenues, strengthening its presence in the local market, and expanding into international markets.

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.

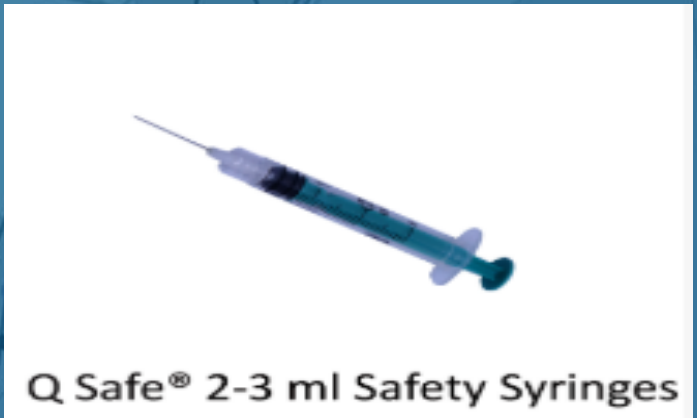
3) To reduce/eliminate (where possible) any potential risks associated with Medical Devices reuse and accidental needle stick injuries.

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.

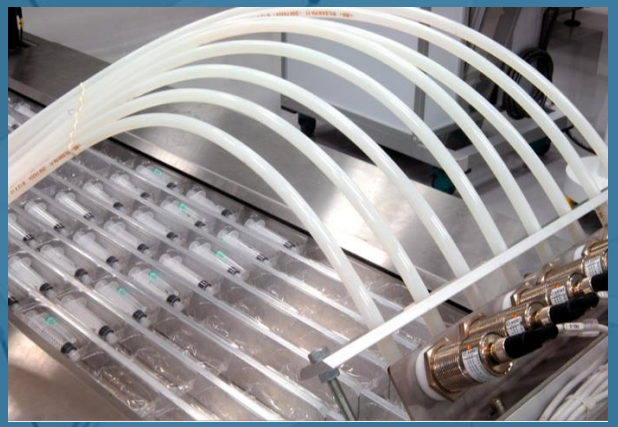




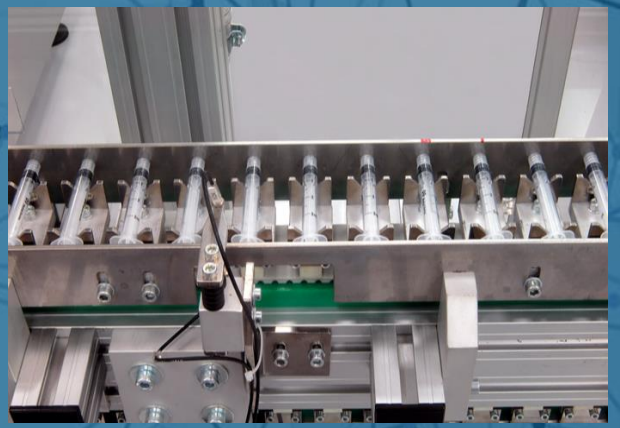
Our Production Facility









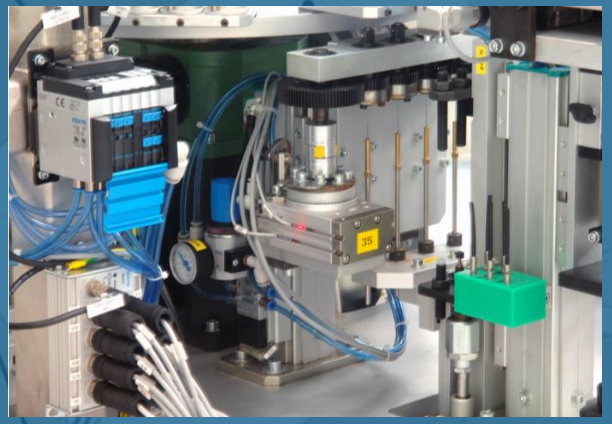




Our Production Facility













Corporate Governance

QATARI GERMAN FOR MEDICAL DEVICES COMPANY

(Q.P.S.C)

CORPORATE GOVERNANCE REPORT 2024

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Introduction

Qatar German For Medical Devices Company (Q.P.S.C) is headquartered in Doha, Qatar. QGMD uses its state-of-the-art production facility which has made them to be a credible competitor in the medical devices industry where the progressive healthcare markets rely on QGMD's patient-centric products of superior quality.

This report sets out the profile of the company's governance framework and continues with the Qatari German for medical Devices company Adopting a framework that seeks full compliance with regulatory requirements.

The Board of Directors adopted a corporate governance framework, in which the Board of Directors and its committees and the Executive Management Team manage the affairs of the Qatari German for Medical Devices Company. The development of corporate governance standards to achieve best governance practices is a priority of the Board of Directors and the senior management of QGMD. The Company continuously promotes and improves its governance principles and structure for the benefit 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 2024

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 2024.

Board of Directors

Board Members

- The Board of Directors currently consists of 6 members originally elected for the period 2024-2027, whereas per the Article of Association the members can be re-elected through the General Assembly secret voting.
- As per the company's Article of Association (Article 24), the Board of Directors shall consist of 7 members, however in the case of vacancy within the Board, it can continue its work with a minimum of 5 members as per (Article 29).
- The Independent Members currently represent third of the Board, and all of them are Non-Executive members in compliance with (Article 6) of QFMA's Governance Code.
- The Table below table presents information about the current Board of Directors 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 - Independent	Non-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	• 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	• 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	• Seconded to the Ministry of Sports and Youth as head of the youth center of Al Sailiya Club • He currently holds the position of public relations specialist in the Ministry of Education and Higher Education • He served as Executive Secretary in the Ministry of Education and Higher Education • He served as Executive Secretary in the Ministry of Culture, Arts and Heritage
Mr. Abdulaziz Mohammed Saad Al-Tamimi	• He currently holds the position of legal advisor at Ooredoo Company • He previously held the position of contracts specialist at the Qatar Fund for Development • He was seconded as a legal consultant in addition to the Secretariat of the Hamad Port Project Steering Committee, in addition to the Secretariat of its Tender Committee - during the period from October 2013 to June 2022. • He holds a Bachelor's degree in Law with honors - 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 • 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

Board Meetings :

- The Board held 13 meetings during 2024, complying with the minimum requirement of QFMA's Governance Code (Article14) and the Company's Article of Association (Article 31).
- All Board meetings were attended of the majority of Members including the Chairman, complying with the Company's Article of Association (Article 31) which states that the Board Meeting shall be deemed valid if attended by at least half of the Board members, under the condition that the number of attendees is not less than 3 members.
- Article 5 of the QFMA's Governance Code highlighted that the Board member must be qualified with sufficient knowledge of administrative matters and relevant experience to perform its duties effectively and must devote enough time to do its job with integrity and transparency to achieve the Company's interest, goals and objectives.

- The Table below table presents the information about Board Meetings held in 2024:

Board Meetings			
No	**Date**	**Attendees**	**Absentees**
1	18 February 2024	6	0
2	21 February 2024	7	0
3	25 February 2024	5	2
4	28 February 2024	6	1
5	6 March 2024	5	0
6	28 April 2024	5	0
7	20 May 2024	5	0
8	3 June 2024	4	0
9	2 July 2024	5	0
10	28 July 2024	6	0
11	3 October 2024	6	0
12	29 October 2024	6	0
13	25 December 2024	6	0

Changes in the Board's directorships during 2024

Resignation from the board of directors:

Name	Representing	Position	Executive / Non-executive	Resignation Date
Mr. Abdullah Ahmed Al-Nasr	Himself	Board Member-Independent	Non-Executive	28 February 2024
Mr. Abdullah Saeed Al-Sulaiti	Himself	Board Member-Independent	Non-Executive	28 February 2024
Mr. Amer Tahseen Abu Shaikha	Himself	Board Member-Independent	Executive	20 May 2024

New joiners to the board of directors:

Name	Representing	Position	Executive / Non-executive	Joining Date
Mr. Mohammed Ahmed Al-Asmakh	Himself	Board Member-Independent	Non-Executive	02 July 2024
Mr. Abdulla Khaled Al-Obaidan	Himself	Board Member-Independent	Non-Executive	02 July 2024

Non-executive Board Members

During the year ended 31 December 2024, the majority of the Board members were non-executive members. The Company applies the strict definition of "Non-executive Board member" according to the Code *i.e. "Non-executive Board members are those who are not performing executive management duties in the Company, who are not dedicated full time and who do not receive monthly or yearly remuneration from the Company*

Independence

The Company acknowledges that as per the corporate governance rules, at least one third of the Board members are independent, and exerts its best effort to realize the independence of one third of the Board members.

The current independent Board members are not under the influence of any factor that limits their capacity to deliberate on Company matters in an unbiased and objective manner based on known and existing facts.

Prohibition of combining positions

The Board members will refrain from combining prohibited positions, in compliance with Article 7 of the Code.

The Board members submits an Independence and Conflict of Interest Declaration annually, to declare whether they hold any legally prohibited positions.

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 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:

- A decline in the company's financial performance compared to the year's planned performance.
- The evaluation highlighted the need to modify some internal procedures to reflect the company's current situation, including modifying the way presentations are presented during board meetings in a clear manner that ensures the accuracy of the information necessary for decision-making.
- The board of directors' effectiveness in understanding the company's values , mission and developing its strategic plan.
- The evaluation also emphasized the Board of Directors' understanding of its priorities, tasks and powers.

Remuneration

No Board renumeration

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 2024, Ms. Marwa Mekky was appointed as Board Secretary beside being the investor relationship Officer on 6th March 2024 . Ms. Marwa has a long experience and has served different positions in the company.

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.

Executive Committee

- The executive Committee currently consists of 3 members, complying with the minimum requirement of QFMA's Governance Code (Article 18), elected by the Board for the period 2024-2027.
- The executive Committee is Chaired by an independent member Mr. Abdulla Khaled Al-Obaidan, as highlighted in QFMA's Governance Code (Article 18).

- The Table below table presents information about the current executive 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	Non-Executive

The executive Committee held 3 meetings during 2024

The Table below table presents the information about executive Committee Meetings held in 2024:

Executive Committee meetings			
Committee Meeting Ref.	Date	Members attended	Members Absent
1	19 August 2024	3	0
2	29 September 2024	3	0
3	10 December 2024	3	0

Major decisions and actions taken by the executive committee:

- Amendment of the committee charter
- Initiated the company's business plan through developing a strategy for new projects, which is implemented by the CEO.

Audit Committee

- The Audit Committee currently consists of 3 members, complying with the minimum requirement of QFMA's Governance Code (Article 18), elected by the Board for the period 2024-2027.
- The Audit Committee is Chaired by an independent member Mr. Mohammed Ahmed Al-Asmakh, as highlighted in QFMA's Governance Code (Article 18).
- The Table below table presents information about the current Audit Committee Members (2021-2024)

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 6 meetings during 2024, complying with the minimum requirement of QFMA's Governance Code (Article 19).

The Table below table presents the information about Audit Committee Meetings held in 2024:

Committee Meeting Ref.	Date	Members attended	Members Absent
1	18 February 2024	3	0
2	24 April 2024	3	0
3	27 July 2024	3	0
4	25 September 2024	3	0
5	27 October 2024	3	0
6	10 December 2024	3	0

Nomination & Remuneration and Governance Committee

QGMD combined the Nomination Committee , Remuneration and Governance Committees in one committee called "Nomination , Remuneration and Governance Committee".

The Committee is Chaired by an independent member , as highlighted in QFMA's Governance Code (Article 18).

The Table below table presents information about the current Nomination & Remuneration Committee Members :

Name	Representing	Designation	Executive/Non-Executive
Mr. Abdulaziz Mohamed Al-Tamimi	Himself	Head of Committee	Non-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 5 Meetings during 2024.
The Table below table presents the information about the Nomination, Remuneration and Governance Committee Meetings held in 2024:

Nomination , Remuneration and Governance Committee Meetings				
No	**Committee Meeting Ref.**	**Date**	**Members attended**	**Members Absent**
1	Meeting 1	15 January 2024	3	0
2	Meeting 2	15 May 2024	3	0
3	Meeting 3	28 July 2024	3	0
4	Meeting 4	25 September 2024	3	0
5	Meeting 5	29 October 2024	3	0

Key decisions of the Nominations, Remuneration, and Governance Committee:
- Amending the committee's charter to align with advanced governance rules.
- Establishing a student intern policy as part of the company's effective CSR .
- Discussing amending the company's organization structure to reflect the company's current financial and administrative situation.
- Interacting with the Qatar Financial Markets Authority by commenting on the draft Code of Market Conduct.

QGMD Executive management:

Mr. Amer Abu Shaikha - Chief Executive Officer

Job Responsibilities

- Oversees the company's operations.
- Is accountable to the Board of Directors for the efficient and effective operations of the Qatari German Medical Devices Company and for ensuring compliance with regulatory requirements and policies approved by the Board of Directors.
- Provides the required liaison between the Board of Directors and management.
- Oversees and monitors the performance of the company and its departments.
- The CEO chairs weekly meetings and meetings with all company department managers to monitor the budget and strategy and implement board decisions.
- Create business opportunities and monitor administrative policies.
- Establish and maintain good relationships with various clients and investors.
- Submitting periodic reports on the company's activities to the Board of Directors.
- Managing the company's financial resources, overseeing and monitoring the company's financial performance to ensure its financial stability and sustainable profitability.

Mr. Ahmed Dalloul – Finance Manager

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.

Mrs. Sawsan Abu Alteen – Sales and Marketing Manager

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.

- 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

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 is integral to QGMD activities and helps to ensure attainment of the Company's objectives in terms of operational effectiveness and outcome, the reliability of financial reporting and compliance with relevant laws and regulations.

The Board, Executive Management and other personnel all carry responsibility to develop and maintain sound internal control systems.

Risk Management

The reputation of QGMD relies on the company's ability to reduce risks through multiple mechanisms to evaluate and address the potential risks .

The company ensures that the board of directors, its committees, executive management, its representatives , and their employees focus Completely on the roles and responsibilities assigned to them.

Board members and management implement all reasonable measures to ensure that proper policies, procedures, and systems are implemented to identify, measure, monitor, and report risks, especially: market risk, credit risk, liquidity risk, and operational risk.

The company believes that training and awareness of the risk management entities is necessary for all to instill a culture of risk management in the company, and to ensure that every board member, executive director, director, or employee is able to manage potential risks in the implementation of his / her tasks

During 2024, the company's primary risk factor was maintaining stable business growth during the financial recovery phase. The CEO, along with the Board of Directors, developed recovery plans to mitigate risks.

The company also took some risks to launch new projects in line with changes in global commercial markets, after analyzing the outcome of the commitment compared to the extent of the risk.

Internal Audit

Internal audit is an important management control tool, which provides the necessary level of reasonable assurance related to the internal control systems.

Internal audit is managed by MNA Partner And Legal Accountant, their team have the relevant qualification and experience in financial audit, performance assessment and risk management. QGMD granted them access to all Company departments.

External Audit

In accordance with Companies Law and QFMA regulations, the General Assembly of QGMD appoints an external auditor upon the recommendation of the Audit Committee to the Board. The external auditor is appointed on a rolling one-year basis, renewable for a similar period up to a maximum of five consecutive years.

The external auditor appointed shall be registered on QFMA's list of external auditors and must comply with the highest professional standards. The external auditor shall be completely independent from the Company and its Board members and shall not have any conflicts of interest in his/her relation to the Company.

The external auditor shall submit to the General Assembly the external audit report. The auditor or his/her delegate must read the report before the General Assembly and answer the shareholders' questions.

The General Assembly Meeting held on 21st February, 2024 appointed Moore Stephens and partners for the second year , to audit QGMD's accounts for the year ended 31 December 2024.

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 Members' 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 Mohammed Saad Al-	Himself	Independent Member	None
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 societal role and its tireless support for the local community and related communities, the company has initiated cooperation with Qatar University students and opened its doors to collaboration with them on their upcoming research papers. The company also contributes annually to the social and sports Fund activities

Disputes and Lawsuit

Final judgment has been issued in Cassation Case No. 685 of 2024 / Cassation / Investment / Banking and Finance
filed by Qatar German Medical Devices Company against Qatar Development Bank. The court ruled to dismiss the appeal and ordered the appellant to pay the expenses, with the confiscation of the guarantee.
Coordination is underway with Qatar Development Bank to reach a settlement to resolve the dispute

During the year, the company also disclosed the signing of a settlement agreement with the Industrial and Commercial Bank of China Limited regarding the ruling issued by the Court of Appeal in Case No. 2024/450/Appeal/Arbitrators' Awards/General, based on Arbitration Case No. 06//ARB 2023 dated February 5, 2023. An agreement was reached to suspend the execution of the ruling and adhere to the terms of the settlement signed by both parties. where QGMD agreed to pay total amount of 1,691,832 QR (One million Six Hundred Ninety One Thousand Eight Hundred and Thirty -Two only) to resolve the dispute amicably and resolve all the outstanding claims.

Violations and penalties

There were no violations or penalties related to governance procedures during the year 2024

Transactions and dealings with related parties

During the year 2024, 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 2021, no shareholder exceeds the limit of 25%. The foreigners allowed to own maximum up to 49% of the total shares of the company.

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 2024

MOORE
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Moore Stephens and Partners
Certified Public Accountants
An Independent Member Firm of Moore Global Network Limited

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 2024

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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 2024, 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 2024 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

The Company has reported gross trade receivables of QR 52,612,547 as of 31 December 2024. 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 2024 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 (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) regarding the 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.

Further, during the year ended 31 December 2024, as per the legal confirmation received from legal counsel of the Company, a settlement agreement has been signed by both parties, and the restructuring of the borrowings is under progress.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that the Company has incurred losses of QR 68,485,914 during the year ended 31 December 2024 and the accumulated losses as at that date amounted to QR 190,911,118 (2023: QR 122,425,204), which resulted in a negative net equity of QR 32,451,624. Further, the Company's current liabilities exceeded its current assets by an amount of QR 141,239,333 (2023: QR 79,974,077) as at 31 December 2024.

As stated in Note 1, 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 which is dependent on the shareholders' continuing financial support for the Company to meet its financial obligations as they fall due. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 2024 includes property, plant and equipment of book value amounting to QR 100,126,811 (2023: QR 104,615,821) and it represents 70% (2023: 52%) of the Company's total assets. The carrying value of buildings under property, plant and equipment amounting to QR 32,074,303 (2023: QR 34,008,900) represents 32% (2023: 33%) and machinery and equipment amounting to QR 67,211,185 (2023: QR 69,536,262) represents 67% (2023: 66.5%) of the total property, plant and equipment. Investment properties in the statement of financial position amounting to QR 12,441,000 (2023: QR 12,484,000) represents 8.64% (2023: 6.21%) of the Company's total assets. Estimating the 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 2024, the Company had trade receivables of QR 52,612,547 net of expected credit loss ("ECL") impairment allowance of QR 49,136,752. 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 2024. • Assessment of the adequacy of disclosures in the financial statements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 2024. 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 2024, 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.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 IFRSs, 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.

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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 also in the opinion that proper books of account were maintained by the Company and physical inventory verification has been duly carried out.
- We obtained all the information and explanations which we considered necessary for the purpose of our audit except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report.
- To the best of our knowledge and belief and according to the information given to us except as mention 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.
- The accumulated losses of the Company as of 31 December 2024 amounted to QR 190,911,118. Qatar Commercial Companies Law states that should the Company's losses exceed 50% of the share capital of the Company, the management has to call for a shareholders' meeting and the shareholders should resolve to either dissolve the Company or increase its share capital.

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

25 March 2025
Doha, State of Qatar

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 QR	2023 QR
ASSETS			
Non-current assets			
Property, plant and equipment	*5*	**100,126,811**	104,615,821
Right-of-use assets	*6*	**60,405**	69,698
Investment properties	*7*	**12,441,000**	12,484,000
Intangible assets	*8*	**10,227,475**	10,329,937
Total non-current assets		**122,855,691**	127,499,456
Current assets			
Inventories	*9*	**15,799,094**	24,729,200
Trade and other receivables	*10*	**4,716,777**	48,361,965
Cash and bank balances	*12*	**524,023**	341,827
Total current assets		**21,039,894**	73,432,992
TOTAL ASSETS		**143,895,585**	200,932,448
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY			
Share capital	*13*	**115,500,000**	115,500,000
Legal reserve	*14*	**30,807,629**	30,807,629
Revaluation reserve	*15*	**12,151,865**	12,151,865
Accumulated losses		**(190,911,118)**	(122,425,204)
TOTAL EQUITY		**(32,451,624)**	36,034,290
LIABILITIES			
Non-current liabilities			
Borrowings	*16*	**13,186,722**	10,568,075
Provision for employees' end of service benefits	*17*	**828,332**	860,526
Lease liabilities	*6*	**52,928**	62,488
Total non-current liabilities		**14,067,982**	11,491,089
Current liabilities			
Borrowings	*16*	**138,444,204**	131,718,670
Trade and other payables	*18*	**23,825,483**	21,679,182
Lease liabilities	*6*	**9,540**	9,217
Total current liabilities		**162,279,227**	153,407,069
TOTAL LIABILITIES		**176,347,209**	164,898,158
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**143,895,585**	200,932,448

These financial statements were approved by the Board of Directors on 24 March 2025 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.

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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 2024

	Note	2024 QR	2023 QR
Revenue	19	**9,984,533**	27,851,471
Costs of revenue	20	**(6,940,072)**	(18,660,448)
Gross profit		**3,044,461**	9,191,023
Other income	21	**2,762,376**	2,981,136
Provision of impairment of trade receivables	10	**(45,295,586)**	–
Provision for obsolete and non-moving inventories	9	**(7,908,492)**	–
Reversal of impairment of property, plant and equipment	5	–	2,215,231
Depreciation on property, plant and equipment	5	**(4,525,281)**	(5,344,390)
Selling and distribution expenses	22	**(165,702)**	(398,560)
General and administrative expenses	23	**(5,356,403)**	(4,553,645)
Finance costs	24	**(11,041,287)**	(2,754,814)
(Loss)/profit before income tax		**(68,485,914)**	1,335,981
Income tax expense		–	–
Net (loss)/profit for the year		**(68,485,914)**	1,335,981
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Gains on revaluation of buildings	5	–	240,936
Total other comprehensive income for the year		–	240,936
Total comprehensive (loss)/income for the year		**(68,485,914)**	1,576,917
Basic and diluted earnings per share *(Expressed in QR per share)*	25	**(0.593)**	0.012

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

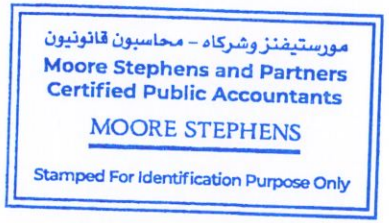
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QATARI GERMAN COMPANY FOR MEDICAL DEVICES Q.P.S.C.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital QR	Legal reserve QR	Revaluation reserve QR	Accumulated losses QR	Total QR
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)**
Transfer to legal reserve	–	–	–	–	–
As at 31 December 2024	**115,500,000**	**30,807,629**	**12,151,865**	**(190,911,118)**	**(32,451,624)**
As at 1 January 2023	115,500,000	30,674,031	11,910,929	(123,594,187)	34,490,773
Total comprehensive income for the year:					
Net profit for the year	–	–	–	1,335,981	1,335,981
Other comprehensive income	–	–	240,936	–	240,936
Total comprehensive income for the year	–	–	240,936	1,335,981	1,576,917
Transfer to legal reserve	–	133,598	–	(133,598)	–
Social and sports fund contribution	–	–	–	(33,400)	(33,400)
As at 31 December 2023	115,500,000	30,807,629	12,151,865	(122,425,204)	36,034,290

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 2024

	Note	2024 QR	2023 QR
OPERATING ACTIVITIES			
Net (loss)/profit for the year		**(68,485,914)**	1,335,981
Adjustments for:			
Depreciation of property, plant and equipment	*5*	**4,525,281**	5,344,390
Impairment loss on investment property	*7*	**43,000**	106,000
Impairment loss on intangible assets	*8*	**102,462**	–
Interest on lease liabilities	*6*	**2,290**	2,621
Depreciation for right-of-use assets	*6*	**9,293**	9,293
Reversal of impairment of property, plant and equipment	*5*	–	(2,215,231)
Provision for employees' end of service benefits	*17*	**147,630**	45,589
Interest on borrowings		**10,746,072**	2,698,462
Operating cashflow before movement in working capital		**(52,909,886)**	7,327,105
Changes in			
Inventories		**8,930,106**	2,853,057
Trade and other receivables		**43,645,188**	(17,858,344)
Trade and other payables		**2,146,301**	7,963,037
Cash generated from operating activities		**1,811,709**	284,855
Employees' end of service benefits paid	*17*	**(179,824)**	(140,160)
Interest on borrowings paid		**(573,981)**	(1,086,557)
Social and sports fund contribution paid		–	(33,400)
Net cash generated from/(used in) operating activities		**1,057,904**	(975,262)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	*5*	**(36,271)**	(1,053,044)
Net cash used in investing activities		**(36,271)**	(1,053,044)
FINANCING ACTIVITIES			
Movement in borrowings		**(827,910)**	(4,187,100)
Repayment of lease liabilities	*6*	**(11,527)**	(11,527)
Net cash used in financing activities		**(839,437)**	(4,198,627)
Net increase/(decrease) in cash and cash equivalents		**182,196**	(6,226,933)
Cash and cash equivalent as at beginning of the year		**119,892**	6,346,825
Cash and cash equivalents as at the end of the year	*12*	**302,088**	119,892

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

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.

Going concern

The Company has incurred losses of QR 68,485,914 during the year ended 31 December 2024 and the accumulated losses as at that date amounted to QR 190,911,118 (2023: QR 122,425,204), which resulted in a negative net equity of QR 32,451,624. Further, the Company's current liabilities exceeded its current assets by an amount of QR 141,239,333 (2023: QR 79,974,077) as at 31 December 2024.

Article 298 of the Qatar Commercial Companies Law No. 11 of 2015 requires that should the share capital of the Company exceed 50% of its paid-up share capital at the reporting date, the managers of the Company are required to call a general assembly of the Company's shareholders within 30 days from the date when the losses reached this limit, and propose the need to cover the shortage in capital or dissolve the Company. The decision to dissolve the Company requires the same majority needed for the amendment of the Company's Articles of Association. If the managers neglect to invite the shareholders or if the shareholders failed to reach a decision on the matter, the managers or the shareholders, as the case may be, shall be jointly liable for the obligations of the Company that arise out of their negligence. These events or conditions may cast significant doubt on the Company's ability to continue as a going concern. However, the management strongly believes that the Company has the capability to continue in business for at least the next twelve months from the reporting date and it has the ability to settle its financial obligations when they fall due. The Company confirms it has no intention to liquidate or cease the operations of the Company for at least the next twelve months from the reporting date and it has future plans of borrowing additional funds, restructuring its debt and reduce or delay its expenditures. Therefore, these financial statements continue to be prepared on a going concern basis.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs)

2.1. New standards and amendments effective in the period on or after 1 January 2024

The financial statements have been drawn up based on accounting standards, interpretations, and amendments effective at 1 January 2024. 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:

- *Amendments to IAS 7 & IFRS 7 Supplier Financing Arrangements*

  This amendment will have no impact on the amounts recognised in the financial statements but will require additional disclosures to be provided around the Company's use of supplier financing arrangements.

- *Amendments to IAS 1 – Classification of Liabilities as Current or Non-current & Amendments to IAS 1 – Non-current Liabilities with Covenants*

  These amendments together impact the classification of liabilities with covenants and any convertible notes that the Company issues with liability-classified conversion features. It may impact the classification of some of the Company's debts and will require additional disclosure about the effect of the covenants on the Company. The Company is still currently assessing the impact of these amendments.

- *Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback*

  IFRS 16 adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease.

  A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

2. Adoption of new and revised International Financial Reporting Standards (IFRSs) (Continued)

2.2. New standards and amendments issued but not yet effective for years ending 31 December 2024 (Continued)

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 2024. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

- Amendments to IAS 21 - Lack of Exchangeability - The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. This amendment will be effective on or after 1January 2025.
- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments Effective for annual periods beginning on or after 1 January 2026
- IFRS 18 Presentation and Disclosures in Financial Statements - IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. This amendment will be effective on or after 1January 2027.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures - IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. This amendment will be effective on or after 1January 2027.

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 issued by the International Accounting Standards Board (IASB), applicable provisions of Qatar Commercial Companies Law and 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.

As the Company's accumulated losses as of 31 December 2023 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 31 March 2024 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 2024.

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 under property, plant and equipment which have been measured at fair value.

The preparation of financial statements in conformity with IFRS 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. Basis of preparation and material accounting policies (Continued)

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.

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. Land is not depreciated. 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.

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

3.2 Material accounting policies (Continued)

Leases (Continued)

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.

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.

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

3.2 Material accounting policies (Continued)

Investment property (Continued)

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 statement of profit or loss and other comprehensive income when the asset is derecognised.

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

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.

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

3.2 Material accounting policies (Continued)

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.

Financial instruments - initial recognition and subsequent measurement

Recognition and derecognition of financial instruments

Financial instruments, other than derivative financial instruments, are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets that are regular way purchased or sold are recognised using the trade date accounting i.e. that is when the Company commits to purchase or sell.

Financial instruments that are not trade receivables are initially measured at fair value, which generally equates to acquisition cost, which includes transaction costs for financial instruments not subsequently measured at fair value.

Trade receivables are recognised at transaction cost if they do not contain a significant financing element (IFRS 15).

Financial assets are derecognised when:
- The contractual rights to cash flows from the financial asset expire, or
- the asset is transferred such that contractual rights to cash flows of the assets and the risks and rewards of ownership are transferred,

On de-recognition, the Company recognised the differences between carrying amount and consideration.

In factoring arrangements and guaranteed receivables, transfer may not result in de-recognition, because the Company retains exposure to risks and rewards to some extent. The Company assesses its extended involvement and recognises a liability, such that the net of asset and liability represents the rights and obligations retained, measured based on the classification of the original asset.

Financial liabilities (or a part of) are derecognised when, and only when the obligation is extinguished — i.e. when the obligation specified in the contract is discharged or cancelled or expires. The gain or loss between the carrying value and amount paid is recognised in profit or loss.

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 lability, and a new financial liability is recognised.

Classification and subsequent measurement of financial assets

Measurement of financial assets depends on the classification, which is determined by the business model for holding the asset and characteristics of its cash flows.

i. Amortised cost

Assets are held for the purpose of obtaining contractual cash flows, which are solely interest and principal, such as vanilla debt instruments, loans and receivables including contract assets. Interest is calculated using 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)

Financial instruments - initial recognition and subsequent measurement (Continued)

Classification and subsequent measurement of financial assets

ii. Fair value through other comprehensive income (FVOCI)

If in addition to above, if the business model also includes selling the assets, then these assets are measured at fair value with changes in FVOCI. Interest income is calculated and presented as above. Impairment is included in profit or loss and reduces/ increases the fair value gain/ loss recognised in OCI reserve.

On derecognition, gains and losses are recycled to profit or loss and included in other gains/ losses.

iii. Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria above are measured as FVTPL with changes in fair value presented in other gains/ losses.

For equity investments that the Company considers to be long term strategic investments, the Company has taken the election in IFRS 9 to present the changes in FVOCI. Unlike ii) above however, on sale of 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.

Classification and measurement of financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

i. Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities, which are measured at amortised cost. Financial liabilities are classified at FVTPL if they are either held for trading or they are otherwise designated within this classification. Gains and losses on such financial liabilities are recognised within other gains and losses in the statement of comprehensive income.

A financial liability is classified as held for trading if (a) it has been acquired principally for the purposes of subsequent short-term repurchase; (b) on initial recognition it is part of a portfolio of identified financial instruments which have a pattern of short-term profit taking; or (c) it is a derivative financial instrument that is not designated and effective as a hedging instrument.

A financial liability may otherwise be designated at FVTPL upon initial recognition if such designation eliminates or reduces significantly a measurement or recognition inconsistency that would otherwise arise; or (b) the financial liability forms part of a Company of financial assets, financial liabilities or both, which is managed and its performance evaluated on a fair value basis as a part of the Company's documented risk management and investment strategies; and (c) it forms part of a contract containing one or more embedded derivatives and the entire contract can be so designated in accordance with applicable financial reporting standards.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis, within finance costs in the statement of comprehensive income.

The Company derecognises financial liabilities when the obligations of the Company are discharged, cancelled or have expired.

ii. Embedded derivatives

Derivatives embedded in other financial instruments or non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not measured at FVTPL.
However financial liabilities which contain multiple embedded derivatives are not separated and are treated as FVTPL.

Compound financial instruments issued by the Company comprise convertible loan notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

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

3.2 Material accounting policies (Continued)

Financial instruments - initial recognition and subsequent measurement (Continued)

Classification and measurement of financial liabilities (Continued)

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

The interest expense on the liability component is calculated by applying the effective interest method. This is obtained by calculating the present value of future cash flows at a market rate for a loan without the convertible component. The difference between the effective interest rate and the interest paid is added to the carrying amount of the convertible loan note.

Interest, dividends, losses and gains relating to the financial liability are recognised in profit or loss. Distributions to the equity holders are recognised in equity, net of attributable taxation.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Currently the Company does not offset financial assets and financial liabilities.

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.

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

3.2 Material accounting policies (Continued)

Impairment (Continued)

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.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables are financial assets stated initially at fair value which is taken to be their transaction cost and subsequently at their amortised cost less any loss allowance. Loss allowance is based on lifetime expected credit losses assess and determined at initial recognition and subsequently adjusted for any changes in expectation.

Loss allowance measurement and policy included in note 10. Trade receivables expected to be received in the next year are classified as current assets. If not, they are presented as non-current assets.

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.

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

3.2 **Material accounting policies (Continued)**

Shareholders' 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.

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.

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

3.2 Material accounting policies (Continued)

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 and supersedes current revenue recognition guidance found across several Standards and Interpretations within IFRS. It establishes a new five-step model that will apply to revenue arising from 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.

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.

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

3.2 Material accounting policies (Continued)

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.

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.

In the process of applying the Company's accounting policies, management has made the following estimates judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

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.

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.

4. Critical accounting estimates and judgements (Continued)

Going concern

The Company has incurred losses of QR 68,485,914 during the year ended 31 December 2024 and the accumulated losses as at 31 December 2024 amounted to QR 190,911,118 (2023: QR 122,425,204), which resulted in a negative net equity of QR 32,451,624.

The Company's management has made an assessment of the Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis as the shareholders of the Company have agreed to provide adequate financial support to the Company to enable it to meet its liabilities as they fall due.

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 comprehensive income. The Company engages independent external valuers to determine the fair value. The valuers used recognised valuation techniques such as market comparable approach.

Classification of investments

Management decides on acquisition of an investment whether to classify it as financial asset at FVOCI or FVTPL. The Company classifies investment as financial asset at FVTPL if the investment is classified as held for trading and upon initial recognition it is designated by the Company as at FVTPL.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The significant management estimates and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

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 cash and 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 cash and bank balances and restricted grants have low credit risk based on the external credit ratings of the counterparties. While cash and bank balances are also subject to impairment, the identified impairment loss is considered immaterial.

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

The Company's management determines the estimated useful lives of its property, plant and equipment and right of use assets for calculating depreciation and amortisation. 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.

4. Critical accounting estimates and judgements (Continued)

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.

Provision for slow moving 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	Capital work in progress QR	Total QR
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)	–	–	–
At 31 December 2024	**58,040,028**	**95,983,902**	**330,500**	**4,040,766**	**671,627**	**–**	**159,066,823**
Accumulated depreciation							
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
At 31 December 2024	**25,965,725**	**28,772,717**	**330,500**	**3,206,971**	**664,099**	**–**	**58,940,012**
Accumulated impairment							
At 1 January 2024	–	–	–	–	–	–	–
Reversal during the year	–	–	–	–	–	–	–
At 31 December 2024	–	–	–	–	–	–	–
Net carrying amount, **At 31 December 2024**	**32,074,303**	**67,211,185**	**–**	**833,795**	**7,528**	**–**	**100,126,811**

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	Capital work in progress QR	Total QR
At 1 January 2023	57,799,092	95,091,608	205,500	3,158,157	812,731	846,377	157,913,465
Additions during the year	–	864,250	–	187,795	999	–	1,053,044
Disposal during the year	–	–	–	(29,446)	(147,447)	–	(176,893)
Fair value changes of properties carried at fair value	240,936	–	–	–	–	–	240,936
Transfers during the year	–	–	–	846,377	–	(846,377)	–
At 31 December 2023	58,040,028	95,955,858	205,500	4,162,883	666,283	–	159,030,552
Accumulated depreciation							
At 1 January 2023	22,104,492	23,101,747	205,500	3,061,475	774,020	–	49,247,234
Charge for the year	1,926,636	3,317,849	–	75,295	24,610	–	5,344,390
Disposal for the year	–	–	–	(29,446)	(147,447)	–	(176,893)
At 31 December 2023	24,031,128	26,419,596	205,500	3,107,324	651,183	–	54,414,731
Accumulated impairment							
At 1 January 2023	–	2,215,231	–	–	–	–	2,215,231
Reversal during the year	–	(2,215,231)	–	–	–	–	(2,215,231)
At 31 December 2023	–	–	–	–	–	–	–
Net carrying amount, At 31 December 2023	34,008,900	69,536,262	–	1,055,559	15,100	–	104,615,821

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 a 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 the year, management conducted a review of the estimated useful lives of the machinery and equipment using an independent valuation expert, and as a result have 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 and accordingly, the depreciation expenses have been adjusted for the year ended 31 December 2024.

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 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.

The accumulated impairment in relation to the machinery and equipment as follows:

	2024 **QR**	2023 QR
As at 1 January	–	2,215,231
Additions during the year	–	(2,215,231)
As 31 December	–	–

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

	2024 QR	2023 QR
As at 1 January	**116,164**	116,164
As at 31 December	**116,164**	116,164

	2024 QR	2023 QR
Accumulated depreciation		
As at 1 January	**46,466**	37,173
Charges for the year *(Note 23)*	**9,293**	9,293
As at 31 December	**55,759**	46,466
Net book value	**60,405**	69,698

Lease liabilities

	2024 QR	2023 QR
As at 1 January	**71,705**	80,611
Interest expense for the year *(Note 24)*	**2,290**	2,621
Payments of lease liabilities	**(11,527)**	(11,527)
As at 31 December	**62,468**	71,705

	2024 QR	2023 QR
Net lease liabilities:		
Non-current portion	**52,928**	62,488
Current portion	**9,540**	9,217
	62,468	71,705

7. Investment properties

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

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

7. Investment properties (Continued)

	Building QR	Total QR
As at 1 January 2023	12,590,000	12,590,000
Less: Impairment loss *(Note 23)*	(106,000)	(106,000)
At 31 December 2023	12,484,000	12,484,000

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 2,520,000 for the year ended 31 December 2024 (2023: QR 2,520,000) included under other income (Note 21).

The fair value of investment property as at 31 December 2024 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

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

2023	Patents and know-how QR	Computer software QR	Total QR
Cost			
At 1 January 2023	10,329,937	596,044	10,925,981
At 31 December 2023	10,329,937	596,044	10,925,981
Accumulated amortization			
At 1 January 2023	–	596,044	596,044
At 31 December 2023	–	596,044	596,044
Net book value			
At 31 December 2023	10,329,937	–	10,329,937

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

	2024 QR	2023 QR
Trading stocks	**8,521,074**	8,737,023
Finished goods	**3,594,084**	2,886,793
Work in progress	**1,362,879**	2,428,434
Raw materials	**7,599,518**	8,001,220
Spare parts	**2,563,535**	2,593,036
Goods in transit	**14,319**	24,605
Consumables	**161,649**	167,561
	23,817,058	24,838,672
Less: Provision for obsolete and slow-moving items	**(8,017,964)**	(109,472)
	15,799,094	24,729,200

Movement in provision for obsolete and slow-moving items on inventories is recognized in the statement of financial position as follows:

	2024 QR	2023 QR
As at 1 January	**109,472**	109,472
Provision made during the year	**7,908,492**	–
As at 31 December	**8,017,964**	109,472

10. Trade and other receivables

	2024 QR	2023 QR
Trade receivables	**52,612,547**	49,344,995
Less: Impairment loss allowance on trade receivables	**(49,136,752)**	(3,841,166)
	3,475,795	45,503,829
Advances to suppliers	**1,087,039**	2,339,324
Prepaid expenses	**12,688**	38,690
Staff receivables	**2,227**	281,234
Refundable deposits	**–**	1,153
Other receivables	**139,028**	197,735
	4,716,777	48,361,965

Movement in impairment loss allowance on trade receivables is recognized in the statement of financial position as follows:

	2024 QR	2023 QR
As at 1 January	**3,841,166**	3,841,166
Provision made during the year	**45,295,586**	–
As at 31 December	**49,136,752**	3,841,166

10. Trade and other receivables (Continued)

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

	2024 QR	2023 QR
Neither past due not impaired	**5,063,033**	7,375,796
1 - 90 days	**2,864,273**	9,162,413
91 - 180 days	**158,888**	4,777,258
Over 180 days	**44,526,353**	28,029,528
Impaired	**(49,136,752)**	(3,841,166)
	3,475,795	45,503,829

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

There was no compensation paid to key management personnel for the year ended 31 December 2024 (2023: QR Nil).

12. Cash and bank balances

	2024 QR	2023 QR
Cash in hand	**12,908**	9,631
Bank accounts	**289,180**	110,261
Cash and cash equivalents as per statement of cashflows	**302,088**	119,892
Margin deposit	**221,935**	221,935
Cash and bank balances as per statement of financial position	**524,023**	341,827

13. Share capital

As at 31 December 2024 and 2023, 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 2024 (2023: 12,151,865) relates to the revaluation of building in previous years as owner-occupied building recognised in property, plant and equipment.

Movement in revaluation reserve is as follows:

	2024 QR	2023 QR
As at 1 January	**12,151,865**	11,910,929
Fair value changes of properties carried at fair value *(Note 5)*	**–**	240,936
As at 31 December	**12,151,865**	12,151,865

16. Borrowings

	2024 QR	2023 QR
Bank facilities	**150,462,502**	140,305,641
Document credit facilities	**1,168,424**	1,981,104
Total	**151,630,926**	142,286,745

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.

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 above development bank disposed their ownership from the Company, the borrowings terms and conditions are generalized and the Company shall be obligated to pay the borrowings as and when they fall due.

The Company breached certain loan covenants which give the right to Qatar Development Bank to claim the full balance from the Company. Accordingly, the Company has classified all the borrowings from Qatar Development Bank under current liabilities as at 31 December 2024.

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.

As of 31 December 2024, a settlement agreement has been signed by both parties, and the restructuring of the borrowings is under progress.

The facilities are initially given on a standalone basis and some of them are rescheduled subsequently. The underlying terms and conditions attached to each of the facilities are varied in terms of purpose, interest rates and repayable terms.

c) Details of collateral provided against the facilities

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 commercial bank.

In addition to the above securities mentioned in the mortgaged contract, pursuant to the Master Bank Facility Agreement, the following are also pledged against borrowings:

- Assignment of insurance policies covering 100% of credit exposure from Qatar Development Bank
- Assignment of certain customer contracts in favour of Qatar Development Bank to cover facility amount.

16. Borrowings (Continued)

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

	2024 QR	2023 QR
Non-current portion	**13,186,722**	10,568,075
Current portion	**138,444,204**	131,718,670
	151,630,926	142,286,745

The movement of borrowings were as follows:

	2024 QR	2023 QR
As at 1 January	**142,286,745**	144,861,940
Additions during the year	**1,382,275**	3,210,011
Restructuring of bank overdraft	**1,710,626**	49,598
Repayments	**(3,920,812)**	(7,446,709)
Accrued interest	**10,746,073**	2,698,462
Interest paid	**(573,981)**	(1,086,557)
As at 31 December	**151,630,926**	142,286,745

During 2022, the bank overdraft facility with Qatar National Bank for which the interest rate was 6.25%, was converted to long term loan facility to be settled over 91 monthly instalments amounting to QR 200,000 ending on 30 April 2030 and final installment with the remaining balance to be settled on 31 May 2030.

17. Provision for employees' end of service benefits

	2024 QR	2023 QR
As at 1 January	**860,526**	955,097
Provided during the year *(Note 23)*	**147,630**	45,589
Paid during the year	**(179,824)**	(140,160)
As at 31 December	**828,332**	860,526

18. Trade and other payables

	2024 QR	2023 QR
Trade payables	**20,677,858**	19,961,999
Advances from customers	**2,370,122**	866,279
Accrued expenses	**368,684**	282,299
Dividends payable	**214,841**	214,841
Retention payable	**99,858**	99,858
Provision for leave salaries and airfare	**77,693**	79,130
Provision for social and sports fund contribution	**–**	33,400
Other payables	**16,427**	141,376
	23,825,483	21,679,182

19. Revenue

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

a) Type of goods and services

	2024 QR	2023 QR
Sales of IV cannula	**3,622,632**	16,256,275
Sales of syringes	**3,222,654**	2,622,086
Sales of trading products	**1,570,200**	7,702,086
Sales of sterilization products	**1,383,768**	1,109,892
Sales of packed needles	**185,279**	161,132
	9,984,533	27,851,471

b) Timing of satisfaction of performance obligation

	2024 QR	2023 QR
Goods transferred at point in time	**9,984,533**	27,851,471
	9,984,533	27,851,471

c) Geographical location

	2024 QR	2023 QR
Inside Qatar	**8,746,208**	10,644,290
Outside Qatar	**1,238,325**	17,207,181
	9,984,533	27,851,471

d) Customer relationship

	2024 QR	2023 QR
Corporate customers	**6,278,096**	23,665,652
Government customers	**3,706,437**	4,185,819
	9,984,533	27,851,471

20. Cost of revenue

	2024 QR	2023 QR
Cost of IV cannula	**2,803,116**	11,238,616
Cost of syringes	**2,161,841**	3,249,945
Cost of trading products	**881,079**	3,956,121
Cost of packed needles	**177,438**	163,685
Cost of sterilization	**143,815**	–
Others	**772,783**	52,081
	6,940,072	18,660,448

21. Other income

	2024 QR	2023 QR
Rental income from investment properties *(Note 7)*	**2,520,000**	2,520,000
Write back of trade payables	**–**	172,778
Other income	**242,376**	288,358
	2,762,376	2,981,136

22. Selling and distribution expenses

	2024 QR	2023 QR
Export shipping charges	**165,702**	398,560

23. General and administrative expenses

	2024 QR	2023 QR
Salaries and other staff related costs*	**2,611,267**	2,663,953
Legal and professional fees	**667,403**	375,953
Government fee	**513,104**	–
Utilities	**216,550**	90,716
Communication expenses	**210,560**	189,403
Insurance expenses	**196,881**	205,125
Donations	**162,005**	–
Repair and maintenance expenses	**158,344**	332,128
Advertisement and marketing expenses	**125,426**	184,590
Impairment loss on intangible assets *(Note 8)*	**102,462**	–
Foreign exchange losses	**43,950**	41,897
Impairment loss on investment properties *(Note 7)*	**43,000**	106,000
Write-off of supplier advances	**32,749**	–
Office expenses	**28,884**	68,420
Travelling expenses	**11,440**	85,381
Depreciation of right of-use-asset *(Note 6)*	**9,293**	9,293
Rent expenses	**6,400**	200,442
Others	**216,685**	344
	5,356,403	4,553,645

* Salaries and other staff related costs include QR 147,630 relating to provision for employees' end of service benefits (2023: QR 45,589).

24. Finance costs

	2024 QR	2023 QR
Interest on borrowings	**10,746,072**	2,698,462
Penalty and interest claim from customer	**180,332**	–
Interest expense on lease liabilities *(Note 6)*	**2,290**	2,621
Other finance charges	**112,593**	53,731
	11,041,287	2,754,814

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:

	2024 QR	2023 QR
(Loss)/profit for the year attributable to the owners of the Company (QR)	**(68,485,914)**	1,335,981
Weighted average number of shares outstanding during the period *(Note 13)*	**115,500,000**	115,500,000
Basic and diluted earnings per share (QR)	**(0.593)**	0.012

26. Contingent liabilities

	2024 QR	2023 QR
Guarantees (a)	**993,538**	1,847,027
Guarantee cheques	**21,153**	21,153
Letters of credit (b)	**1,476**	1,379,960
	1,016,167	3,248,140

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. The board has established a finance committee which is responsible for developing and monitoring the Company's risk management strategy and policies. The committee reports regularly to the board of directors on its activities. 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.

Foreign exchange risk
The Company undertakes certain transactions denominated in foreign currencies and hence exposed to risk on exchange rate fluctuations. The use of financial derivatives governed by the Company's policies, which provide written principles on the use of financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes.

Interest rate risk management
The Company is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. Management does not hedge its interest rate risk and believes that the interest rate risk on its loans is minimal in the current business environment.

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.

27. Financial risk management (Continued)

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 cash and cash equivalents.

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.

Trade receivables have adopted the same simplified approach and loss allowance is calculated based on lifetime expected credit losses. Trade receivables are determined to have the same credit risk exposures as fundamentally based on the same customers.

To measure the expected credit losses, management has used historic data % of settled sales per days overdue. This data was analysed further to create a profile by segment, region, product/ service offered and type of customer.
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:

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

2023	12 month or life time ECL	Gross carrying amount QR	Loss allowance QR	Net carrying amount QR
Trade receivables	Lifetime ECL	49,344,995	(3,841,166)	45,503,829
Balance with banks	12 Month ECL	332,196	–	332,196

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

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

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.

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

27. Financial risk management (Continued)

Liquidity risk (Continued)

2023	Less than 12 months QR	More than 12 months QR	Total QR
Borrowings	131,718,670	10,568,075	142,286,745
Trade and other payables*	20,700,373	–	20,700,373
Lease liabilities	9,217	62,488	71,705

**Excluding advance 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 QR 32,451,624 (deficit) as at 31 December 2024 (2023: QR 36,034,290).

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.

The following table shows the carrying amounts and 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.

	2024 QR	**Level 1 QR**	**Level 2 QR**	**Level 3 QR**
Non-financial assets				
Investment properties	**12,441,000**	–	**12,441,000**	–
Buildings on leasehold land	**32,074,303**	–	**32,074,303**	–

	2023 QR	Level 1 QR	Level 2 QR	Level 3 QR
Non-financial assets				
Investment properties	12,484,000	–	12,484,000	–
Buildings on leasehold land	34,008,900	–	34,008,900	–

During the year ended to 31 December 2024, 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

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.

As of 31 December 2024, the settlement agreement with the bank is under process.

31. Subsequent events

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 income, net assets and equity of the previous year.

Thank you.

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