

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

**INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2025**



MOORE

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

An Independent Member Firm of Moore Global Network Limited

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
INTERIM CONDENSED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

CONTENTS	Page(s)
Independent auditor's review report	1-2
Interim condensed financial statements	
Interim condensed statement of financial position	3
Interim condensed statement of profit or loss and other comprehensive income	4
Interim condensed statement of changes in equity	5
Interim condensed statement of cash flows	6
Notes to the interim condensed financial statements	7 - 17

INDEPENDENT AUDITOR'S REVIEW REPORT

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

Introduction

We have reviewed the accompanying interim condensed financial statements of **Qatari German for Medical Devices Company Q.P.S.C.** (the "Company"), which comprise the interim condensed statement of financial position as at 30 June 2025, the interim condensed statement of profit or loss and other comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the six-month period ended 30 June 2025, and certain explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Basis for Qualified Conclusion

We did not receive direct balance confirmations from majority of the Company's customers as at 30 June 2025. Accordingly, we were unable to determine whether any adjustments to the carrying amounts of trade receivables as of 30 June 2025 might be necessary.

Qualified Conclusion

Based on our review, except for the effects of the matter described in the "Basis for Qualified Conclusion" section of our report, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "*Interim Financial Reporting*".

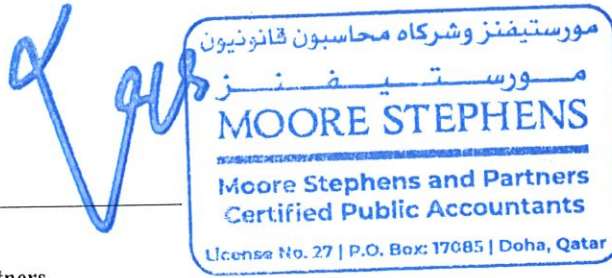
Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the interim condensed financial statements which states that the Company had accumulated losses of QR 185,134,191 as at reporting date (31 December 2024: QR 190,911,118). Further, the current liabilities exceeded the current assets by QR 10,865,310 as at 30 June 2025 (31 December 2024: QR 141,239,333). Article 295 of the Qatari Commercial Companies Law states that if the accumulated losses of a shareholding company exceed 50% of the share capital, the Board of Directors should call for an extraordinary general assembly meeting to discuss the continuation of the Company or dissolution before the terms specified in its Articles of Association. If the Board of Directors fails to call for the extraordinary general assembly or if it was impractical to adopt a decision on such matter, any stakeholder may request the competent court to dissolve the Company. These events or conditions may cast significant doubt on the Company's ability to continue as a going concern. However, at an extraordinary general assembly meeting held on 22 June 2025, the shareholders have resolved to continue operations of the Company. Our conclusion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REVIEW REPORT (CONTINUED)**Other Matter**

The interim condensed financial statements as at and for the six-month period ended 30 June 2024 were reviewed and the financial statements as at and for the year ended 31 December 2024 were audited, and the review and audit reports dated 29 July 2024 and 25 March 2025 respectively, expressed a qualified review conclusion and a qualified audit opinion thereon.

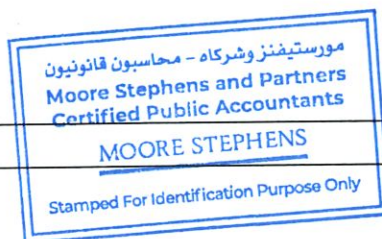
Fathi Abu Farah
Partner
Moore Stephens and Partners
License No. 294
QFMA Auditor's Registration No. 120189



21 August 2025
Doha, State of Qatar

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
ASSETS			
Non-current assets			
Property, plant and equipment	4	97,867,920	100,126,811
Right-of-use asset		55,759	60,405
Investment property	5	12,441,000	12,441,000
Intangible assets	6	10,227,475	10,227,475
Total non-current assets		120,592,154	122,855,691
Current assets			
Inventories	7	15,888,180	15,799,094
Trade and other receivables	8	3,090,554	4,716,777
Cash and bank balances	10	121,718	524,023
Total current assets		19,100,452	21,039,894
TOTAL ASSETS		139,692,606	143,895,585
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	115,500,000	115,500,000
Legal reserve		30,807,629	30,807,629
Revaluation reserve		12,151,865	12,151,865
Accumulated losses		(185,134,191)	(190,911,118)
TOTAL EQUITY		(26,674,697)	(32,451,624)
LIABILITIES			
Non-current liabilities			
Borrowings	12	135,515,595	13,186,722
Provision for employees' end of service benefits	13	845,428	828,332
Lease liabilities		40,518	52,928
Total non-current liabilities		136,401,541	14,067,982
Current liabilities			
Borrowings	12	6,345,898	138,444,204
Trade and other payables	14	23,608,337	23,825,483
Lease liabilities		11,527	9,540
Total current liabilities		29,965,762	162,279,227
TOTAL LIABILITIES		166,367,303	176,347,209
TOTAL EQUITY AND LIABILITIES		139,692,606	143,895,585



These interim condensed financial statements were approved by the Board of Directors on 21 August 2025 and were signed on its behalf by:

Mr. Yaser Sultan Al-Mannai
Chairman

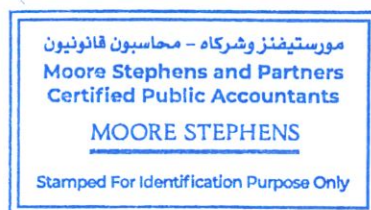
Mr. Mohammed Ahmad Al-Asmakh
Board Member



The attached notes from 1 to 24 are an integral part of these interim condensed financial statements.

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

	<i>Note</i>	For the six-month period ended	
		30 June 2025 (Reviewed) QR	30 June 2024 (Reviewed) QR
Revenue	15	1,773,612	7,546,327
Cost of revenue	16	(1,238,521)	(2,764,960)
Gross profit		535,091	4,781,367
Gain on restructuring of borrowings	12	9,585,423	–
Other income	17	1,299,172	1,405,104
Depreciation	18	(2,263,537)	(2,264,324)
Selling and distribution expenses		(46,873)	(150,276)
General and administrative expenses	19	(1,847,591)	(2,406,642)
Finance costs		(1,484,758)	(503,383)
Net profit for the period		5,776,927	861,846
Other comprehensive income		–	–
Total comprehensive income for the period		5,776,927	861,846
Basic Earnings Per Share	20	0.050	0.007



The attached notes from 1 to 24 are an integral part of these financial statements.

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

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

	Share capital QR	Legal reserve QR	Revaluation reserve QR	Accumulated losses QR	Total QR
For the six-month period ended 30 June 2025 (Reviewed)					
As at 31 December 2024 (Audited)	115,500,000	30,807,629	12,151,865	(190,911,118)	(32,451,624)
Total comprehensive income for the period	—	—	—	5,776,927	5,776,927
As at 30 June 2025	115,500,000	30,807,629	12,151,865	(185,134,191)	(26,674,697)
For the six-month period ended 30 June 2024 (Reviewed)					
As at 31 December 2023 (Audited)	115,500,000	30,807,629	12,151,865	(122,425,204)	36,034,290
Total comprehensive income for the period	—	—	—	861,846	861,846
As at 30 June 2024	115,500,000	30,807,629	12,151,865	(121,563,358)	36,896,136

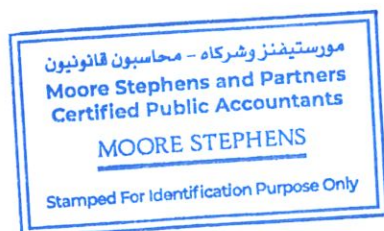


The attached notes from 1 to 24 are an integral part of these financial statements.

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

INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

	Note	For the six-month period ended	
		30 June 2025 (Reviewed) QR	30 June 2024 (Reviewed) QR
OPERATING ACTIVITIES			
Net profit for the period		5,776,927	861,846
Adjustments for:			
Depreciation of property, plant and equipment	18	2,258,891	2,259,677
Interest on lease liabilities		1,104	1,224
Depreciation of right-of-use asset	18	4,646	4,647
Gain on restructuring of borrowings	12	(9,585,423)	–
Provision for employees' end of service benefits		57,828	83,051
Interest on borrowings		1,477,767	399,932
Operating cashflow before movement in working capital		(8,260)	3,610,377
Changes in:			
Inventories		(89,086)	91,277
Trade and other receivables		1,626,223	(1,220,257)
Trade and other payables		(217,146)	(1,314,300)
Cash generated from operating activities		1,311,731	1,167,097
Employees' end of service benefits paid		(40,732)	(93,483)
Interest paid on borrowings		(548,366)	(309,946)
Net cash generated from operating activities		722,633	763,668
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		–	(20,545)
Net cash used in investing activities		–	(20,545)
FINANCING ACTIVITIES			
Decrease in margin deposit		221,935	–
Net movement in borrowings		(1,113,411)	(462,429)
Repayment of lease expenses		(11,527)	(11,527)
Net cash used in financing activities		(903,003)	(473,956)
Net (decrease)/increase in cash and cash equivalents		(180,370)	269,167
Cash and cash equivalents as at beginning of the period		302,088	119,892
Cash and cash equivalents as at end of the period	10	121,718	389,059



The attached notes from 1 to 24 are an integral part of these financial statements.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

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 had accumulated losses as at 30 June 2025 amounting to QR 185,134,191 which exceeds 50% of the share capital of the Company. Further, the current liabilities exceeded the current assets by QR 10,865,310 as at 30 June 2025 (2024: QR 141,239,333). Article 295 of the Qatari Commercial Companies Law states that if the accumulated losses of a shareholding company exceed 50% of the share capital, the Board of Directors should call for an extraordinary general assembly meeting to discuss the continuation of the Company or dissolution before the terms specified in its Articles of Association. If the Board of Directors fails to call for the extraordinary general assembly or if it was impractical to adopt a decision on such matter, any stakeholder may request the competent court to dissolve the Company. 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. Therefore, these financial statements continue to be prepared on a going concern basis.

2. Adoption of new and revised IFRS Accounting Standards

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

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

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

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

The Company has not applied the below new or amended standards and interpretations that have been issued by the IASB but are not yet mandatory for the financial year ending 31 December 2025. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Description	Effective from
Amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments”	1 January 2026
Annual Improvements to IFRS Standards Volume 11	1 January 2026
Amendments to IFRS 9 and IFRS 7 “Power Purchase Agreements”	1 January 2026
Amendments to IFRS 18 “Presentation and disclosures in financial statements”	1 January 2027
Amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	1 January 2027
Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investment in Associates and Joint Ventures” are on the sale or contribution of assets between an investor and its associate or joint venture.	Deferred indefinitely

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

3. Statement of compliance and basis of measurement

Statement of compliance

These interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard (IAS 34) "*Interim Financial Reporting*" and in conformity with the applicable provisions of Qatar Commercial Companies Law No. 11 of 2015 and subsequent amendments by Law No. 8 of 2021.

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

These interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with IFRS Accounting Standards. In addition, results for the period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The interim condensed 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.

The preparation of these interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty are in accordance with IFRS Accounting Standards.

The accounting policies used in the preparation of these interim condensed financial statements are in accordance with IFRS Accounting Standards, and are consistent with those used in preparation of Company's annual financial statements for the year ended 31 December 2024, taking into consideration certain new and revised standards and interpretations, that became effective in the current period, which have introduced certain changes. Some of these changes are changes in terminology only, and some are substantive but have had no material effect on the reported results or financial position of the Company.

Basis of measurement

These interim condensed 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.

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

4. Property, plant and equipment	Buildings on leasehold land QR	Machinery and equipment QR	Motor Vehicles QR	Furniture and fixtures QR	Computers and accessories QR	Total QR
<u>Cost:</u>						
At 1 January 2025	58,040,028	95,983,902	330,500	4,040,766	671,627	159,066,823
At 30 June 2025 (Reviewed)	58,040,028	95,983,902	330,500	4,040,766	671,627	159,066,823
<u>Accumulated depreciation</u>						
At 1 January 2025	25,965,725	28,772,717	330,500	3,206,971	664,099	58,940,012
Charge for the period	967,333	1,176,658	—	111,697	3,203	2,258,891
At 30 June 2025 (Reviewed)	26,933,058	29,949,375	330,500	3,318,668	667,302	61,198,903
<u>Accumulated impairment</u>						
At 1 January 2025	—	—	—	—	—	—
At 30 June 2025 (Reviewed)	—	—	—	—	—	—
Net carrying amount, At 30 June 2025 (Reviewed)	31,106,970	66,034,527	—	722,098	4,325	97,867,920
<u>Cost:</u>						
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 (Audited)	58,040,028	95,983,902	330,500	4,040,766	671,627	159,066,823
<u>Accumulated depreciation</u>						
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 (Audited)	25,965,725	28,772,717	330,500	3,206,971	664,099	58,940,012
<u>Accumulated impairment</u>						
At 1 January 2024	—	—	—	—	—	—
At 31 December 2024 (Audited)	—	—	—	—	—	—
Net carrying amount, At 31 December 2024 (Audited)	32,074,303	67,211,185	—	833,795	7,528	100,126,811

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

4. Property, plant and equipment (Continued)

- (i) The property, plant and equipment listed above were pledged against the loans and borrowings obtained by the Company as disclosed in Note 12 of these interim condensed financial statements.
- (ii) 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.
- (iii) During the year ended 31 December 2024, management conducted a review of the estimated useful lives of the machinery and equipment using an independent valuation expert, and as a result revised the estimated useful life of machinery and equipment from 25 years to 35 years. This change in estimate was made to better reflect the expected utility and economic benefits of these assets over time. The revised useful lives are applied prospectively from the date of the change.

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

5. Investment properties

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Buildings	12,441,000	12,484,000
Less: Impairment loss	–	(43,000)
	12,441,000	12,441,000

The Company's investment property consists of a building constructed on a 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 1,260,000 for the six-month period ended 30 June 2025 (30 June 2024: QR 1,260,000) included under other income (Note 17).

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 use of property is their current use.

6. Intangible assets

	Patents and know-how QR	Computer software QR	Total QR
<u>Cost</u>			
As at 31 December 2024 (Audited)	10,329,937	596,044	10,925,981
As at 30 June 2025 (Reviewed)	10,329,937	596,044	10,925,981
<u>Accumulated amortization</u>			
As at 31 December 2024 (Audited)	–	596,044	596,044
As at 30 June 2025 (Reviewed)	–	596,044	596,044
<u>Accumulated impairment</u>			
As at 31 December 2024 (Audited)	102,462	–	102,462
As at 30 June 2025 (Reviewed)	102,462	–	102,462
<u>Net book value</u>			
As at 31 December 2024 (Audited)	10,227,475	–	10,227,475
As at 30 June 2025 (Reviewed)	10,227,475	–	10,227,475

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

6. Intangible assets (Continued)

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.

7. Inventories

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Trading stocks	8,508,453	8,521,074
Finished goods	3,914,030	3,594,084
Work in progress	1,328,317	1,362,879
Raw materials	7,423,283	7,599,518
Spare parts	2,558,541	2,563,535
Consumables	160,678	161,649
Goods in transit	12,842	14,319
	23,906,144	23,817,058
Less: Provision for obsolete and slow-moving items	(8,017,964)	(8,017,964)
	15,888,180	15,799,094

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

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
As at 1 January	8,017,964	109,472
Provided during the period/year	–	7,908,492
As at the end of the period/year	8,017,964	8,017,964

8. Trade and other receivables

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Trade receivables	51,220,924	52,612,547
Less: Impairment loss allowance on trade receivables	(49,136,752)	(49,136,752)
	2,084,172	3,475,795
Advances to suppliers	822,543	1,087,039
Prepaid expenses	21,137	12,688
Staff receivables	2,077	2,227
Other receivables	160,625	139,028
	3,090,554	4,716,777

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

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
As at 1 January	49,136,752	3,841,166
Provided during the period/year	–	45,295,586
As at the end of the period/year	49,136,752	49,136,752

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

8. Trade and other receivables (Continued)

The aging of trade receivables is as follows:

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Neither past due not impaired	213,963	5,063,033
1 - 90 days	87,246	2,864,273
91 - 180 days	1,470	158,888
Over 180 days	50,918,245	44,526,353
Credit impaired	(49,136,752)	(49,136,752)
	2,084,172	3,475,795

9. Related parties

In the normal course of its business, the Company enters into transactions with the parties who fall under the definition of a related party as per IAS 24 "Related party disclosures". Pricing policies and terms of these transactions are approved by the Company's management. The significant related party transactions are as follows:

a) Compensation to key management personnel

There was no compensation paid to the board of directors for the period ended 30 June 2025 and 30 June 2024.

10. Cash and bank balances

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Cash in hand	14,386	12,908
Bank accounts	107,332	289,180
Cash and cash equivalents as per statement of cashflows	121,718	302,088
Margin deposit	-	221,935
Cash and bank balances as per statement of financial position	121,718	524,023

11. Share capital

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Authorized, issued and fully paid up		
115,500,000 shares with a nominal value of QR 1 per share	115,500,000	115,500,000

12. Borrowings

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Bank facilities	141,178,509	150,462,502
Document credit facilities	682,984	1,168,424
	141,861,493	151,630,926

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

12. Borrowings (Continued)

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 current and previous periods.

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.

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 was obligated to pay the borrowings as and when they fall due.

The Company had breached certain loan covenants which gave the right to Qatar Development Bank to claim the full balance from the Company.

During the year ended 31 December 2023, Qatar Development Bank filed a lawsuit against the Company, and on 27 December 2023, the Supreme Judiciary Council- Investment and Trade court ruled to pay the plaintiff an amount of one hundred and twenty-seven million six hundred and eighty-two thousand, eight hundred and seventy riyals (QR: 127,682,870) with an annual profit return of 5% commencing from 12 June 2023 until the date of full payment. As of 31 December 2024, the settlement agreement with the bank was under process. Accordingly, the Company classified all the borrowings from Qatar Development Bank under current liabilities as at 31 December 2024.

During the six-month period ended 30 June 2025, pursuant to the Banking Master Agreement dated 10 December 2024, Qatar Development Bank rescheduled the loans with revised terms and conditions as follows:

1. The bank granted an Islamic banking facility for an amount of QR 8,785,648, and carrying a profit rate of 2% annually, by converting existing conventional loan liabilities.
2. The Company was provided a grace period until 29 January 2026 with the first installment of QR 3,262,914 due on 30 January 2026. The installments are to be repaid on annual basis until 2043. The Company has therefore classified QR 3,262,914 under current liabilities and QR 124,568,822 under non-current liabilities.

c) Details of collateral provided against the facilities

Pursuant to the Banking Master Agreement signed with Qatar Development Bank, the following are the conditions precedent:

- Assignment of insurance policies covering 100% of credit exposure from Qatar Development Bank
- Pledge over fixed assets covering 120% of Qatar Development Bank financing amount. This pledge is currently under signature.

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

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

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

12. Borrowings (Continued)

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

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Non-current portion	135,515,595	13,186,722
Current portion	6,345,898	138,444,204
	141,861,493	151,630,926

The movement of borrowings were as follows:

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
As at 1 January	151,630,926	142,286,745
Additions during the period/year	–	1,382,275
Restructuring of borrowings from QDB (i)	(9,585,423)	–
Restructuring of borrowings from QNB facilities	25,730	1,710,626
Repayments	(1,139,141)	(3,920,812)
Accrued interest	1,477,767	10,746,073
Interest paid	(548,366)	(573,981)
As at end of the period/year	141,861,493	151,630,926

(i) During the six-month period ended 30 June 2025, following the restructuring of the borrowings, Qatar Development Bank waived an amount of QR 9,585,423 from the outstanding loan balance of the Company. Given the significance of the amount, the waiver has been presented separately on the face of the statement of profit or loss and other comprehensive income.

13. Provision for employees' end of service benefits

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
As at 1 January	828,332	860,526
Provided during the period/year	57,828	147,630
Paid during the period/year	(40,732)	(179,824)
As at end of the period/year	845,428	828,332

14. Trade and other payables

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Trade payables	20,870,776	20,677,858
Advances from customers	1,640,585	2,370,122
Accrued expenses	643,968	368,684
Dividends payable	214,841	214,841
Retention payable	99,858	99,858
Provision for leave salaries and airfare	106,505	77,693
Other payables	31,804	16,427
	23,608,337	23,825,483

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

15. Revenue

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

a) *Type of revenue*

	For the six-month period ended	
	30 June 2025 (Reviewed) QR	30 June 2024 (Reviewed) QR
Sale of syringes	749,657	2,924,202
Sale of trading products	534,964	928,073
Sale of sterilization products	355,692	701,764
Sale of packed needles	132,144	49,036
Sale of IV cannula	1,155	2,943,252
	1,773,612	7,546,327

b) *Type of goods and services*

	For the six-month period ended	
	30 June 2025 (Reviewed) QR	30 June 2024 (Reviewed) QR
Sale of goods	1,773,612	7,546,327
	1,773,612	7,546,327

16. Cost of revenue

	For the six-month period ended	
	30 June 2025 (Reviewed) QR	30 June 2024 (Reviewed) QR
Cost of syringes	600,148	833,932
Cost of trading products	493,576	514,208
Cost of packed needles	106,379	39,419
Cost of sterilization products	37,846	70,416
Cost of IV cannula	572	1,306,985
	1,238,521	2,764,960

17. Other income

	For the six-month period ended	
	30 June 2025 (Reviewed) QR	30 June 2024 (Reviewed) QR
Rental income from investment property (<i>Note 5</i>)	1,260,000	1,260,000
Foreign exchange gain	28,708	-
Other income	10,464	145,104
	1,299,172	1,405,104

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

18. Depreciation

	For the six-month period ended	
	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)
	QR	QR
Depreciation of property, plant and equipment	2,258,891	2,259,677
Depreciation of right-of-use asset	4,646	4,647
	2,263,537	2,264,324

19. General and administrative expenses

	For the six-month period ended	
	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)
	QR	QR
Salaries and other staff related costs	1,206,725	1,374,000
Government expenses	207,420	38,414
Insurance expenses	97,945	109,575
Legal and professional expenses	90,740	188,520
Utilities	72,535	783
IT and communication expenses	45,774	79,566
Advertising and marketing expenses	21,778	–
Office expenses	12,910	11,804
Repair and maintenance expenses	9,307	57,192
Travelling expenses	7,682	11,440
Foreign exchange losses	–	19,735
Rental expenses	–	6,400
Others	74,775	509,213
	1,847,591	2,406,642

20. Basic earnings per share

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

	For the six-month period ended	
	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)
Profit for the period attributable to the owners of the Company (QR)	5,776,927	861,846
Weighted average number of shares outstanding during the period	115,500,000	115,500,000
Basic earnings per share (QR)	0.050	0.007

QATARI GERMAN FOR MEDICAL DEVICES COMPANY Q.P.S.C.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

21. Contingent liabilities

	30 June 2025 (Reviewed) QR	31 December 2024 (Audited) QR
Guarantees (a)	834,606	993,538
Guarantee cheques	1,153	21,153
Letters of credit (b)	–	1,476
	835,759	1,016,167

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

22. Fair value measurements

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the financial assets and liabilities by the 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 management considers the carrying amounts of the financial assets and liabilities recognized in these interim condensed financial statements as approximate to their fair values.

Fair value of the investment properties and building on leasehold land under property, plant and equipment is determined primarily based on valuations carried out by professionally qualified third-party valuers, using methods such as the market comparable approach. Management believes the fair value as at 30 June 2025 does not materially differ from the fair value on 31 December 2024 had the fair valuation been carried out on that date.

23. Subsequent events

There were no significant events after the reporting date, which have a bearing on these interim condensed financial statements.

24. Comparative figures

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