



MEKDAM
HOLDING GROUP

The Qatar Financial Markets Authority approved this Information
Memorandum on 8/7/2021

Information Memorandum

Mekdam Holding Group

Qatari Public Shareholding Company (Q.P.S.C.)

For the purpose of listing 50,000,000 ordinary shares at a listing price of QAR 5.50 per share fully paid in the Second Market at the Qatar Stock Exchange. The listing price includes the nominal value of QAR 1.00 and a premium of QAR 4.50 per share.

Qatar Financial Market Authority (QFMA) Disclaimer

QFMA shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Information Memorandum, and Mekdam Holding explicitly declares that QFMA it bears no liability for any loss which could be incurred by any Person taking decisions according to the whole or some of the aforesaid details or information.

The QFMA shall bear no liability to any party for the analysis of the Company's evaluation report, its estimated values, or assumptions whereon the evaluator relied, as well as any results reached in the light of those estimates and assumptions. QFMA gives no assurance regarding the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the results of the analysis and the value of the company. The role of QFMA is limited to ensuring the application of Rules of External Auditors and Financial Evaluators issued by QFMA Board of Directors.

The Second Market in the Qatar Stock Exchange is a market allocated for small and growing companies in Qatar. Potential investors must be aware of the risks that might arise from investing in such companies and have the right to take a decision to invest after consulting an independent legal or financial expert.

Legal Advisor



Dr. Hussain Ali Al-Dosari

Listing Advisor



Accountants &
business advisers

Independent Evaluation Consultant



Company Auditor & Tax Advisors










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This is an English translation of the Arabic Information Memorandum that was approved by the QFMA on July 8, 2021 and is considered only a draft that is provided as guidance for non-Arabic speakers.




Declaration of Responsibility

We, the designated members of the Board of Directors and the Senior Executive Management of Mekdam Holding Group whose names and signatures appear below, assume full responsibility, separately or jointly, for the information and details mentioned in the Information Memorandum. We declare that we have exerted due diligence to ensure that the information and details included in this Information Memorandum are true and do not omit any information that would make the information less significant, comprehensive, and sufficient.

Mekdam Holding Group Board of Directors

Name	Position	Signature
Sheikh Mohamed Nawaf NBK Al Thani	Chairman of the Board	
Sheikh Jassem Nawaf NBK Al Thani	Deputy Chairman of the Board	
Mr. Hassan Matar Saeed Al Souwaidi	Member of the Board	
Mr. Rajesh Menon	Member of the Board	
Mr. Jassim Sultan J M Al-Rumaihi	Member of the Board	
Mr. Narinder Singh	Member of the Board	
Mr. Ehab Naser	Member of the Board	

Mekdam Holding Group Senior Executive Management

Name	Position	Signature
Mr. Ehab Naser	Chief Executive Officer	
Mr. Mohamad Baraa Sami Sobha	Group General Manager	
Mr. Muhammad Mudassar Ali	Group Chief Financial Officer	

Important Information

Ministry of Commerce and Industry Disclaimer

The Ministry of Commerce and Industry, as the regulator of Commercial Companies in Qatar, shall bear no responsibility for the validity, comprehensiveness and sufficiency of the details and information contained in this Information Memorandum. The Ministry of Commerce and Industry explicitly declares that it bears no responsibility for any loss which could be incurred by any person taking decisions according to the whole or some of the aforesaid details or information. The Ministry of Commerce and Industry also bears no responsibility towards any party in relation to the Company's evaluation analysis including the estimated values or assumptions that the valuator had based his estimate on as well as any results in light of those estimates and assumptions. The Ministry of Commerce and Industry will not provide any ratifications in relation to the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions which were identified by the results of the analysis and the value of the listing, the Ministry of Commerce and Industry's role is limited to ensuring the implementation of the provisions of the Commercial Companies Law number 11 of 2015.

Disclaimer

We advise that you carefully consider the following disclaimer before reading, accessing, or making any other use of this Information Memorandum. In accessing this Information Memorandum, you agree to be bound by the following terms and conditions, including any amendments that may occur from time to time, each time you receive any information from Mekdam Holding Group.

This Information Memorandum was prepared for the purpose of listing the 50,000,000 shares ("Shares") issued by Mekdam Holding Group Q.P.S.C ("Mekdam" or "The Company" in the Second Market on Qatar Stock Exchange for trading ("Market"). The Company affirms that the information mentioned in this Information Memorandum is true and accurate and that this information complies with the information required to be listed in the Information Memorandum in line with the rules applicable at Qatar Financial Market Authority (QFMA). Copies of this Information Memorandum will be available after publication in the registered office of the Company in Doha, Qatar.

This Information Memorandum does not constitute an offer or solicitation to buy, subscribe or sell the securities described herein.

Additional Points:

All document summaries or document contents stipulated in the Information Memorandum should not be relied upon as comprehensive statements in relation to these documents.

All stock investments involve various market risks. The value of any security could increase or decrease based on market conditions. Potential investors ("the Investors") must read the risk analysis stated in pages from 12 to 22 of this Information Memorandum.

Statement of Risks:

Prior to investing in stocks, prospective investors should carefully consider all the risks related to the Company's business and the economic sector in which it operates in, as well as all other material contained in this Information Memorandum. The Senior Management of the Company believes that the following risks are material risks that face the Company and its business. However, the risks and uncertainties facing the Company are not limited to these matters, but rather there are other risks and uncertainties that might not yet be known to the Company, or that the Company does not currently consider to be a risk. If any or a combination of these risks occurs, the Company's business, financial position, cash flows and operating results could be adversely affected and could lead to the Company's bankruptcy or liquidation. If this occurs, the market price of the shares may decline, and Investors may lose all or part of their investments. In addition, this Information Memorandum contains forward-looking statements that are subject to risks and uncertainties. The Company's actual results may differ materially from those expected in future statements due to certain factors, including the risks faced by the Company as described below. It should also be noted that the risks below are to an extent interrelated. The occurrence of one risk may trigger other risks to materialize. For example, if there is a significant downturn in the Qatari economy, the Company may incur substantial operating costs and could, in turn, experience an increased need for liquidity and as a result it may incur a large amount of debt. Each of these risks is separate from the others as shown below, however it demonstrates the overlap between them and other risks the Company is exposed to.

For information on the risks that investors should consider, please refer to the risk analysis contained in this Information Memorandum in pages 12 to 22.

Definitions used in the Information Memorandum:

Unless the context requires otherwise, the terms used in this Information Memorandum have the same meaning as those mentioned in Section 23 (Definitions), in this Information Memorandum. This Information Memorandum of the Company was made according to the offering and listing requirements applicable at the QFMA and the Commercial Companies Law. This document is an English translation of the original Arabic version of the Information Memorandum, which was approved by QFMA on [.....]. It is worth noting, that at the Extraordinary General Assembly (EGM) meeting that was held in Doha, Qatar on January 13, 2021, shareholders approved the proposal of the Company's Board of Directors on the listing and registration of all the Company's shares in the Qatar Stock Exchange Second Market. According to Article No. (22) of the Securities Offering and Listing System on the Second Market approved by the QFMA and issued pursuant to the QFMA's Board Decision No. (2) for the year 2011 and its amendments, the company is obligated to sell no less than 10% of the Company's capital, listed within one year from the date of listing.

Contents

1.	Important Notice.....	6
2.	Listing, Trading and Settlement Arrangements.....	10
3.	Evaluation Approach.....	11
4.	Risk Factors.....	12
5.	Company Information (Mekdam Group Holding).....	23
6.	Information about Affiliated Companies.....	27
7.	The Economic Environment in Qatar.....	47
8.	Auditor's Report on the Preparation of the Conceptual Consolidated Financial Information.....	50
9.	Auditor's Report and Financial Statements.....	54
10.	Management Discussion and Analysis.....	98
11.	Management, Shareholders and Corporate Governance.....	110
12.	Capital and Indebtedness.....	121
13.	Transactions with Related Parties.....	122
14.	Qatar Stock Exchange.....	123
15.	Qatar Central Securities Depository Company.....	124
16.	Qatar Financial Market Authority.....	125
17.	Taxes.....	126
18.	Dividend Policy.....	128
19.	Summary of the Company's Articles of Association.....	129
20.	General Information.....	136
21.	Company's Undertakings.....	138
22.	Legal Counsel Report.....	139
23.	Glossary of Defined Terms.....	140
24.	Company Advisors.....	142

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1 - Important Notice

This document provides important information that allows a potential investor to make an informed decision whether to invest or not in the Shares of the Company. Investors should not deem this Information Memorandum as a recommendation by the Company or the Listing Advisor to buy the shares listed on the Qatar Stock Exchange Second Market. Each investor shall assume responsibility to obtain independent professional advice from a financial or legal expert to invest in the stocks and conduct an independent evaluation of the information and assumptions mentioned in this Information Memorandum using the appropriate analyses and forecasts. No person has been authorized to give any data or offer information with respect to the Company or its Shares, except for the persons whose names are stated in this Information Memorandum. In the case that any other person offers data or information, such person shall not be deemed authorized by the Company. Advisors act exclusively on behalf of the Company in respect to the information set forth in this Information Memorandum.

The Listing Advisor does not bear any legal or professional responsibility, of any type whatsoever, for the accuracy and completion of the financial statements included in the Information Memorandum, as these financial statements were audited and reviewed by another auditor. The data was also reviewed and verified for its logic and plausibility

The Company was established as a limited liability company under Commercial Registration No. 115142 under the name as Mekdam Holding Group LLC on March 29, 2018. It was converted into a Qatari public shareholding company, according to the Minister of Commerce and Industry Decision No. U.U./2021/73 dated on the January 14, 2021. The Company's Articles of Association were approved on June 21, 2021. Shareholders unanimously approved a net assets valuation for an amount of QAR 275,000,000, divided into 50,000,000 common shares as of the date on which this Information Memorandum was prepared ahead of listing. The listing price includes the nominal value of QAR 1.00 per share and a premium of QAR 4.50 .

Mekdam Holding Group Q.P.S.C is the legal and commercial name of the Company, its head offices are in Doha, P.O. Box 17654, the State of Qatar. The Company applied to the QFMA and Qatar Stock Exchange to list shares in the Second Market. The shares of Mekdam Holding Group are expected to start trading on the Qatar Stock Exchange Second during the first week of August 2021. This listing is subject to the resolution of the Extraordinary General Assembly held on January 13, 2021 and the articles of association and laws in force in the State of Qatar.

This Information Memorandum has been prepared in accordance with the requirements of the QFMA and is valid for a period of six months from the date of issuance. The listing has been approved by the QFMA along with the Arabic version of the Information Memorandum.

1.1 Qualified Investors

Following the listing, shares trading becomes available to both Qatari and non-Qatari investors, according to the regulations applicable on Qatar Stock Exchange and the offering and listing rules applicable in the Second Market, as issued by the QFMA and the Articles of Association without prejudice to all information relevant to the non-Qatari investments (foreign investment) in listed companies. Foreign ownership should not exceed 49% of share capital.

1.2 Forward-Looking Statements

This Information Memorandum contains forward-looking statements. These statements may include words such as “aim”, “estimate”, “expect”, “intend”, “project”, “plan”, “should”, “will”, “will continue”, “will continue to seek” and other words and terms of similar meaning. Similarly, the statements that describe the Company’s strategies, main or sub-goals or plans are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause the actual results to differ materially from those expressed in the forward-looking statements.

These forward-looking statements are based on assumptions of the Company’s Board of Directors considering their experience in the sector in which the Company operates, as well as their perceptions of past trends, current conditions, expected future developments and other factors that the Board of Directors deems appropriate under the circumstances. As prospective investors read and consider this Information Memorandum, they should understand that these statements do not guarantee future performance or results; they involve risks, uncertainties, and assumptions. Although the Board of Directors believe that these forward- looking statements are based on reasonable assumptions, prospective investors should be aware of the existence of many factors that could affect the Company’s actual financial performance and lead to results that differ materially from those in the forward-looking statements. These factors include, among other things, those discussed under the heading “Risk Factors” in Section 4.

There are some important factors that could cause actual results to differ materially from the Company’s expectations, including:

- The Company’s future operating results and financial position
- The Company’s future business developments
- The Company’s expansion and acquisition policy
- Organizational changes in the economic sector in which the Company operates
- General conditions relating to the economy and operations on the local and international levels
- Foreign competition
- The Company’s ability to implement its strategy, including determining an appropriate number of projects in line with the Company’s size and activities
- Changes in laws, regulations, interpretation, or practices or implementing new tax laws
- Future market opportunities.

Due to these factors, the Board of Directors cautions prospective investors from relying excessively on any forward-looking statements. It should be noted that some disclosures related to market risks are, by their nature, only estimates and may differ materially from what occurs in the future. As a result, actual future gains or losses may be materially different from those that have been estimated. These forward-looking statements only address the conditions prevailing at the time of their preparation. New risks and uncertainties arise from time-to-time, and it is impossible to predict these events or how they may impact the Company or its business. Except as required by QFMA’s rules or regulations or the rules of the Qatar Stock Exchange, the Board of Directors is under no obligation to update or revise future data contained in this document after the date of its issuance. The Company advises potential investors to follow up on the information or data disclosed after the listing on the website of the Qatar Stock Exchange www.qe.com.qa.

1.3 Displayed Financial, Sector and Market Data

Financial information

The Company's audited consolidated financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS"), and copies of the financial statements are included in Section [9] of this Information Memorandum. The financial year starts from January 1 and ends on December 31 of the calendar year.

The financial statements included in this Information Memorandum have been prepared in accordance with the following Financial Reporting Standards:

The International Standard for Assurance Engagements No. 3420 (ISAE 3420): The assurance engagements to prepare a report on the compilation of conceptual financial information included in the Information Memorandum

The International Standard for Assurance Engagements deals with reasonable certification engagements related to the assurances that a practitioner makes to prepare a report on how the responsible party collects the initial financial information included in the Information Memorandum. The International Standard for Assurance Engagements is applied in either of the following cases:

- If the reports are required under the Stock Market Law or its Regulations ("the Law or Related Regulations") in the jurisdiction in which the Information Memorandum will be issued.
- If this report is generally accepted in that jurisdiction.

The International Standard on Auditing 700 (ISA 700): Forming an opinion and reporting on financial statements:

The auditor shall form an opinion on whether the financial statements are prepared in compliance with the financial reporting framework in all material respects.

- In order to form that opinion, the auditor must decide whether he has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.
- The auditor shall conduct an evaluation that includes all material aspects to extract whether the financial statements are prepared in accordance with the requirements of the applicable financial reporting framework, provided that this evaluation includes consideration of the qualitative aspects of the entity's accounting practices, including indicators of possible bias in management judgments.
- The auditor shall evaluate if the financial statements sufficiently indicate or clarify the applicable financial reporting framework

The International Standard on Auditing 800 (ISA 800): Special considerations - Audits of financial statements prepared in accordance with special - purpose frameworks.

- The ISA 800 deals with special considerations in the application of the ISAs to a review of the financial statements that are prepared in accordance with a special purpose framework.
- This ISA is written in the context of a complete set of financial statements prepared in accordance with a special purpose framework.
- This ISA does not exceed the requirements of the other ISAs nor does it aim to deal with all special considerations that may be relevant in the circumstances of the engagement.

The currency used to display the information

The fixed exchange rate is USD 1 = QAR 3.64. Although Qatar Central Bank (QCB) has maintained being pegged to the US Dollar at the same exchange rate since 1980, there is no guarantee that the peg to the US dollar will continue in the future or remain at the same current rate. In addition, the de-pegging of the Qatari riyal from the US Dollar or re-pegging it at a different exchange rate may result in a significant fluctuation and reevaluation of the Qatari riyal against the US Dollar. This fluctuation may affect other GCC currencies pegged to the US Dollar.

It is worth noting that the currency used in the financial statements included in this Information Memorandum is the Qatari Riyal (QAR).

Rounding adjustments

Certain financial data in this Information Memorandum has been rounded and adjusted. Consequently, figures shown as total numbers in some tables may not represent the correct arithmetic sum of the numbers preceding them.

Market and industry information

This Information Memorandum contains market and industry data which has been obtained from specialized third-party publications and/or websites, unless otherwise indicated. Despite the assumption that the industry data in this Information Memorandum is reliable and plausible, it has not been independently verified, therefore its accuracy and completeness are not guaranteed or reliable. Due diligence has been taken to verify the logic in the Information Memorandum.

2. Listing, Trading and Settlement

Prior to listing, the Company applied to the QFMA and the QSE to list the Shares on the QSE Second Market. Shares will be traded electronically through the same electronic trading system applied at the Qatar Stock Exchange.

After the Closing Date and following commencement of trading on the Company's shares on QSE Second Market, all individuals and judicial persons will be permitted to purchase Shares on the QSE in accordance with the applicable laws of Qatar. The Shares may be freely traded and transferred in accordance with the Articles of the Company, the rules, and regulations of the QSE, the laws of the State of Qatar, and the QFMA Listing Rules, which state among other things the restrictions imposed on the ownership of non-Qatari citizens which stipulate that their shares do not exceed 49% of the Company's capital at any time. The Shares of the Company are supposed to be registered with Qatar Central Securities Depository (QCSD) upon listing (1).

Trading on Shares accepted on the QSE will be subject to a 3-day settlement cycle (T+3) as per the QCSD Rules and delivery-versus-payment (DvP) procedures in accordance with the procedures approved by the market in which those shares are listed.

1 Source: Management information

3. Evaluation Approach

The valuation of Mekdam Holding Group was made, as 100% of the Company's issued capital will be listed. The independent evaluator made the valuation as shown below.

Any valuation is subjective and dependent on several factors including valuation methodologies used, the Company's financial expectations and key assumptions, market driven factors (such as commodity prices, import tariffs, regulations etc.), investor trends in the sector in comparison to similar companies.

Potential investors (including their advisers) in the Company must make their own assessment regarding the valuation of the Company, to decide if they should invest in it and whether they consider that the Share Listing Price accurately reflects the value of the Company. It is important to note that the day-to-day trading price of the Shares may be greater or lesser than the Share Listing Price and may or may not accurately reflect the underlying value of the Company. Potential investors must read and understand this Information Memorandum in its entirety, including the section entitled "Risk Factors".

The evaluation has been prepared for the Company to comply with the Securities Offering and Listing Rulebook "Second Market" issued by the QFMA. It was not prepared for investors to rely on or use to make investment decisions. In assessing the valuation of the Company, information including business plans provided by the management team of the Company, as well as public market data and industry research were utilized, and certain financial assumptions have been made by the Company. The management team of the Company has provided information and guidance on past performance and financial data for business activities and business plans including financial forecasts as well as industry specific insights. The business plan of Mekdam Holding Group has been developed by the Company, based on key assumptions of external consultants and management's views of the market. Normally, the business plan assumes that the current dynamic conditions of the local market and prevalent geopolitical conditions will continue.

It is important to note that there may be material differences between the expected financial statements provided by management and the actual results that the Company may achieve. Accordingly, no opinion is expressed by the evaluator, and no assurance is provided as to the achievability of the financial forecasts provided by management of Mekdam Holding Group.

Several different evaluation methodologies may be used to evaluate the Company. For the purposes of the evaluator's analysis, several recognized evaluation approaches were considered. A 100% of the Company's equity was valued as of December 31, 2020, based on marketable control (before considering any discounts that may be applicable for Listing purposes) were considered based on the business plan provided to the evaluator by the Company's management. The methodologies considered to estimate the value of the Company were primarily based on the income approach using the Discounted Cash Flow (DCF) method cross checked against other valuation methods including market multiples based on similar listed companies.

4. Risk Factors

Investing and holding Shares involves substantial risks. Investors should carefully review all of risk factors contained in this Information Memorandum, which are associated with an investment in the Company's business and the ICT sector in Qatar along with all other information contained in this Information Memorandum. The Board of Directors of the Company believes that the risks described below are key risks faced by the Company and its business.

These risks and uncertainties are not the only issues that the Company faces; additional risks and uncertainties not presently known to it, or that it currently believes not to be material, may also have an adverse effect on the Company's financial position or business success. If any such risk occurs, the Company's business, financial position, cash flow and results of operations could be adversely affected. If this occurs, the market price of the Shares may decline. Additionally, this Information Memorandum contains forward-looking statements that are also subject to risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements.

It should also be noted that the risks below are to an extent related. The occurrence of one risk may trigger other risks to materialize. For example, if there is a material downturn in the Qatari economy, the Company could incur substantial operating costs which could lead to an increased need for liquidity and result in the Company incurring large debts.

4.1 Risks Associated with the Company and its Business Operations

Risks relating to the Company not paying dividends or paying less dividends than anticipated

Payment of dividends is approved by the General Assembly upon the recommendation of the Board of Directors. The Board of Directors may recommend not to distribute dividends or distribute profits less than those anticipated by Investors. Additionally, the General Assembly may reject the recommendation of the Board of Directors regarding the distribution of dividends. The number of dividends may change from year to year and the availability of dividends may be impacted by several factors, including the profitability of the Company, capital expenditures, the financial standing of the Company, legal or voluntary reserve, the Company's debt, the economic conditions, and any other factors that the Board of Directors may consider when making a recommendation. There is no guarantee that dividends will be paid in any given year or the number of dividends which will be paid in any given year. The Company plans to distribute dividends for the financial year 2021 (if profitable), to the shareholders of records in 2022.

Changes in the financial regulations applicable to the Company including taxes

On the date of this Information Memorandum, based on the prevailing tax regulations for companies listed on the Qatar Stock Exchange (QSE), the Company's profits would be exempt from income tax following its listing. However, there can be no assurance that the State of Qatar will not in the future introduce additional taxes or charges on the Company or that the current tax laws and regulations in Qatar will not be amended. If any changes in financial regulations or tax laws occur, this could have a material adverse effect on the Company's business, cash flow, financial position, results of operations, and future prospects.

Interruption or failure of the Company's IT systems

The effective operation and management of the Company's business depends, in part, on the operation, performance and development of its IT systems and processes. New IT systems and changes to management systems may not be successfully implemented and managed which may lead to an IT environment that is inadequate to support the needs and objectives of the Company's business. A significant performance failure of the Company's IT systems could lead to a loss of control over critical business information and/or systems. If this occurs, this could have a material adverse effect on the Company's business, cash flow, financial position, results of operations, and future prospects.

Insufficient experience in managing a listed public shareholding Company

Mekdam has been operating as a private company since inception, therefore, senior executives have experience in managing limited liability companies and may not have any experience in managing a public shareholding company listed in the market or adhering to the rules and regulations applicable in Qatar. Thus, the senior executives will be required to obtain internal or external training in management, in addition to the Company's commitment to the relevant laws, regulations and disclosure requirements, which saves the time senior executives devote to managing the daily business of the Company. If the Company does not comply with the relevant laws, regulations, and disclosure requirements, this may have a negative and substantial impact on the Company's business, financial position, and operating results.

4.2 Risks relating to the Subsidiaries' Business and Operations

Contractual terms with suppliers

The Subsidiaries entered all agreements with suppliers on a non-exclusive basis therefore, the company can have several suppliers and does not need to rely on a specific supplier. This also means that the suppliers are free to enter into agreements with competitors and offer the same products and services. In addition, the suppliers may terminate some agreements without any reason. If any of the Company's suppliers were to enter into an exclusive agreement with a competitor or if the agreement concluded between the Subsidiaries and the supplier is terminated or not renewed, there is no guarantee that the Subsidiaries will be able to enter alternative contracts with other suppliers under similar terms and conditions. This may have an adverse impact on the products and services offered by the Subsidiaries as well as their business, financial position, and operating results.

COVID-19 epidemic may have a negative impact on the Subsidiaries' business, operations, markets and societies where they operate, as well as their partners and customers

It is difficult to evaluate or predict the potential impact of COVID-19 on the global economy and Subsidiaries. The potential impacts include:

- The potential and existing customers of Subsidiaries may face a slowdown in their business, which in turn may lead to a decline in demand for services, extending the sales cycles, losing customers, and facing difficulty in collection.
- The Subsidiaries' employees work from home more than usual, which may negatively impact their productivity and morale and lead to the unwanted staff attrition.
- The Subsidiaries continue to bear fixed costs, especially rent.
- The Subsidiaries may continue to face disorders in growth planning, such as facilities and expansion.
- Important suppliers of the Subsidiaries may go out of business.

Any of the above points may affect the business, financial position, and operations of the Subsidiaries.

Direct marketing to suppliers of the Subsidiaries

The Subsidiaries depend on marketing and sales of services and products, including customized services (which ensure that suppliers' products are adjusted to suit the needs and business of the Subsidiaries' clients) as well as the after-sales services provided to third parties. As of the date of this Information Memorandum, the direct sales between the suppliers (manufacturers) and end-users in Qatar are limited (or not existing), therefore suppliers depend on domestic distributors (such as Subsidiaries) to market, sell, and distribute their products and services. If one of the Subsidiaries' main suppliers decides to expand their scope of operations through selling and providing services directly for end-users, the market share of Subsidiaries may decline, which may reflect adversely and substantially on the Subsidiaries' business, financial position, and operating results.

Increase in prices of services and products by key suppliers

The Subsidiaries are able to obtain competitive prices from major suppliers, given that they are classified as privileged partners due to fulfilling the qualitative and quantitative criteria over the years. These benefits are subject to periodic evaluation, which is usually conducted on an annual basis. The Subsidiaries' operating costs will be impacted significantly in case of an increase in prices of products and services that are provided to them from the main suppliers. For example, if there is an increase in prices due to the removal or reduction of benefits offered to the Subsidiaries, then the Subsidiaries will have to incur these expenses if they fail to raise the prices of products and services they provide to their customers. Accordingly, this may have an adverse and substantial impact on the Subsidiaries' business, financial position, and operating results.

The Subsidiaries' inability to keep pace with the sector's developments

The information and communication technology (ICT) sector is characterized by rapid technological changes, evolving industry standards and introduction of new products and services that could result in product obsolescence and short product cycles. The Subsidiaries' success in the future depends on their ability to introduce these developments and enhance their current technical and professional portfolio or obtain new services to meet customer requirements in a timely manner and at a reasonable cost. There is no guarantee that the Subsidiaries may succeed in delivering or responding to such developments in a timely manner and at reasonable costs, and there is no guarantee that the services or technologies provided by the supplier in the sector may succeed even if the Subsidiaries managed to respond to such developments. In addition, the Subsidiaries may not succeed in providing new or improved services due to lack of sufficient demand from customers for these products, or the Subsidiaries may fail to provide or develop these new services effectively. The Subsidiaries' inability to meet the requirements of the constantly evolving ICT sector, especially with regards to new or outdated technologies, will have an adverse and substantial impact on their business, financial position, and operating results.

The Subsidiaries' inability to adapt to Customer requirements

The information and communication technology (ICT) sector is sensitive to changes in the customers' needs and the market's trend. Any change in the customers' preference or requirements could result in reduced effectiveness or demand for the Subsidiaries' products and services. For example, any concerns related to fraud, information privacy or other similar issues may reduce the desire customers and commercial companies have for the products and services provided by Subsidiaries or which it may offer in the future.

Moreover, the Subsidiaries may not be able to adapt to the customers' needs in a timely or cost-effective manner. They also may not be able to provide new products that satisfy customer needs through their suppliers and / or the Subsidiaries' competitors may provide better options. Any change in the customers' preference may result in a decline in their demand for the products and services provided by the Subsidiaries, which may reflect adversely and substantially on the Subsidiaries' business, financial position, and operating results.

Risks relating to income ratios due to termination, postponement, or reduction of the scope of work

Contracts and purchase orders concluded between the Subsidiaries and their customers provide terms and conditions related to the termination, postponement, or reduction of the project's scope of work to fulfill the customers' needs. If one of the Subsidiaries' customers decides to terminate, postpone, or reduces the project's scope of work, this will adversely affect the project's revenues and cash flow. If the contract or purchase order is related to one of the Subsidiaries' major projects that are subject to the terms and conditions of the termination, postponement, or reduction of the scope of work, this will have an adverse effect and substantial impact on the Subsidiaries' business, financial position, and operating results.

Risks relating to contracts with Government parties

The Subsidiaries' business and profits depend significantly on the services provided to their customers in general as well as the services offered to governmental and semi-governmental entities. The percentage of the Subsidiaries' sales to governmental and semi-governmental entities (including ministries, government agencies, companies owned directly or indirectly by the government, or companies controlled by the government through ownership or ability to appoint board members) amounted to 36% of its total sales during 2020. Most of the risks associated with governmental contracts are inherent in the government contracting process and include delays in obtaining the internal approvals for contracts and other economic and political factors that may affect the number, value and terms of the contracts awarded by government agencies. Government contracts also include more stringent terms when compared to other commercial contracts, and it is difficult to negotiate the terms and conditions of government contracts concluded by the Subsidiaries, compared to other commercial contracts. This may have an adverse and substantial impact on the Subsidiaries' business, financial position, and operating results.

In the event that the Subsidiaries are unable to maintain good and stable relations with their clients in the government sector for any reason, this will adversely and substantially affect their operating results, leading to a decline or fluctuation in their sales and profit margins. This will have an adverse and substantial impact on the Subsidiaries' future performance, operating results, prospects, financial position, and share price as a whole. Issues that adversely and materially impact the revenues of Subsidiaries from government agencies include:

- 1- The Subsidiaries' inability to renew their contracts with the customer upon expiration, or if the customers do not wish to renew the contract.
- 2- Amendment of the terms of the contract so that they do not correspond with the financial interests of the Subsidiaries.
- 3- The Subsidiaries' inability to comply with the provisions of certain contracts that result in terminating that contract or amending its provisions.
- 4- Termination or withdrawal of the contract upon the request of the customer.

Risks relating to the Company's inability to maintain its human resources

The Subsidiaries depend on its employees to provide services to its customers, and if the Subsidiaries cannot designate the appropriate team, they may not be able to deliver their projects within the timeframe or specifications set by the customer. With regards to the operation and maintenance projects, if the Subsidiaries fail to appoint employees from an existing service provider or external sources, this may result in delayed project implementation, and if they were unable terminate or transfer the services of their employees upon the completion of the project or if they cannot renew it for the new service provider, the Subsidiaries may be left with a surplus of employees which may lead to higher operating costs and affect its profitability. This will adversely and materially impact their business, operating results, and financial position.

Risks relating to ability to provide Capital requirements

With respect to the Subsidiaries operations, they rely on their working capital, financial position, operating results, cash flows and external financing from banks. The Subsidiaries' ability to secure loans and facilities from various financing agencies at a low cost and reasonable terms depends on their future financial positions, global economic conditions, the financial market situation, "Murabaha" ratio, the availability of credit from banks or the other lending entities and lenders' trust in the Subsidiaries. The Subsidiaries may be unable to secure sufficient or adequate financing in the future in order to finance their growth and implement their expansion plans, which would have an adverse and substantial impact on the Subsidiaries' business, operating results, financial position, and future prospects.

Risks relating to decline of the operating services

The Subsidiaries' ability to maintain its existing customers and attract new ones depends on their ability to provide effective, accurate and high-quality services. There is no guarantee that the Subsidiaries can maintain these standards in the future. The Subsidiaries' operations may be affected if it is associated with a hacking incident, delayed project completion, data breaches, or other loss or damage resulting from software or hardware. This will significantly impact their scope of work, especially if this results in a remarkable decline in the Subsidiaries' customers or affects their abilities to attract new ones. This may have an adverse and substantial impact on the Subsidiaries' business, operating results, financial position, and future prospects.

Risks relating to breakdown in the Subsidiaries' facilities

The Subsidiaries currently operate and run operations through their Al Waab-based headquarters. Given the centralization of the Subsidiaries staff and other resources; there will be an impact on the Subsidiaries' business and operating results if the facilities are damaged by natural disasters, including earthquakes, floods, fire, or other natural disasters that would cause serious damage to the facilities and real estate. This may have an adverse and substantial impact on the Subsidiaries' business, financial position, and future prospects.

Risks relating to dependence on information technology

The Subsidiaries' business significantly depends on the information technology systems in order to connect their business units through their software, systems and devices. Any disruption to the IT systems of the Subsidiaries will adversely and substantially impact their ability to track, record and analyze the services provided by the Subsidiaries to their customers, thereby reducing their ability to deliver their services effectively. This may have a material adverse effect on the Subsidiaries business, results of operations, financial position and future prospects.

Risks relating to the inability to implement future business strategies

The success of the Subsidiaries' business depends on their ability to effectively implement their business strategies and future projects. However, there is no guarantee that the Subsidiaries will be able to implement their strategies and future projects on time and within the specified budget.

Thus, there may be a negative and substantial impact on the Subsidiaries' business, financial position, and operating results if they fail to implement their strategy and business.

Risks relating to the Subsidiaries' inability to obtain comprehensive insurance coverage for the risks associated with their business

The Subsidiaries maintain insurance coverage that includes several types of insurance policies, including, but not limited to, the general insurance and public insurance obligations. The Subsidiaries believe that they have insured the related risks at a reasonable and commercially appropriate amount for their business. The Subsidiaries' operations may be affected by a number of risks which are not covered by insurance or insurance coverage is available but at unreasonable commercial prices. It is possible that events may occur in the future during which the Subsidiaries are under insured in a way that covers potential losses or may not be insured at all. Moreover, the insurance policies of the Subsidiaries include exceptions or limits for coverage whereby certain types of losses, damage and liability are excluded from the insurance coverage. In these cases, the Subsidiaries will incur losses, which may impact their business and operating results.

In addition, the Subsidiaries may resort in some cases to the relevant insurance company to compensate them for any insured loss or damage caused to them, or if the value of the Subsidiaries' claims exceeds the value of the insurance policy they are holding, or the damage incurred is not covered, or the compensation claim submitted by the Subsidiaries to the insurance company in question is rejected. The Subsidiaries may fail to obtain adequate insurance coverage due to the high rates or lack of insurance premiums (as a result of an increase in the premium, deductibles, or joint insurance requirements). All of these factors may have an adverse and substantial impact on the Subsidiaries' business, financial position and operating results.

Risks relating to the Subsidiaries' inability to obtain and renew licenses, certificates, permits and necessary approvals

Subsidiaries are subject to a number of laws and regulations, such as obtaining the necessary licenses, certificates, permits and approvals from the competent regulatory and legal governmental entities and bodies in Qatar to practice and expand their business and activities. The Subsidiaries currently hold several licenses, certificates, permits and approvals related to its business activities. These licenses include, but are not limited to, Commercial Registration certificates issued by the Ministry of Commerce and Industry, the Supplier Classification Certificate issued by the Ministry of Finance, trademark registration certificate, deposit registration certificate, municipal licenses, civil defense permits, and security systems management permits.

If the licensee does not comply with certain requirements or does not carry out an audit to maintain the license (after the concerned authority sends a notification to the Subsidiaries), the competent authority may not renew or amend the scope for the license, certificate, or permit, and may provide conditions that may adversely impact the Subsidiaries' performance if the competent authorities renew or amend these documents. The Subsidiaries may believe that they have fulfilled all necessary requirements and obtained the necessary licenses to practice their commercial activities, however, any government entity may request the Subsidiaries to issue additional licenses that may be necessary in the future. In addition, the Subsidiaries may be

requested to suspend all their operations if they are unable to renew their license or if the license is suspended, cancelled, or renewed on inappropriate conditions, or if the Subsidiaries could not obtain additional licenses that may be necessary in the future. This may cause a disruption in their business and operations and / or lead them to incur additional costs. These cases, or any of them, may have an adverse and substantial impact on the Subsidiaries' business, financial position, and operating results.

Risks relating to protecting the reputation and trademark of the Subsidiaries

In the event that the Subsidiaries are unable to maintain their market reputation and / or if their reputation suffers significant damage, some customers and suppliers may terminate or choose not to renew their contracts with them and /or the Subsidiaries may not be able to win or attract new customers and suppliers. This may have an adverse and substantial impact on their business, financial position, and operating results.

Risks relating to protecting the brand of Mekdam CAMS

Mekdam CAMS has obtained a patent registration certificate from the Intellectual Property Rights Protection Department, at the Ministry of Economy and Trade. Any violation of the intellectual property rights or illegal use of the brand/trademark will lead to taking legal actions and legal claims before the competent Courts to protect these rights. These high-cost procedures take long time, and the management exerts efforts to follow them up. If the Company fails to effectively protect its trademark, this will adversely and substantially impact its business, operating results, financial position, and prospects.

Competition between ICT service providers

Clients may request lower rates for the services provided by the Company. The entry of new companies and suppliers in the field of information technology sector, or the expansion, development, or integration of existing competitors' businesses, may lead to an increase in the percentage and number of service providers, and thus may lead to a decrease in the prices of products and services provided by the company to its customers. It is worth noting that other competitors are expected to enter the State of Qatar after the announcement of Al-Ula agreement. This may result in the decrease in the profit margin ratio and the profits of the company in general.

Risks related to the increase in the value of doubtful debts from major customers -

The Company may be subject to the risk of delay or non-payment by clients of services rendered to them by the Company due to financial challenges that the Client may face, such as issues related to cash flow or bankruptcy. Government agencies in the State of Qatar work by preparing annual budgets, through which the value of outstanding bills is paid in one payment at the end of the year.

The value of the company's receivables, as of December 31, 2020, amounted to QAR 44.6 million owed by several clients. The value of doubtful debts amounted to QAR 7.95 million as of December 31, 2020. Please refer section No. 10 - Management discussion and analysis in this document for more information. In general, any delay in the payment of amounts due and/or any significant increase in the amounts of receivables will have a negative and material impact on the company's cash flow, financial position, and results of operations.

4.3 Risks relating to the Market where the Company Operates

Political concerns in the wider Middle East and North Africa region (MENA)

All assets and headquarters of the Company are located in Qatar. According to several reports, the MENA region has long been suffering from some geopolitical and security risks. Some countries in the MENA region suffered from major civil unrest, sometimes leading to violent turbulences that required intervention of foreign powers politically and militarily and / or changing the government, starting from the first half of 2011.

Economic dependence on oil and gas revenues

The Company mainly operates in Qatar, where the revenue from gas represents the backbone of local economy in general and contributes to developing other local sectors and infrastructure. The decline in oil and gas prices, as well as other developments that may limit the Qatari government's ability to export oil and gas products naturally, may reduce revenue flow and hinder the country from executing its development strategy. This may result in major economic challenges that would impact the Company's business, financial position, cash flow, operating results, and prospects.

Qatar Commercial Law and proposed bankruptcy provisions

Investors should be aware that the Commercial Law governs the commercial issues, competition, commercial obligations, and contracts. In addition, the Law includes comprehensive provisions governing the bankruptcy issues and allows creditors to file lawsuits against most institutional entities, excluding some professional companies and the firms in which the state owns at least a majority stake.

As far as the Company is aware, the new Bankruptcy Law has not been applied so far, and there is no confirmation that if the Qatari Courts will implement it. There is no guarantee that the Qatari Courts will order the company's liquidator to fulfill any of the company's obligations during the bankruptcy management period.

The Commercial Law enables the Qatari Courts to postpone the adjudication of the company's bankruptcy if the Court believes that the company may improve its financial position during a period set by the Court or if it sees that the postponement is in the interest of the national economy. In case of issuing a bankruptcy ruling under the Qatari Law, shareholders and others will come generally after the creditors of the company in question.

Change in the exchange rate of Qatari riyal and local currencies as well as pegging them to the US dollar or flotation of the Qatari riyal and their impacts on the instability of the currency

Since 2001, the Qatari riyal had been officially pegged to the US dollar at a fixed exchange rate of QAR 3.64 per US dollar. In addition, several GCC countries pegged their currencies to the US dollar.

In response to the continuous fluctuation of global oil prices, the oil producing countries whose currencies are traditionally pegged to the US dollar faced pressures to de-peg their currencies from the US dollar. Some countries have already de-pegged their currencies, and other GCC countries may follow their suit, in response to oil price developments or other reasons. Any potential de-pegging may reflect negatively on the Qatari economy, which may weigh on the Company's business, financial position, cash flow, operating results, and prospects.

The unfavorable conditions in the sector under which the Subsidiaries operate or the global economy may affect the Company's ability to develop its business and negatively impact its operating results

The operating results vary based on the impact of changes in the sector or global economy on the Company or current and potential customers. These changes include the negative conditions facing the local and global economy, such as those resulting from changes in the gross domestic product (GDP) growth, credit market fluctuations, international trade relations, epidemics (such as COVID-19), political unrest and natural disasters in Qatar or any other place. This may weigh on business investments, including spending on technologies, and reflect negatively on the Company's business growth. Several competitors have more financial resources than the Company so they may respond to the tough market conditions through reducing the prices to attract the Company's customers. The Company cannot predict the timing, strength, duration of any economic slowdown, instability, or recovery in general or in a certain industry.

4.4 Identified Risks Relating to Stocks

The second Company to be listed on the second market and lack of related liquidity

Mekdam will be the second company to be listed in the Qatar Stock Exchange Second Market. The relevant risks include investors' low awareness of the Second Market as well as their cautious approach towards small markets in which they have not invested in before.

In general, stocks listed on any emerging stock exchange are growing, and the Second Market is a risky investment due to the high risks relating to investment in small and medium-sized enterprises (SMEs) as they do not have a long-term trading record. In addition, the listing conditions of Second Markets are more flexible compared to those of the main market.

Currently, there is no market for trading the company's shares, and there is no guarantee that an active trading market with high liquidity will exist or will continue after listing. In case of not having an active market with high liquidity for the stocks or in case they do not continue, the liquidity and stock price may be negatively affected.

Investment in the Company's shares may not be suitable for all investors

Each potential investor must determine the suitability of the investment considering their own circumstances. Every potential investor should:

- Have sufficient knowledge and experience to evaluate the related stocks as well as the benefits and risks of investing in these stocks, in addition to evaluating the information stated in this Information Memorandum or any appendix that follows it.
- Have access to appropriate analytical tools to evaluate the investment in stocks and the impact of shares on the total investment portfolio in a special context of the financial situation and to be familiar with those tools.
- Have sufficient financial resources and adequate liquidity to bear the risks of investing in the shares.
- Have the ability (either alone or through a financial advisor) to evaluate the potential scenarios of economic factors as well as other factors that may impact the investments and the ability to bear the relevant risks.

Price fluctuations

The market price of shares may face significant fluctuations and changes in a relatively short period, which may lead to a decrease in the investors' interest in the company's shares.

4.5 Unidentified or Unexpected Risks

Other risks

In the context of practicing commercial activities, the Company faces several risks, including credit, market, liquidity, and operating risks. Investors should be aware that failure to effectively manage these risks may lead to adverse impacts that would harm the Company's financial position, operating results, and reputation.

Qatar's Labor Law gives the priority of employment to citizens as part of the national strategy to qualify the Qatari workforce through learning and training. The percentage of national workforce at any company is subject to the decision of the Labor Department, which has the authority to grant approvals and issue work permits to employ non-Qatari workers. Any change in the legislations or application of the current legislations may impact the Company's employment strategy. If the Company is legally obligated to employ a higher percentage of Qatari citizens, the cost of training, employment, and professional development may be higher than the current cost that the Company can incur in this regard.

5. Information about the Company (Mekdam Holding Group)

5.1 Overview

The Company was initially established as a Qatari limited liability company, registered under the Commercial Registration No. 115142 dated March 29, 2018 in the name of Mekdam Holding Group (hereinafter referred to as "the Company"). On January 14, 2021, the founders received the initial approval from the Ministry of Commerce and Industry (MOCI) to convert the Company into a Qatari Public Shareholding Company. Following the first General Assembly Meeting (referred to as "the Constituent General Assembly"), the conversion process is completed and the amended commercial registration for the Company is approved by the MOCI.

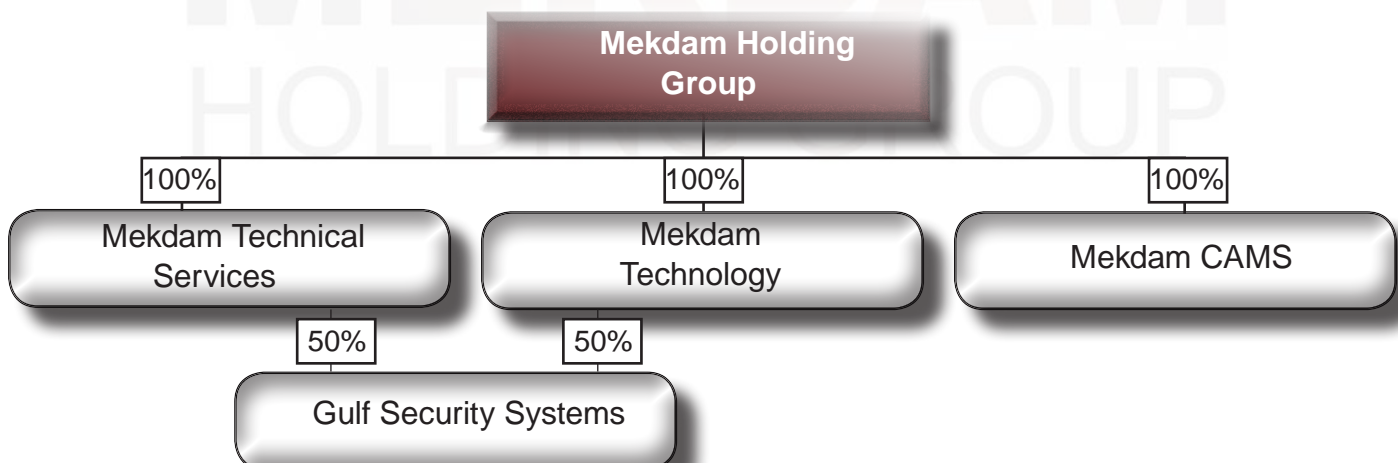
Following the Company's conversion into a Public Shareholding Company, its capital will be QAR 50,000,000 divided into 50,000,000 ordinary shares with a nominal value of QAR 1.00 for each. All shares will be fully paid.

The Company operates through three subsidiaries that provide ICT's comprehensive and integrated services, including consulting and development, technical consulting, supply, implementation, project and program management, support, and maintenance. This includes, the Company's network and information systems, data centers systems, service management systems, solutions, and software, along with supply, installation, operation, activation, and maintenance of alarm devices connected to the Control Room of the Ministry of Interior / Civil Defense.

In addition to their resources and capabilities to provide the services, the Subsidiaries have concluded partnership and supply agreements with several internationally well-known suppliers of ICT systems and solutions around the world. These agreements grant the Company non-exclusive distribution rights on the products and services developed by the Company's partners and suppliers for the customers in Qatar.

5.2 The Company's Corporate Structure

The Company operates through its Subsidiaries, it prepares its financial reports at the level of the Subsidiaries. Later, all financial reports will be consolidated at the level of the parent company. The following diagram shows an overview of the Company's corporate structure:



5.3 Purposes and Activities

According to the Company's articles of association, the main activities of the Company are as follows:

1. Provide the necessary support to the Subsidiaries.
2. Have and exploit the patents, commercial business, concessions, and other intangible rights, and leases them to the Subsidiaries.
3. Own the movables and properties necessary to conduct activities within the limits authorized by the law.
4. Participate in the management of the Subsidiaries or the companies wherein it has shares.
5. Invest funds in stocks, bonds, and securities.

5.4 Address

Building E1, Zone 55,
Al Waab City
P.O Box: 17654
Doha, Qatar

5.5 Vision

The Company aims to be the leading partner in the field of ICT solutions and services in Qatar and the region and to continuously enhance the value of its shareholders.

5.6 Mission

The Company aspires to offer and apply its extensive knowledge and experience to provide the best technical solutions, making the ICT sector in Qatar a main enabler in the development and prosperity of society and business successfully and effectively.

5.7 Strategy

The Company seeks to increase the value of the shareholding by exploiting the position of the Subsidiaries in providing leading services in the ICT sectors and enhancing their position among the customers by providing high quality and diverse services, which will increase the ownership value of the shareholders.

The Company plans to improve the overall value and return to investors by:

- i. Monitoring the implementation plans and results of the Subsidiaries through conducting discussions and reviews between the Company's Board of Directors and management members.
- ii. Monitoring the cash management processes of Subsidiaries and contributing to the optimal allocation and utilization of the cash.

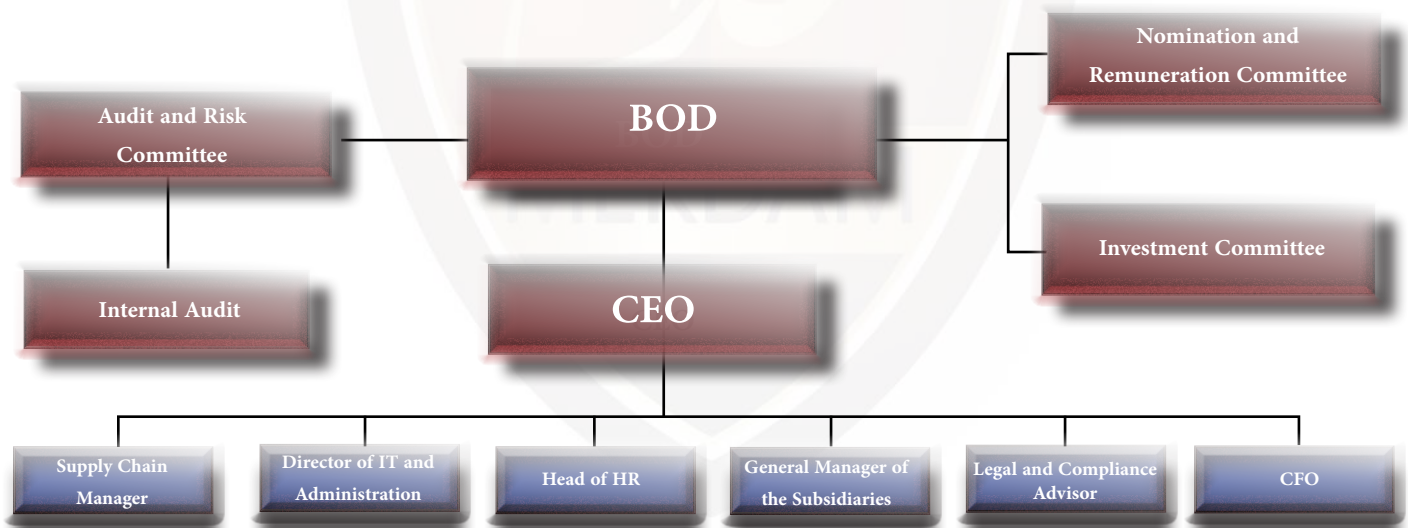
5.8 Credit Rating

Credit rating agencies assign credit ratings to several companies based on various factors, most of which relate to the specifics of each company and general economic conditions. On March 7, 2021 the company was rated (gcBBB-) issued by Standard and Poor's (S&P).

5.9 Organizational Structure

Following the conversion of the Company from a limited liability company into a Public Shareholding Company, the Board of Directors will assume responsibility for overseeing the Company and will have the overall authority to manage and conduct the business and development strategy of the Company and the Subsidiaries. The senior management members of the Company manage the Company's daily affairs and business, while the general managers of the Subsidiaries work independently from each other.

The following diagram shows the organizational structure of the Company after its conversion into a Qatari Public Shareholding Company:



5.10 Employees

The Company mainly operates as a holding company for the Subsidiaries. Thus, it will provide common corporate services such as human resources, accounting, and legal services. In addition, the Company employs experienced and qualified employees.

As of January 2021, the Company had 50 employees, divided generally into executives, department managers and employees

Description	Number
Executives	7
Department managers	7
Employees	36

Source: Management information.

5.11 Social Responsibility

Based on the firm foundations and the absolute belief in the social responsibility of the companies operating in Qatar, the Company developed a social program aimed at promoting added social values in 2020. The first social initiative was to contribute to sponsoring the endurance championships for 2020/2021 sports season, foremost of which is the Race for the Sword of His Highness the Emir of the State of Qatar (may Allah protect and preserve him), by presenting some in-kind prizes with a total value of QAR 310,700 to the Qatar Equestrian and Modern Pentathlon Federation. This sponsorship emerged from the absolute belief of the Company in the importance of preserving the ancestral heritage that the Company adheres to and seeks to promote it over generations as one of the constants of the original Arab values and culture.



6. Information about the Subsidiaries

The Company operates as a comprehensive service and solution provider of ICT, mechanical and electrical engineering, and operation and maintenance services. The Company provides a range of solutions and services through three subsidiaries (The Subsidiaries). Each subsidiary works in an important segment of the ICT, mechanical and electrical engineering, and operation and maintenance services. The Subsidiaries operate in a coherent and robust environment to provide comprehensive and integrated solutions with the highest standards of quality in the market. They are currently operating from the main headquarters of the Mekdam Holding Group. Currently, the Subsidiaries exclusively target public and private institutions, and do not perform any activity in the retail sector.

The scope of the Subsidiaries business has evolved over the past years due to its diversified services which reflects the rapidly changing nature of the ICT sector and proves the efficiency of the management team of the Subsidiaries and the effectiveness of the dynamic approach they follow. This approach enables the management team to successfully run the business of the Subsidiaries and keep pace with the market trends. At the date of this Information Memorandum, the Company's business portfolio focuses on the following business units:

6.1. Mekdam CAMS

Mekdam CAMS is best known for its work with Qatar's Ministry of Interior (MOI), where it helped the government meet its safety and security needs for the country through its patented services.

The Company was established in Qatar on September 17, 2017 as a limited liability company under the Commercial Registration No. 103562. Mekdam CAMS is licensed by the Ministry of Interior Telecommunications Department to provide an early warning system connection by linking businesses, residential buildings, public and private institutions with fire detection, theft, and intrusion detection systems with a direct link to the National Command Center (NCC). The National Command Center is linked to entities including the police, ambulance, civil defense, fire security and safety services.

CAMS is widely used across Qatar and other markets to manage emergencies that could cause life threatening or asset threatening situations. With Mekdam CAMS, remote access is possible for all resources through the NCC. This seamless connectivity has enabled Mekdam CAMS to build its customer profile to more than 4,000 CAMS users across key sectors and residences around Qatar.

Patent

Mekdam CAMS registered its patent with the Ministry of Commerce and Industry (MOCI) in 2017. The CAMS system has been listed as the best way to notify the authorities of a fire or burglary. Within seconds of the incident, the system sends a signal with location data and the number of the person in charge of the building to the National Command Center, after which a specialized team is sent to control the situation.

Services

Mekdam CAMS provides the following services and solutions:

- Centralized Alarm Monitoring Station (CAMS)
- 24×7 technical support
- Fire Alarm Monitoring System
- Central control design
- Intrusion and burglary alarm system
- Maintenance services
- Vehicle intrusion alarm system

Major projects

Mekdam CAMS participated in several prestigious projects. The following table shows a sample of the contracts awarded / novated to the company:


Project	Description	Contract Value (QAR)	Start Date	End Date
Hamad International Airport	Stand-alone fire alarm systems network and maintenance of the early warning communication equipment.	195,000	2019	2022
Qatar National Bank	Network of the independent fire alarm and intrusion systems linked to the MOI's Control Room / MOI's Civil Defense Department and maintenance services for the branches and ATMs.	440,000	2019	2021
Doha Bank		673,326	2018	2021
Qatar International Islamic Bank		161,500	2019	2021
Ministry of Higher Education	Connecting the public schools with the independent fire alarm systems linked to the MOI's Control Room / MOI's Civil Defense Department	1,364,000	2019	2021
Hamad Medical Corporation	Connecting the independent fire alarm systems linked to the MOI's Control Room / MOI's Civil Defense Department	117,750	2020	2021
Villaggio Mall		1,183,400	2018	2021
Mall of Qatar	Supplying, installing, operating, and activating of the CAMS system in the commercial complex and some stores.	48,500	2019	2021
Woqod	Supplying, installing, operating, and activating of the CAMS system in most gas stations.	216,800	2019	2021
Al-Mirqab Exchange	Operating and activating of the CAMS system in all branches.	31,500	2018	2021
Al Majed Jewellery		17,170	2018	2021
Katara Hospitality	Connecting, operating, and activating of the CAMS system in most hotels under the umbrella of Katara Hospitality.	45,000	2019	2021

Project	Description	Contract Value (QAR)	Start Date	End Date
Baladna	Supplying, installing, operating, activating, and maintaining the CAMS system in the branches.	36,000	2019	2021
ExxonMobil	Supplying, installing, operating, activating, and maintaining the CAMS system	22,500	2018	2021
Mowasalat	Supplying, installing, operating, and activating the CAMS system	36,000	2018	2021
Qatar Museums		135,000	2018	2021
Lekhwiya		55,000	2018	2021
Qatar Rail		216,000	2018	2021
Mwani Qatar		90,000	2018	2021

Source: Management information.

Trademarks

Mekdam CAMS relies on trademarks specific to its business. The Company can use these trademarks; however, it does not mean that it owns the rights to the trademarks. The Company also has the right to use the Subsidiaries trademarks

Trademark	About the brands	Effective / End Date
	The Bosch Group is a leading global supplier of technology and services. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Construction Technology.	Long-term partnership

Source: Management information.

Employees

Mekdam CAMS employs experienced staff with high efficiency and technical skills. As of January 2021, the number of employees of the Mekdam CAMS was about 27, divided into managers and employees.

Description	Number
Managers	5
Employees	22

Source: Management information.

Financial information

The following table presents an overview of the basic operation data as of 31 December 2020:

In QAR					
Sales	Gross Profit Margin	Net Profit	Net Profit Margin (%)	Total Assets	Total Liabilities
13,272,132	81%	7,536,450	57%	4,524,357	1,999,757

Source: Audited financial data of Mekdam CAMS as of December 31, 2020

6.2 Mekdam Technology

Mekdam Technology is one of the most important technology companies in Qatar. It is a system integrator that provides a wide spectrum of ICT services, audio-visual, security and safety systems, ultra-low voltage systems, engineering systems, services and maintenance, and wireless phone services in various sectors.

The company was established in Qatar on September 10, 2017 as a limited liability company under Commercial Registration No. 103277. Mekdam Technology is a party to some of the largest projects in Qatar due to its market-leading depth and breadth of experience. It also prides itself on its high customer retention rates, which is a testament to the best delivery standards implemented by its expert and professional team. Mekdam Technologys' clients depend on it for their overseas expansion due to its wide range of strategic partnerships. Through its extensive experience and the right mix of technological solutions, Mekdam Technology has proven its ability to provide after-sales services and implementation skills.

Services

i. Information and Communication Technology

Mekdam Technology offers integrated ICT transformation services and unique offerings to its customers based on market insights. It is an international service provider for connected IT solutions and managed services to businesses and governments worldwide. It provides expert consultations on a wide variety of communication related areas, including collaboration, data centers, cloud solutions, information management and fully managed services.

Solutions

Information and Communication Technology solutions

- Cyber Security
- Unified Communications and Collaboration
- Software-Defined Networking (SDN)
- Next Generation Networks (NGNs)
- Structured Cabling Solutions
- Low Voltage Cable Installation Services
- Fiber-Optic Networks
- Security Services
- Wireless and Mobility Solutions
- TETRA Network Solutions
- AVLS Solutions

ii. Security and Safety Solutions

As part of the Company's endeavor to meet the clients' security and safety requirements, Mekdam Technology offers a wide range of solutions suited for businesses, governments, and residences. Its range of MOI-SSD-Compliant products, services, and solutions, meet the security needs across all institutional and residential applications. Its CCTV, Access Control, Intrusion Detection, Fire Alarms, and Emergency Lighting include strategy, planning, implementation, and maintenance services. This has helped Mekdam Technology achieve its top-tier status in the region.

Solutions

- CCTV
- Intrusion Detection
- Ticketing System, Queue Management
- Toilet Alarm System for people with special needs
- Vertical Barriers / Gate Barriers / Turnstiles / Road Blockers
- Emergency Lighting Systems
- Lighting and Dimming Control for Buildings and Street lights
- Voice Integrated Fire Alarm and Evacuation System
- Vehicle Scanning, X-Ray Scanners
- Intercom System, Master Clock
- Building Management System (BMS)
- Guest Room Management System (GRMS)
- Physical Security Information Management (PSIM)
- Physical Security
- Integrated Fire Alarm and Evacuation System
- Access Control, Time and Attendance System
- Lighting Control System (LCS)
- Video Analytics, Automatic Number Plate Recognition (ANPR)
- Intrusion Detection, Intercom System
- Corporate Security Systems CBS
- Nursing staff Call System

iii. Engineering Solutions

Mekdam Technology has a solid foundation as a design, procurement, and construction contractor in key industries such as Oil and Gas, Power, Water and Infrastructure. Its turn-key engineering solutions attract fast-growing organizations that need reliable and efficient solutions in engineering.

Solutions

- Engineering projects, Procurement, Installation, and operation in various disciplines (electrical, instrumentation, piping, mechanical work, HVAC, and construction work)
- Detailed engineering design
- Turnkey projects
- Operations and maintenance services (electrical system, FandG, SCADA, field instruments)
- Testing and commissioning of LV, MV and HV equipment and systems
- Energy meter calibration services
- Control and process automation
- Wireless and mobility services
- SCADA integration

iv. Audio Visual Solutions

Mekdam Technology is proud to be the first company in the Middle East to receive the APEx (Audiovisual Provider of Excellence) certification, offering a full range of AV solutions that suit all applications. This includes Crisis Management and Control Rooms, Galleries, Theaters, Broadcasting Studios, Stadiums, Museums, Board Rooms, Lecture Halls, Laboratories and much more. Its customers span the following sectors: Corporate, Education, Science, Culture, Trade, Hospitality, Sports, Government and Military Institutions. Due to Mekdam Technology's expertise, institutions across the region are better equipped for crisis management, education, and entertainment for the region's rapidly growing populations.

Solutions

- AV Switching, Control and Automation Systems
- Audio and Video Conferencing Collaboration and Telepresence Systems
- Projector Systems, Pixel Mapping, 3D Holographic, Virtual Reality
- Background Music System (BGM)
- Digital Signage, Road Finder and Interactive Kiosks
- SMATV, IPTV and HITV Systems
- Public Address System, PAS/PAVA/PAGA
- Photoelectric Simulation

Major projects

Mekdam Technology participated in several prestigious projects. The following table shows a sample of the contracts awarded / novated to the company:

Project	Description	Contract Value (in QAR)	Start date of working	End date of working
Qatar Petroleum	Engineering, Procurement, Installation, and Commissioning (EPIC) contract with Qatar Petroleum, for public announcement and public registration, CCTV systems, and Talkback systems at various offshore gas stations and offshore NFA platforms	76,756,934	2018	2021

Project	Description	Contract Value (in QAR)	Start date of working	End date of working
Hamad Medical Corporation	Supply, installation, and operation of CCTV surveillance systems contract with Hamad Medical Corporation in various buildings and departments of the main hospital	48,714,294	2018	2021
Qatar Company for Airports Operation and Management (Matar)	Upgrade and maintenance of the Wi-Fi infrastructure in the passenger terminal complex of Hamad International Airport	27,363,572	2020	2021
Qatar Petroleum	Engineering, Procurement, Installation, and Commissioning (EPIC) contract with the Qatar Petroleum turbines on various offshore platforms	54,590,152	2018	2021
Qatargas Operating Company Limited (Qatargas)	Maintenance services for fire and gas systems for the North Field project	19,738,570	2020	2023
Voltas Qatar	Electrical installation works of the Commercial Boulevard district project in Lusail	10,400,258	2018	2021
Medgulf Construction	Supply, installation, testing, and pre-commissioning for MEP and ELV works for Qatar Petroleum to establish an oil and gas data center	25,281,926	2020	2021
Geaco Trading and Contracting	Supply, installation, testing and operation of mechanical and electrical works, water and sewage installations and firefighting system in Yasmeen City, Lusail Qatar.	29,940,000	2021	2022

Source: Management information.

The Company contracts are not renewable in most cases as they involve implementation of specific products and services that end upon completion of the project. To retain the client, maintenance contracts may be developed through the Mekdam Technical Services Company.

Trademarks

Mekdam Technology relies on trademarks specific to its business. The Company can use these trademarks; however, it does not mean that it owns the rights to the trademarks. The Company also has the right to use the Subsidiaries trademarks.

Trademark	About the brands	Effective / Expiry Date
	APEX (Audiovisual Provider of Excellence) certification is recognized as a leading industry designation, by customers and by AV service providers. It's administered by the Audiovisual and Integrated Experience Association (AVIXA), a leading industry organization that updates it frequently.	Nov 30, 2021
	The Audiovisual and Integrated Experience Association, organizer of InfoComm trade shows around the world, co-owner of Integrated Systems Europe, and the international trade association representing the audiovisual industry. Established in 1939, AVIXA has more than 11,400 enterprise and individual members from more than 80 countries.	Feb 3, 2022
	A global audiovisual, content management and image processing technologies company. From inspired ideas to innovative solutions, the company creates a complete range of high-quality AV and far-UVC technology solutions for business, education, entertainment, and industry. From massive global events to the smallest applications, the technology—including advanced RGB pure laser illumination, SDVoE technology solutions, cutting-edge image processing and media servers, and LED display solutions—empowers people to create the world's best shared experiences.	Long-term partnership
	The world's leading innovator and manufacturer of advanced control and automation systems for offices, campus facilities, and homes, reinventing the way people live and work. Integrated solutions to monitor, manage, and control audio, video, and lighting, shades, and climate, Crestron streamlines technology to improve the quality of life for people in corporate boardrooms, conference rooms, classrooms, hotel rooms, auditoriums, and in their homes.	Aug 31, 2021
	The company is a manufacturer of innovative sound systems and digital audio solutions. The business unit manufacturer develops, manufactures, and distributes high quality audio solutions that combine technology and design. As consultants, they analyze rooms and building acoustics and together with the business partners the company develops corresponding electro-acoustic solutions.	Long-term partnership
	Pro Display manufactures an innovative range of AV and Digital Signage solutions designed for advertising, news, and entertainment purposes.	Long-term partnership
	Exida, founded in 2000, is recognized by many experts in the fields of reliability and safety around the world. The company is engaged in product certification and knowledge, specializing in automation systems safety, alarm management, cybersecurity, and availability.	Dec 31, 2022

Trademark	About the brands	Effective / Expiry Date
	Today, Cisco solutions represent the networking foundations for service providers, small to medium business and enterprise customers which includes corporations, government agencies, facilities, and educational institutions. Cisco's networking solutions connect people, computing devices and computer networks, allowing people to access or transfer information without regard to differences in time, place, or type of computer system.	May 2, 2022
	Aruba, a Hewlett Packard Enterprise company, is a leading provider of next-generation network access solutions for the mobile enterprise. The company designs and delivers Mobility-Defined Networks that support IT departments and GenMobile digital platform.	Dec 31, 2021
	Leviton is a global leader in electrical wiring devices, lighting energy management solutions, networking solutions, security, home automation and commercial data infrastructure products. Leviton offers a product line that includes more than 25,000 devices for virtually every conceivable residential, commercial, and industrial wiring device need.	July 3, 2022
	Palo Alto Networks, the global cyber security leader, is shaping the cloud-centric future with technology that is transforming the way people and organizations operate. The company helps address the world's greatest security challenges with continuous innovation that seizes the latest breakthroughs in artificial intelligence, analytics, automation, and coordination.	Long-term partnership
	Sophos Group is a British security software and security devices company. Sophos develops products for communication endpoint, encryption, network security, email security, mobile security, and unified threat management. Sophos is primarily focused on providing security software to organizations ranging from 100- to 5,000-sites. While not a primary focus, Sophos also protects home users, through free and paid antivirus solutions (Sophos Home/Home Premium) intended to demonstrate product functionality.	Long-term partnership
	F5, Inc. is an American company that specializes in application services and application delivery networking (ADN). F5 supports applications from the development stage and throughout their entire life cycle, across any multi-cloud environment, so the customers; enterprise businesses, service providers, governments, and consumer brands—can deliver premium, high-performing, and secure digital experiences.	Long-term partnership
	Founded in 1987, Huawei is a leading global provider of information and communications technology (ICT) infrastructure and smart devices. With integrated solutions across four key domains: telecom networks, IT, smart devices, and cloud services. The company is committed to providing digital services to every person, home, and organization for a fully connected, intelligent world.	March 31, 2022

Source: Management information.

In addition, the Company's portfolio has 29 brands, with validity periods ranging from March 1, 2021 to long-term partnerships.

Employees

Mekdam Technology employs highly qualified, experienced, and technical staff. The number of employees as of January 2021, was about 247, divided into managers and employees.

Description	Number
Managers	6
Employees	241

Source: Management information.

Financial information

The following table presents an overview of the basic operation data as of December 31, 2020:

					In QAR
Sales	Gross Profit Margin	Net Profit	Net Profit Margin (%)	Total Assets	Total Liabilities
93,088,493	29%	9,563,866	10%	42,283,613	29,026,638

Source: Audited financial data of Mekdam Technology as of December 31, 2020

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6.3 Mekdam Technical Services (MTS)

MTS has earned its distinguished reputation by providing a wide range of the best technological and engineering services and consistently meeting the ongoing needs of its many clients. MTS was established to provide manpower outsourcing, operations, and maintenance services to clients around the country.

The Company was established in Qatar on August 28, 2017 as a limited liability company under the Commercial Registration No. 103070. Given the core experiences the Mekdam Group offered in the field of services throughout 18 different sectors including, oil and gas, IT and others, the Mekdam Technical Services Company played a critical role in the enhancement of the strong reputation the Group built for itself in the market.

Services

i. Manpower Outsourcing (Secondment)

MTS provides consultancy and human resource management services that meet even the most demanding clients' requirements. MTS's customers put their trust in the company because it has a terrific reputation in the market for hiring truly professional and competent people and ensuring that they are empowered with sufficient experience to perfectly perform their tasks.

The benefit of MTS is that its clients are then able to focus more on other business issues while they leave the HR recruitment function to the company. This includes temporary, mid-level executives, all the way through to executive level appointments.

Ongoing training and assessments for the employees are constantly executed. They are also monitored to ensure that seconded staff at MTS's clients are receiving the best fits for the job at hand. This leads to improving the employee skills and experience, generating business opportunities frequently, and providing a broad base of workforce ready to meet the customer requirements.

MTS provides contractual and temporary staffing services both locally and globally, across two verticals

- **General staffing:**

Office, industrial

- **Professional staffing:**

In the fields of

- ICT
- Engineering
- Infrastructure
- Financial and Legal Affairs
- Procurement and contracts
- Medicine and Science

ii. Operations and Maintenance

As the leading maintenance and technical services provider, MTS commands vast expertise in Operation and Maintenance (O&M) Services. Committed to delivering best quality standards, value for money and peace of mind for its clients so they can achieve their optimal operational performance. The Company provides maintenance services in the following systems:

- **Technology systems**

- CCTV surveillance systems as per the MOI-SSD regulations and standards
- Access control, Gate and Identity Verification Systems
- Fire alarm (as per the NFPA and MOI QCDD standards)
- Public address and voice clearance
- Building management
- Audio Visual Solutions
- Active network
- 24×7 helpline

- **Engineering systems**

- SCADA systems
- Fire and Gas (F and G) systems
- Field Instruments Systems (Pressure Instruments, Flow Instruments, Level Instruments, Temperature Instruments, Detectors and Analyzers, Valves, etc.)
- Other Electrical Appliances and Systems

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Major Projects


MTS participated in several prestigious projects. The following table shows a sample of the contracts awarded / novated to the company:

Project	Description	Contract Value (in QAR)	Start date of working	End date of working
Qatar Petrochemical Company (QAPCO)	Providing skilled manpower	23,157,000	2018	2021
Qatar Petroleum	Providing documentation services on and off site	12,057,147	2020	2025
Public Works Authority	Agreement to provide skilled manpower	16,578,000	2019	2023
Public Works Authority	Agreement to provide skilled manpower	89,990,268	2020	2023
Ministry of Public Health	Outsourcing of IT Professional	19,779,996	2020	2023
Qatar Petroleum	Agreement for Maintenance and Support Services for CCTV, ACS, PIDS, ANPR, INTERCOME, and UPS systems at many Qatar Petroleum's onshore and offshore sites	11,259,909	2018	2023

Source: Management information.

Trademarks

MTS relies on trademarks specific to its business. The Company can use these trademarks; however, it does not mean that it owns the rights to the trademarks. The Company also has the right to use the Subsidiaries trademarks.

Brand	About the brands	Effective / Expiry Date
	FLIR Systems, Inc. designs, develops, manufactures, markets, and distributes technologies that enhance perception and awareness. FLIR brings innovative sensing solutions into daily life through the thermal imaging systems, visible-light imaging systems, locator systems, measurement and diagnostic systems, and advanced threat detection systems.	Long-term partnership

Source: Management information.

Employees

MTS employs experienced staff having high efficiency and technical skills. As of January 2021, the number of employees of MTS was about 195, divided into managers and employees

Description	Number
Managers	3
Employees	192

Source: Management information.

Financial information

The following table presents an overview of the basic operation data as of December 31, 2020:

					In QAR
Sales	Gross Profit Margin	Net Profit	Net Profit Margin (%)	Total Assets	Total Liabilities
47,762,240	26%	6,477,700	14%	16,820,937	7,402,385

Source: Audited financial data of MTS as of December 31, 2020

6.4 Gulf Security Systems Company

Gulf Security Systems Company operates as a subsidiary of the Mekdam Technology and Mekdam Technical Services, as each company owns 50% of the capital in the company. GSS provides technical support to both companies as it holds the regulatory licenses and therefore some tenders are submitted through it.

6.5 Subsidiaries' Strategy

The Subsidiaries operate as comprehensive services and solutions providers in the sectors of ICT, mechanical and electrical engineering, and operation and maintenance services. They provide a range of solutions and services that covers an important segment of the ICT fields and specialties. The Subsidiaries operate in a coherent and integrated environment to provide comprehensive solutions with the highest standards of quality and excellence in the market. Moreover, they seek to benefit from their leading position to preserve their market share by consolidating their ICT partnerships with their clients from the public and private sectors. The Company continues to expand its market coverage in Qatar and enhance its portfolio of products and services and strives to maximize shareholder return. To achieve this vision, the Subsidiaries have adopted the following business strategy:

i. Increase the Government Business

Qatar National Vision 2030 and the Vision Implementation Program offer a great opportunity for the comprehensive service and solution providers, including the Subsidiaries, in the fields of ICT, mechanical and electrical engineering, and operation and maintenance services. The Qatar National Vision 2030 is the roadmap to transform Qatar into an advanced society capable of achieving sustainable development with the aim of providing a high standard of living for all citizens by 2030. One of the most important pillars is economic development as the Qatar National Vision seeks to achieve diversification and growth in the non-oil sectors and work to transform Qatar's economy into a knowledge-based economy. The Ministry of Transport and Communications and the Qatar Foundation are leading the national efforts aimed at advancing progress in Qatar by achieving an advanced society that adopts the best technology means. The establishment of the Qatar Science and Technology Park is one of the milestones in this regard.

The Subsidiaries have well-established relationships with government agencies, as government contracts accounted for 36% of their revenues during 2020. It is expected that the Vision Implementation Program will boost the demand for the entire business portfolio of the Subsidiaries. Based on their distinguished history in project implementation, strong financial position and comprehensive skills in the ICT fields and specialties, the Subsidiaries believe that they can capture a significant share of the growth. In addition, the Subsidiaries have the highest level of classification in the service provider sector regarding government contracts in the following fields: 1) Information Technology Consulting, 2) Trading of Alarm, Fire and Safety devices and equipment, 3) Management and Employment of Professional Workers 4) Installation, operation and maintenance of cameras and security surveillance systems, enabling them to bid for all government ICT work.

ii. Focus on Emerging Technologies

The Subsidiaries regularly monitor new technologies, sector segments and market trends in the ICT sector, mechanical and electrical engineering, and operation and maintenance services. By working closely with their clients, the Subsidiaries can provide greater value-added proposals to achieve efficient business execution, improve productivity and reduce costs.

iii. Expand through Complementary Technology

The Subsidiaries will use their ICT knowledge, innovation, and experience to provide tailored and customized services to their customers to meet the needs of their sectors. Preserve flexibility through non-exclusive contractual relationships with the suppliers while the Subsidiaries put a high value on their partnership with the strategic suppliers, and although the non-exclusive nature of the contracts concluded within these partnerships may lead to increasing the Subsidiaries' competitors, which represents a risk, the Subsidiaries show greater flexibility in offering products and solutions designed according to the client's specifications. This may frequently require the Subsidiaries to purchase products and services from their non-strategic suppliers.

iv. Maintain a Good Reputation for Reliability and High-Quality Services

The Subsidiaries have an excellent reputation for their high quality, accurate and reliable services. The long-term client relationships established by the Subsidiaries, along with their proven track record of successfully executing projects on-time are a testament to the quality of the brand and the efficiency of the services they provide. To maintain this high level of excellence, the Subsidiaries will continue to hire highly skilled employees to ensure that their services comply with the highest standards. The Subsidiaries have also established a unified project management office at Mekdam Holding Group to ensure quality and timely implementation of the projects. The Subsidiaries will leverage these factors to enhance their reputation in the market for consolidating the relationships with the clients and increasing the potential revenue significantly.

v. Enhance Relationships with the Strategic Clients

The Subsidiaries intend to strengthen their long-term relationships with strategic clients in both public and private sectors. As a part of their strategy, the Subsidiaries plan to have an ideal client portfolio so that they can focus more and provide better services in the various sectors of their work. In addition, Subsidiaries are constantly reviewing their market coverage plans to ensure optimal coverage and maintain long-term relationships with their clients. The Subsidiaries' capabilities will contribute to establishing and enhancing relationships with clients and expanding the range of services they provide to increase their revenues and profits.

vi. Continue to Enhance and Improve the Operational Efficiency

The Subsidiaries are constantly striving to enhance and improve their operational efficiency and capabilities to increase the profit margins and benefits of the shareholders. In this context, the Subsidiaries' plan to increase their profits by increasing their higher-margin businesses and improving the profit margins in general. At the same time, the Subsidiaries intend to simplify the cost structure, focusing on optimizing the use of the employees and resources.

vii. Strengthen the Capacities and Improve the Corporate Governance

The Subsidiaries aim to enhance their corporate governance capabilities by using human resource development to effectively support their growth and enhance the professional development of their employees. They also aim to strengthen corporate governance by adopting control policies and procedures and implementing better management of the risks.

6.6 Competitive Advantages of the Subsidiaries

The following sections present some main factors that the Subsidiaries believe will help them to benefit from the local, regional, and international trends of the ICT sector. Some of these demand influences are attributable to the macroeconomic factors, while others are linked with specific competitive advantages related to the Subsidiaries. Given the size, quality and diversity of services, the Subsidiaries believe that they are in a good position to benefit from the growing economic trends and requirements of the ICT sector.

i. Comprehensive Portfolio of the ICT Solutions and Services, Mechanical and Electrical Engineering, and Operation and Maintenance Services.

The Subsidiaries provide comprehensive services in the ICT sector, mechanical and electrical engineering, and operation and maintenance services. They also provide a full range of related services, from the primary hardware and software maintenance services to the largest systems integration projects with complex components and configurations. The clients prefer obtaining a "comprehensive" integrated solution from one provider, who may be more effective, cost-efficient, and responsible, instead of dealing with different providers, which may increase the project implementation period, increase cost, and reduce efficiency. The Subsidiaries believe that their ability to provide an integrated solution that meets all their clients' ICT needs is an advantage that enables them to expand their client base and establish long-term and continuous contracts with their clients, which in turn would enhance their position in the market. Currently, the Subsidiaries maintain the highest level of accreditation with their strategic suppliers. The Subsidiaries hire highly qualified and trained personnel to provide the solutions and services related to their products. Most importantly, they have the skills necessary to integrate different technologies from different suppliers to provide their clients with the most comprehensive and cost-effective solutions. This is a complex process that requires in-depth knowledge and skills, which the Subsidiaries already have.

ii. Patent

Mekdam CAMS has a patent registered with the Ministry of Economy and Trade. It has the best system to inform the authorities in the case of fire or burglary. Within seconds of the accident, the system sends a signal containing the location data, and the phone number of the person in charge of the building to the National Command Center, which in turn sends the specialized team to control the situation. Thanks to this patent, Mekdam CAMS has exclusive rights to the patented invention, thus preventing its competitors from copying the invention, entering the market, or competing with the company.

iii. First Class-Classification from the Government Procurement Regulatory Department

The Subsidiary companies are classified as Category 1 by the Government Procurement Regulatory Department at the Ministry of Finance. The classification was based on various data provided by the company, including financial and administrative status, previous experience and the quality of services provided. This classification allows the Company to apply for the tenders announced by the government agencies and increases the rate of success of these projects.

iv. Effective Project Management

The Subsidiaries are among the most distinguished companies in an extremely competitive and complex sector. They apply high-level standards for project control to increase the speed and quality of services provided to their clients. The Subsidiaries have established a unified project management office at Mekdam Holding Group to execute effective quality control processes and procedures. The project management office is also responsible for overseeing the development

of the appropriate staff and monitoring the financing and billing of each project. The Subsidiaries believe that this model will enable them to achieve the highest standards of service delivery to meet and exceed customer expectations, while optimizing their resources so that they can achieve maximum returns.

v. Permanent Client Base

The Subsidiaries have acquired and maintained a steady client base, from the public and private sectors, which in turn generates repeated business opportunities for the Company. The relationship with those clients spans over four years. Some of the strategic and permanent clients includes: Qatar Petroleum, Ashghal, Qatar Amiri Guard, Qatar National Bank, Al Rayan Bank, Hamad International Airport, Sidra Medical and Research Center, Hamad Medical Corporation, and QAPCO. The trust that many clients put in the Subsidiaries to set and plan their future IT strategies and investments is the best evidence of the detailed knowledge and understanding of the client's business. The Subsidiaries have signed supply and support services agreements for many years with their major customers.

vi. "Customer-First" Approach

The Subsidiaries consider the quality of their services and products as the primary element for their good reputation. So, they strive to provide the highest levels of quality and excellence to achieve customer satisfaction. The Subsidiaries also consider that their strong interest in quality is an integral part of their culture. This has made the Subsidiaries of the most trusted providers of ICT solutions in Qatar. This fact is supported by the long-term customer relationships and long-term contracts obtained by the Subsidiaries. The Subsidiaries believe that maintaining the highest levels of service will enhance their reputation, strengthen their position in the market and their relationships with the existing clients. In addition, it will help in attracting potential clients and expanding their business scope through providing new services.

vii. The Economic Ratio and Competitive Prices of the Subsidiaries' Products and Services

The Subsidiaries are well known in the market for offering competitive prices for their services. Given the size and scope of their business, the Subsidiaries can negotiate better terms with major suppliers, allowing them to continue offering competitive prices to their clients while maintaining good margins. In addition, the relative financial strength of the Subsidiaries, compared to their peers, enables them to implement large-scale projects, including multiple technologies and service lines over several years.

viii. The Brand or Established Identity of the Subsidiaries

The Subsidiaries have strived to develop a clear brand identity to provide high-quality, secure and trusted services to customers in the ICT sector. The Subsidiaries also benefit from their ongoing and strong relationships with ICT partners, including:

- In the field of Information Technology: CISCO, HP, Lenovo, Dell Technologies, F5 Networks Limited, Huawei, Nordern

- In the field of Security Systems: Milestone, Axis Communication, Bosch, Hanhwa-Techwin, Planet, Rasilient.
- In the field of AV systems: Apex, Avixa, Christie, PAN Acoustics, PRODISPLAY, Creston
- In the field of engineering: Kahramaa, Exida, Nozomi networks, IKMDsc Engineering
- In the field of Alarm devices: BOSCH

The partnership is classified by the suppliers based on the following criteria: (1) the number of employees who received training and passed the specialization tests of the supplier technology. There are a minimum number of employees and specializations for each level in the partnership classification, and (2) the size of the business value implemented with the supplier. Each level of the partnership requires a minimum amount of business. In addition, the Subsidiaries hold quality certificates ISO 19001: 2015, ISO 14001: 2015 and OHSAS 45001: 2018. Mekdam Technology also has ISO 27001: 2013.

The awards and accreditations that the subsidiaries have earned in recent years are a testament to the quality of the brand and the services provided. The Subsidiaries believe that this unique brand identity will help them maintain and enhance their position in the market through their businesses.

ix. Qualified and Experienced Employees

The Subsidiaries have an internal organizational culture that promotes work ethics. They believe that human capital is their most important asset. They benefit from the experience of their highly skilled employees for many years. Through the continuous efforts and experiences of their employees, the Subsidiaries managed to develop a sustainable business model. The team consists of qualified and certified ICT engineers, specialized pre-sales service engineers and account managers, all of who work to enhance the value and the work spirit of the Subsidiaries in all ICT specializations and services. The Subsidiaries have maintained good relations with their employees. There are no imminent or threatened disputes.

x. Local Knowledge

Among the most important factors that contributed to the growth of the Subsidiaries is their deep knowledge and understanding of the culture and work environment of their public and private sectors' clients. This detailed knowledge and deep understanding enable the Subsidiaries to offer, customized solutions to their clients, often by their qualified and skilled employees who work directly with them. Suppliers also value local knowledge and the deep understanding that the Subsidiaries own, allowing them to access the Qatari market and establishing their presence in Qatar. This accounts for the long-standing and mutually beneficial partnerships that Subsidiaries have fostered with the suppliers over time.

xi. Reduced Assets Model

In the framework of their current business model, the Subsidiaries market, sell, customize, integrate, and provide after-sales services in relation to the ICT products and services provided by third parties. They do not design or have products or services registered in their name in the ICT sector. This means that their business model is not capital intensive. In 2020, the Company's total non-current assets amounted to QAR 7.9 million (excluding a plot with a value of QAR 27.3 million), equivalent to 7.6% of the total assets of QAR 103.5 million (for the same period).

The main advantage of the low capital costs is to give the Subsidiaries the necessary flexibility to adapt to the market changes. This model also has the added advantage, that the Subsidiaries are not held responsible for the customers' choice of the programs or special configuration options. In addition, the Subsidiaries are not exposed to the risks due to, for example, the defect, obsolescence, or malfunction of the product because they are not a party to the end-user license agreement concluded with customers. This agreement is concluded between the supplier and customers directly. It is concluded between the Subsidiaries and suppliers on one hand, and the suppliers and customers on the other hand.

xii. Market Growth Opportunities

The Subsidiaries believe that the ICT sector is expected to grow at a steady pace in the next few years because of the following:

- Development and growth of the Qatari economy.
- Emergence of the ICT due to of Vision 2030.
- Increasing awareness of cybercrime against the background of large data breaches.
- Need to align businesses with the latest technologies (such as automation, robotics, cloud computing, and artificial intelligence).
- Lack of qualified personnel across the ICT value chain.

The Subsidiaries believe that these developments are expected to contribute to the growth of the ICT sector in the future. Given the magnitude of their business and their diverse service offerings, the subsidiaries are well positioned to reap the benefits of this growth.

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7. Qatari Economic Environment

7.1 Overview

Qatar is one of the most prosperous countries in the world, with a per capita nominal GDP reach an estimated QAR 248,827 (USD 86,359) (at current prices) in 2019 according to the Planning and Statistics Authority. Qatar was, for the past two decades, one of the fastest growing economies in the world due to the development of its vast reserves of natural gas. The rate of economic growth slowed after the completion of the LNG projects in 2011, in conjunction with the decrease in revenues generated by hydrocarbon exports due to the decrease in its production and prices. With this the oil and gas sector's contribution to nominal GDP declines from 52.5% in 2014 to 36.9%. However, in 2018, the gas sector and the non-oil sector became stronger as the contributions of these two sectors to the nominal GDP increased from 47.5% in 2014 to 63.1% in 2018. During 2019, the contributions of the oil and gas sector to the nominal GDP were 34%, while the non-oil sector and the gas sector contributed to 66%. In 2016, 2017 and 2018, the actual GDP of Qatar achieved growth by 2.1%, 1.6% and 1.5%, respectively, and in the same year the actual GDP of the state achieved a growth of 2.0% (from year to year).

As of December 31, 2018, Qatar's proven reserves of crude oil and natural gas (including condensate) amounted to the equivalence of about 172 billion barrels of oil. These hydrocarbons consist of proven reserves of approximately 843.4 trillion standard cubic feet of natural gas (including condensate) as well as 2.53 billion barrels of crude oil. As of September 30, 2019, Qatar's proven reserves of crude oil and natural gas (including condensate) amounted to the equivalence of about 171 billion barrels of oil. These hydrocarbons consist of proven reserves of approximately 837.2 trillion standard cubic feet of natural gas (including condensate) as well as 2.37 billion barrels of crude oil.

In theory, all of Qatar's proven reserves of natural gas and condensate are located in the North Field, which in January 2015, was considered by the US Energy Information Administration, as one of the largest non-associated gas field in the world. According to the data from the US Energy Information Administration, Qatar possesses the third largest natural gas reserves after Iran and Russia and accounted for 14% of the total global gas reserves in 2015.

In recent years, Qatar has focused on diversifying its economy by increasing spending on infrastructure, social programs, health care and education, to reduce its historical dependence on oil and gas revenues. The nominal GDP of the gas and non-oil sectors reached QAR 439,571 million (USD 120,761 million), or 63.1% of the nominal GDP of Qatar in 2018 compared to 2014, when it was QAR 356,568 million (USD 97,931 million), or the equivalent to 47.5%. In the energy sector, Qatar is currently developing solar energy projects to diversify energy sources. The construction sector and the real estate sector have recently made major contributions to the economic growth of Qatar. In addition, substantial investments have led to a remarkable increase in economic returns, from financial services, infrastructure development, and tourism. This economic growth has enabled Qatar to diversify its economy through local and international investments in various asset classes through the Qatar Investment Authority. Moreover, Qatar will be hosting the 2022 FIFA World Cup which it recognizes as an opportunity for greater investments in the infrastructure sector and the development of the non-gas non-oil sector in its economy.

During a period of rapid growth and development, Qatar sought to demonstrate its financial responsibility through prudent management of its budget and public financial plans. In the past, the debt levels of Qatar were low, but there has been an increase in debt since 2009, mainly due to the support provided by the state to the commercial banking sector during the global financial crisis in 2009 and the Qatar Central Bank issuing treasury bonds and treasury bills to enhance cash liquidity. In May 2016, April 2018 and March 2019, Qatar issued bonds in global financial markets amounting to USD 9 billion, USD 12 billion, and another USD 12 billion respectively. As of December 31, 2019, Qatar's total debt stood at QAR 398,471 million (USD 109,470 million).

Qatar's budget for the year 2019 achieved a surplus of QAR 4,346 million (USD 1,194 million), which demonstrates Qatar's continued commitments to its capital expenditures in infrastructure projects based on an assumed price of USD 55 per barrel. Preliminary data for the nine-month period ending on September 30, 2019 shows a budget surplus of QAR 11,252 million (USD 3,091 million), while the 2020 budget estimates indicate that the fiscal year ending on January 3, 2021, Qatar will achieve a budget surplus of QAR 500 million (USD 137.4 million) based on calculating USD 55 per barrel of oil. This expected surplus in the 2020 budget is due to the increase in expected oil and gas revenues as well as investment income from Qatar Petroleum.

Qatar enjoys great trade and investment relations with major Asian countries, as well as strong relations with the west, especially the United States, which has a large military presence in Qatar. Qatar is a member of many international organizations, such as the United Nations and the World Trade Organization. Qatar is also among the signatories of the General Agreement on Tariffs and Trade (GATT) and several other agreement protocols. It has hosted many economic, political, and financial summits and conferences over the past years, in addition to its membership in many international organizations.

Qatar is distinguished by its low level of corruption. The National Commission for Integrity and Transparency was established to implement Qatar's obligation as a member of the UN, and the Corruption Perceptions Index for 2020 issued by Transparency International ranked Qatar 30th out of 180 countries, with a rate of 63%.

At the date of this Information Memorandum, Moody's credit rating for Qatar is (Aa3) with future expectations for a stable rating, while SandP's rating is (AA-) with a future stable outlook and Fitch's rating is (AA-) with a stable outlook.

7.2 Al Ula Declaration to End the Blockade and Other Restrictions Imposed on Qatar

Historically, Qatar has had good relations with other GCC members and more broadly with the countries of the Middle East and North Africa in general. However, on June 5, 2017, the blockading countries severed commercial, transportation, and diplomatic relations with Qatar. The measures taken by the blockading countries included the sudden and unprecedented closure of sea and air routes with Qatar, in addition to the closure of the land borders between it and one of the blockading countries (which is the only land border for the State of Qatar), which resulted in logistical challenges. The blockade also cut off the historical trade routes that Qatar relied on to import basic consumer goods and foodstuffs, as well as raw materials. In particular, a large

portion of dairy products and other basic food commodities were imported into Qatar through the border with Saudi Arabia before the blockade. It also affected the ability to receive imports from major international cargo ships.

On January 5, 2021, signed the “Al Ula Declaration” in the 41st GCC Summit held at Al Ula, Saudi Arabia. The declaration aimed to end the blockade and boycott that lasted three and a half years against Qatar, as well as re-establish the economic and political ties. Accordingly, the blockading countries reopened their land, maritime and air borders and lifted the restrictions imposed on trade with Qatar. Thus, the companies located in the blockading countries are no longer prohibited from conducting direct commercial dealings with their Qatari affiliates. This also includes the resumption of land and sea freight with Qatar.

7.3 COVID-19 Pandemic

In December 2019, a new strain of Corona virus appeared, resulting in a new infection that affects the respiratory system in humans, known as (Covid-19). Since its spread, this strain of virus had infected more than 200 countries. On March 11, 2020, the WHO announced that the (Covid-19) epidemic had reached the stage of a pandemic, and with that, the world faced a global economic crisis unprecedented in terms of its scope since the Great Depression of 1929.

Qatar's government imposed several restrictions to combat the spread of the Coronavirus (Covid-19), these measures included restrictions on travel to Qatar as well as a ban to travel to certain destinations, as well as the suspension of non-vital work, a ban on public gatherings and the closure of schools and universities. The government also implemented several measures to protect the country's economy from the negative repercussions of the pandemic. In June 2020, the government released the decision to reduce the number of employees and their salaries by 30%.

On December 23, 2020, Qatar' Ministry of Public Health (MoPH) launched a major vaccination campaign against COVID-19 which will continue in 2021, to vaccinate all citizens and residents against the pandemic, which may lead to the easing of precautionary measures, resuming flights and mitigating the negative impacts of the pandemic on the Qatari economy.

8. Auditor's Report on the Preparation of the Conceptual Consolidated Financial Information

**Russell Bedford & Partners**
Certified Public Accountants

Offices 3-4, Floor 2, Building 209
Street 230, C-Ring, Zone 42
P.O. Box 47539, Doha – State of Qatar

T: +974 4462 6506
F: +974 4435 2199
E: inquiry@russellbedford.qa
W: www.russellbedford.qa

Date: July 5th 2021

Qatar Financial Markets Authority
Doha – Qatar

The Board of Directors
Mekdam Holding Group – W.L.L.
Doha – Qatar

Dear Sirs,

Listing of Mekdam Holding Group – Q.P.S.C. in the Venture Market

This letter is provided to you solely for the purposes of direct listing of Mekdam Holding Group – Q.P.S.C (the “Company”) and its subsidiaries (together the “Group”) in Venture Market in accordance with the listing rules of Qatar Financial Markets Authority (“QFMA”). Accordingly, this letter is addressed to you for that purpose and many not be relied on by you or used for any other purpose, not be referred to in any other document (except that a copy may be included in the information memorandum prepared, attested and attached by the Company for the Listing in Venture Market).

We will not accept any responsibility to any other party to whom our letter is shown or into whose hands it may come.

Changes in Financial Position

For the purpose of this letter, we have performed the following limited procedures:

- (1) We have read the minutes of meetings of the Board of Directors (the “Board”) of the Company held on 4th July 2021. The management informed us that the Company does not have any other minutes of the board meetings during the period from January 1st 2021 till July 5th 2021.

Our objective in reading the minutes of meetings of the Board of Directors referred to in this paragraph is to identify those matters which, in our view, might, prima facie, be expected to impact the figures and ratios set out in Paragraph (3) below. In the case of the minutes referred to in this paragraph, our objective is also to identify such matters in those minutes from which it is evident without further enquiry that the events reported or decisions of the Board will affect the figures in the period from the last issued audited consolidated financial statement dated December 31, 2020 and up to the date of the issuance of the prospectus, whether there hasn't been any change that could have a negative effect on the total assets, total revenue, and there isn't any significant change in the commitment and contingencies of the Company.



Russell Bedford & Partners

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- (2) We have compared the consolidated amounts shown in Appendix 1 (the “Schedule”) prepared by the management of the Group relating to total revenue for the unaudited period from January 1, 2021 to June 30, 2021 with the audited consolidated financial statements for the year ended December 31, 2020 and found them to be in agreement with the accounting records of the Group. In addition, we have compared the unaudited total assets of the Group as on June 30, 2021 with the total assets with the audited consolidated financial statements of the Group as of December 31, 2020 and also found them to be in agreement with the accounting records of the Group.
- (3) The procedures described above do not constitute an audit or review made in accordance with generally accepted auditing standards. Nor do they provide any assurance that the financial information prepared by the Group at the cut-off date have been prepared on a basis consistent with audited consolidated financial statements for the year ended December 31, 2020. Consequently, our procedures would not necessarily reveal matters of significance with respect to the comments made in the following paragraphs and we make no representations as to the sufficiency for your purposes of any such procedures.
- (4) Up to July 5, 2021, we have made enquiries of the Group Chief Financial Officer as to whether there has been any decrease in the total assets as of June 30, 2021 as compared with the amounts shown in the audited consolidated financial statements for the year ended December 31, 2020 for the Group or decrease in total revenue for the period from January 1, 2021 to June 30, 2021 as compared to the year ended December 31, 2020. The Group Chief Executive Officer and Group Chief Financial Officer has confirmed that, they are not aware of any such decrease in the total assets and total revenue the period from January 1st, 2021 till June 30th, 2021. On the basis of the responses to these enquiries, nothing has come to our attention which causes us to believe that there has been any such decrease in total assets.

Contingent Liabilities and Commitments

In relation to contingent liabilities and Commitments of the Group, we have:

- (a) read a schedule of Contingent Liabilities and Commitments contained in Appendix 2 prepared by the management of the Group setting out any Contingent Liabilities and Commitments existing at the cut-off date which, in their view, would be expected to be disclosed in the audited consolidated financial statements of the Group were they to be prepared on June 30th, 2021; and
- (b) made enquiries of the Group Chief Executive Officer and Chief Financial Officer as to whether they are aware of any other Contingent Liabilities and Commitments which, in their view would be expected to be disclosed in any consolidated financial statements of the Group were they to be prepared at the cut-off date.



Russell Bedford
taking you further

Russell Bedford & Partners
Certified Public Accountants

Offices 3-4, Floor 2, Building 209
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General

Any opinions expressed on financial information outside the context of the Arrangement Letter were or are expressed solely in the context of the specific terms and conditions governing their preparation. In particular, the terms of the Arrangement Letter and any action pursuant to it shall be additional to and shall not detract from or change in any way any legal rights which any party to the letter may otherwise have acquired, whether in contract or in tort, in connection with our audits of the financial statements of the Group. Save as may be expressly recorded in this letter, we do not accept any responsibility for any other reports or letters beyond any responsibility that we owed to those to whom our reports or letters were addressed at the date of their issue.

This letter should not be relied on as if it had been provided in accordance with the standards and practice of any professional body in any jurisdiction other than the ISRS 4400 engagement to perform agreed-upon procedures regarding financial information.

Our work did not extend to the period from January 1st, 2021, to the date of this letter but we have performed the review on interim consolidated financial statements for the three months period ended on 31st March 2021.

This comfort letter may only be relied upon in respect of the matters to which it refers and as of its date. In relying upon this comfort letter, you agree (save as otherwise expressly agreed in the Arrangement Letter) that we have no responsibility to and we will not perform any work subsequent to the date of this comfort letter nor to consider, monitor, communicate or report any events or circumstances which may occur or may come to light subsequent to the date of this letter.

This letter is not issued in accordance with the provisions of the American Institute of Certified Public Accountants, Statement on Auditing Standards No. 72, "Letters for Underwriters and Certain Other Requesting Parties", as that standard is not required for such letters issued under ISRS 4400. This letter is not intended to be relied on in the United States and we accept no responsibility for any use that you may make of it in the United States.

Your faithfully,
For Russell Bedford & Partners
Certified Public Accountants
Doha – Qatar



Hani Mukhaimer
Managing Partner
License No. 275
QFMA License No. 1202013





Russell Bedford & Partners

Certified Public Accountants

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APPENDIX 1

Schedule of Changes Prepared by the Management

	Management accounts for period from January 1, 2021 to June 30, 2021 QR.	Audited accounts as of December 31, 2020 QR.	Change QR.	Percentage %
Total Assets	124,463,807	103,456,418	21,007,389	20.3%
Total Revenue	99,586,161	146,334,982	(46,748,821)	(31.9%)

Note: The negative change in revenue as on June 30, 2021 as reflected above is due to comparing revenues of six months ended June 30, 2021 with revenues of the year ended December 31, 2020.

APPENDIX 2

Schedule of Contingent Liabilities prepared by Management

	Management accounts for period from ended June 30, 2021 QR.	Audited accounts as of December 31, 2020 QR.	Change QR.	Percentage
Letters of credit	1,952,818	4,460,826	(2,508,008)	(56.2%)
Letters of guarantees;				
1) Performance Bond	62,291,563	54,292,427	7,999,136	14.7%
2) Advance Payment Guarantee	15,790,866	5,840,274	9,950,592	170.4%
3) Tender Bond	29,221,455	17,096,749	12,124,706	70.9%
4) Other Guarantee	3,881,912	8,650,000	(4,768,088)	(55.1%)
Total:	113,138,615	90,340,277	22,798,338	25.2%

9- Auditor's Report and Financial Statements

**MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR**

**COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

TABLE OF CONTENTS

Independent Auditor's Report	--
	<u>Page</u>
Combined Statement of Financial Position	01
Combined Statement of Profit or Loss and Other Comprehensive Income	02
Combined Statement of Changes in Shareholders' Equity	03
Combined Statement of Cash Flows	04
Notes to the Combined Financial Statements	05-24



Hani Ahmad Mukhaimer & Partner

Certified Public Accountants

Office No. 1, 10th Floor, Al Jasra Commercial Tower
Al-Aaliyah Street, Old Salata
P.O. Box 47539, Doha – State of Qatar

T: +974 4462 6506
F: +974 4435 2199
E: inquiry@russellbedford.qa
W: www.russellbedford.qa

INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS
MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR**

Opinion

We have audited the accompanying combined financial statements of Mekdam Holding Group – W.L.L. (the "Parent Company") which comprise the statement of financial position as of December 31, 2020, and the related statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the audit of the accompanying combined financial statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the ethical requirements that are relevant to our audit of the accompanying combined financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board for Accountants' Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the combined financial statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with International Financial Reporting Standards and applicable provisions of Qatar Commercial Companies Law, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, the management is responsible for assessing the Group'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 the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the combined financial statements

Our objectives are to obtain reasonable assurance about whether the combined 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 high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's responsibility for the audit of the combined financial statements (Continued)

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 internal controls.
- 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 Group'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 combined 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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.

Other legal and regulatory requirements

We have obtained all information and explanations we considered necessary for the purposes of our audit. The Group has maintained proper accounting records and its combined financial statements are in agreement therewith. We are not aware of any violations of the Qatar Commercial Companies' Law No. 11 of 2015 or the terms of Companies' Articles of Association and any amendments thereto having occurred during the year which might have had a material adverse effect on the business of the Group or on its financial position.

For Hani Ahmad Mukhaimer & Partner
Certified Public Accountants



Doha – Qatar
January 17, 2021

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

COMBINED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2020

		December 31,	
	Notes	2020	2019
		QR.	QR.
			(Restated)
ASSETS:			
Non-current assets:			
Property and equipment	4	30,657,342	29,229,666
Investments in subsidiaries	5	-	1,138,392
Available for sale investment	6	240,392	-
Right of use assets	7	4,288,532	-
Total non-current assets		35,186,266	30,368,058
Current assets:			
Inventories	8	4,355,456	3,914,717
Accounts receivable and other debit balances	9	44,592,917	51,650,208
Contract working progress	10	4,477,136	13,700,583
Due from related parties	11	54,527	14,289,579
Cash and bank balances	12	14,790,116	14,574,224
Total current assets		68,270,152	98,129,311
TOTAL ASSETS		103,456,418	128,497,369
SHAREHOLDERS' EQUITY AND LIABILITIES:			
Shareholders' equity:			
Share capital	13	10,000,000	10,000,000
Legal reserve	14	4,211,638	1,384,933
Shareholders' current accounts	15	-	22,640,086
Retained earnings		45,611,885	41,439,673
Total shareholders' equity		59,823,523	75,464,692
Non-current liabilities:			
Loans and borrowings	16	11,357,050	8,546,689
Provision for employees' end of service benefits	17	2,435,820	1,039,335
Lease liability		2,818,178	-
Total non-current liabilities		16,611,048	9,586,024
Current liabilities:			
Due to related parties	11	-	582,335
Loans and borrowings	16	3,941,040	16,632,940
Accounts payable and other credit balances	18	21,610,453	26,231,378
Lease liability	7	1,470,354	-
Total current liabilities		27,021,847	43,446,653
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		103,456,418	128,497,369

The Chief Finance Officer and the Chief Executive Officer attest to the accuracy and completeness of the accompanying combine financial statements and the combine financial information of this report as at December 31, 2020.


Mohamed Mudassir Ali
Group CFO


Ehab Naser
Group CEO

The accompany combine financial statements were approved to issue by the shareholder on January 17, 2021 and signed on behalf of the Company by:


Mohamed Nawaf N K Al-Thani
Shareholder

The accounting policies and notes as set out in pages 05 to 24 form an integral part of these combined financial statements.



MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

	Notes	Year ended December 31,	
		2020	2019
		QR.	QR. (Restated)
Revenue	19	146,334,982	169,966,640
Cost of operations	20	(96,286,011)	(110,979,558)
Gross profit		50,048,971	58,987,082
Other income		-	156,111
General and administrative expenses	21	(24,631,069)	(23,863,406)
Losses on impairment of financial assets	9	(655,265)	(5,949,686)
Operating profit for the year		24,762,637	29,330,101
Finance cost	22	(1,184,621)	(1,289,712)
Net profit for the year		23,578,016	28,040,389
Other comprehensive income		-	-
Total comprehensive income for the year		23,578,016	28,040,389

The accounting policies and notes as set out in pages 05 to 24 form an integral part of these combined financial statements.



MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

COMBINED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2020

	Share capital QR.	Legal reserve QR.	Shareholders' current accounts QR.	Retained earnings QR.	Total QR.
Balance at January 01, 2019	11,200,000	700,000	15,042,765	24,074,684	51,017,449
Elimination of non controlling interest shares	(1,200,000)	-	-	-	(1,200,000)
Net profit for the year	-	-	-	28,040,389	28,040,389
Dividend distribution	-	-	-	(10,110,883)	(10,110,883)
Transferred to legal reserve	-	684,933	-	(684,933)	-
Net movement in shareholders' current accounts	-	-	7,597,321	120,416	7,717,737
Balance at December 31, 2019 (Restated)	10,000,000	1,384,933	22,640,086	41,439,673	75,464,692
Net profit for the year	-	-	-	23,578,016	23,578,016
Dividend distribution	-	-	-	(16,579,099)	(16,579,099)
Transferred to legal reserve	-	2,826,705	-	(2,826,705)	-
Net movement in shareholders' current accounts	-	-	(22,640,086)	-	(22,640,086)
Balance at December 31, 2020	10,000,000	4,211,638	-	45,611,885	59,823,523

The accounting policies and notes as set out in pages 05 to 24 form an integral part of these combined financial statements.



MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

COMBINED STATEMENT CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2020

Notes	Year ended December 31,	
	2020 QR.	2019 QR. (Restated)
Cash flows from operating activities:		
Net profit for the year	23,578,016	28,040,389
Adjustments for:		
Depreciation of property and equipment	4 1,283,129	592,409
Provision for allowance for impairment of receivables	600,000	(4,893,988)
Provisions for slow moving and obsolete inventories	21 1,100,000	-
Provisions and employee's end of service benefits	17 1,787,043	916,975
Finance cost	1,184,621	1,289,712
Operating income before changes in working capital	29,532,809	25,945,497
Changes in:		
Inventories	(1,540,739)	(1,547,824)
Accounts receivable and other debit balances	6,457,291	(9,031,396)
Gross amounts due from customers for contract works	9,223,447	(11,328,703)
Due from related parties	14,235,052	10,629,573
Accounts payable and other credit balances	(4,620,925)	5,880,704
Due to related parties	(582,335)	(3,674,365)
Cash generated from operating activities	52,704,600	16,873,486
Employees end of service benefit paid	17 (390,558)	(33,913)
Finance cost	(1,184,621)	(1,289,712)
Net cash generated from operating activities	51,129,421	15,549,861
Cash flows from investing activities:		
Acquisition of property, plant and equipment	4 (2,710,805)	(1,476,661)
Net movement of investment in subsidiary	5 1,138,392	-
Net movement of available for sale investment	6 (240,392)	-
Net cash used in investing activities	(1,812,805)	(1,476,661)
Cash flows from financing activities:		
Net movement in loans and borrowings	(9,881,539)	(2,628,370)
Profit distribution	(16,579,099)	(10,110,883)
Proceeds from issuance of share capital	-	(1,200,000)
Net movement in shareholders' current accounts	(22,640,086)	7,597,321
Net movement in restricted cash	5,988,462	(4,840,107)
Net cash used in financing activities	(43,112,262)	(11,182,039)
Net increase in cash and cash equivalents	6,204,354	2,891,161
Cash and cash equivalents - at January 01,	12 3,831,548	940,387
Cash and cash equivalents - at December 31,	12 10,035,902	3,831,548

The accounting policies and notes as set out in pages 05 to 24 form an integral part of these combined financial statements



MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1. THE GROUP FORMATION AND ACTIVITIES:

Mekdam Holding Group – W.L.L. ("the Parent Company") and its subsidiaries (together referred as the "Group"). The Parent Company is domiciled in the State of Qatar and registered as a limited liability Company under the Commercial Registration number 115142. The parent Company's registered office is at P.O. Box 17654,0 Doha, State of Qatar. The Parent Company acts as a holding Company.

The main activities of the Group are the patent for the inventions, Commercial business, privileges and other intangible rights with utilizing from them and leasing them to the affiliate companies or others, participation in the management of the subsidiaries or which it has shares in, providing the necessary support to its subsidiaries, owning movables and real estate businesses within the limits permitted by law and investing its funds in shares, bonds and securities.

"The Financial Statements of following entities which are currently fully owned by Mekdam Holding Group are combined in these "Combined Financial Statements" as special purpose report."

NAME OF COMPANY	COMMERCIAL REGISTER	YEAR OF INCORPORATION	OWNERSHIP
Mekdam Holding Group – W.L.L. (Separate Financial Statements)	115142	2018	50% Aa'ishh Mohamed N. K. Al-Thani 50% Nada Mohamed N. K. Al-Thani
Mekdam Technology – W.L.L.	103277	2017	100% Mekdam Holding Group
Mekdam CAMS – W.L.L.	103562	2017	100% Mekdam Holding Group
Mekdam Technical Services – W.L.L.	103070	2017	100% Mekdam Holding Group
Gulf Security System – W.L.L.	103565	2017	50% Mekdam Technology 50% Mekdam Technical Services

The combined financial statements were approved and signed on behalf of the Group on January 16, 2021.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS:

a) New and amended IFRS and IFRIC Interpretations effective in 2020:

The accounting policies used in the preparation of the Group combined financial statements are consistent with those used in the preparation of the combined financial statements for the year ended December 31, 2019, except for the adoption of new and amended standards and interpretations effective as of January 01, 2020 as noted below:

TOPIC	EFFECTIVE DATE
Amendments to References to the Conceptual Framework in IFRS Standards	January 01, 2020
Amendments to IFRS 3 "Definition of a Business"	January 01, 2020
Amendments to IAS 1 and IAS 8 "Definition of Material"	January 01, 2020
Amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform"	January 01, 2020
Amendment to IFRS 16 "Covid-19-Related Rent Concessions"	June 01, 2020

b) Standards issued but not yet effective:

A number of new standards and amendments to standards are effective for annual periods beginning after January 01, 2020.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED):

b) Standards issued but not yet effective (Continued):

However, the Group has not applied the following new or amended standards in preparing these combined financial statements:

TOPIC	EFFECTIVE DATE
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 01, 2022
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 01, 2022
Amendments to IAS 16 "Property, Plant and Equipment — Proceeds before Intended Use"	January 01, 2022
Amendments to IAS 37 "Onerous Contracts — Cost of Fulfilling a Contract"	January 01, 2022
Annual Improvements to IFRS Standards 2018–2020 "Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41"	January 01, 2022
IFRS 17 "Insurance Contracts"	January 01, 2023

3. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting:

These combined financial statements have been prepared on historical cost basis. The entity's combined financial statements are presented in Qatari Riyal, which is the Group's functional currency. All amounts have been rounded to the nearest Qatari Riyals, unless otherwise indicated.

b) Statement of compliance:

These combined financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and the applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015.

c) Foreign currencies:

Transactions in foreign currencies are recorded in Qatari Riyal at the rates of exchange prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into Qatari Riyal at the rate of exchange ruling at the date and the resultant gains or losses are included in the statement of income.

d) Property, and equipment:

i) Recognition and measurement

Items of property, and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. If significant parts of an item of property, and equipment have different useful lives, then they are accounted for as separate items (major components) of property, and equipment. Any gain or loss on disposal of an item of property, and equipment is recognized in profit and loss account.

ii) Subsequent expenditure

Subsequent expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii) Depreciation

Depreciation is calculated to write-off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d) Property and equipment (Continued):

iii) Depreciation (Continued)

The estimated useful lives of property and equipment are as follows:

Furniture, fixtures, and office equipment	3 – 5 years
Computer and software	3 – 5 years
Motor vehicles	3 – 5 years
Tools and equipment	3 – 5 years

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

e) Classification and measurement of financial assets and financial liabilities:

i) Initial recognition

On initial recognition, a financial asset is classified as:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and;
- Its contractual terms give rise on specified dates to cash flows that are solely payments principal and interest on the principal amount outstanding (SPPI).

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and;
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This selection is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

ii) Subsequent measurement

The following accounting policies apply to the subsequent measurement of the Group's financial assets:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

e) Classification and measurement of financial assets and financial liabilities (Continued):

ii) Subsequent measurement (Continued)

Financial assets at amortized cost

These assets are subsequently measured at amortized costing using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

iii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39. The financial assets at amortized cost consist of accounts and other receivables and cash and cash equivalents under IFRS 9, and loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group has elected to measure loss allowances for its financial assets at an amount equal to 12-month ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 365 days past due. The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate (EIR) of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses the 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.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Impairment losses related to accounts and other receivables, amount due from related parties and cash and cash equivalents are presented as a separate line item in the statement of profit or loss.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

e) Classification and measurement of financial assets and financial liabilities (Continued):

iv) Other financial assets

Equity securities that are held for trading are required to be held as FVPL under IFRS 9. There was no impact on the amounts recognized in relation to these assets from the adoption of IFRS 9. Trade and other receivables (except for those subject to provisional pricing arrangements) and amount due from related parties are debt instruments currently classified as loans and receivables and measured at amortized cost under IAS 39. The Group assessed that they meet the conditions for classification at amortized cost under IFRS 9 since they are cash flows solely payments of principal and interest (SPPI) and the Group's business model is to hold and collect the debt instrument. Cash and cash equivalents' definition as per IAS 7 remains unchanged with the application of IFRS 9, short-term investments and time deposits will continue to be presented under cash and cash equivalents, being highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

v) Financial liabilities

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. De-recognition rules have been transferred from IAS 39 Financial Instruments. Therefore, recognition and measurement of financial liabilities, have not been changed.

f) Inventories:

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost (WAC) principle.

g) Income tax:

Income Tax is provided in accordance with Qatar Income Tax Regulations set out in Qatar Income Tax Law No. 24 of 2018. Income tax expense comprises current tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

h) Leases:

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The IFRS 16 has resulted in almost all leases being recognized on the statement of financial position by lessee, as the distinction between operating and finance leases is removed. Under the IFRS 16, an asset "right-of-use assets" and "lease liability" are recognized.

• Right of use asset:

i) Initial recognition and measurement

The cost of the right-of-use asset shall comprise:

- The amount of the initial measurement of the lease liability,
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the lessee; and
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR**NOTES TO THE COMBINED FINANCIAL STATEMENTS**
FOR THE YEAR ENDED DECEMBER 31, 2020**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):****h) Leases (Continued):****• Right of use asset (Continued):****ii) Subsequent measurement**

The leases can apply either cost model or other measurement model as described in IFRS 16.

• Cost model:

The Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability.

• Other measurement model:

If the Group applies the fair value model in IAS 40 Investment Property to its investment property, the lessee shall also apply that fair value model to right-of-use assets that meet the definition of investment property in IAS 40. If right-of-use assets relate to a class of property, and equipment to which the lessee applies the revaluation model in IAS 16, the Group may elect to apply that revaluation model to all of the right-of-use assets that relate to that class of property, plant and equipment.

iii) Depreciation

The Group applies the depreciation requirements in IAS 16 – “Property, Plant and Equipment” in depreciating the right-of-use asset. The Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Based on the contract entered, the right of use asset is depreciated over the following period:

Office rent	3 years
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• Lease liability:**i) Initial measurement:**

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the Group's incremental borrowing rate.

ii) Subsequent measurement

The Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

In addition, the Management assessment has been performed on an absolute basis to ensure whether the underlying asset is of lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option “short-term leases”, and lease contracts for which the underlying asset is of low value “low-value assets”. Consequently, it has been decided by the Management to apply the exemptions criteria of short-term leases’ and low-value assets as promulgated by the IFRS 16. Therefore, the Group has recognized the lease payments associated with the leases as an expense through the statement of profit or loss and other comprehensive income and future portion has been disclosed as commitments.

i) Payables and accruals:

Payables and accruals are stated at their cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed or not to the Group.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

j) Provisions:

Provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of the resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

k) Related parties:

The Group, in the normal course of its business, enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. These transactions have been carried out on the basis of terms agreed between the Group and the management of such related parties.

l) Borrowings:

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

m) Employees' end of service benefits:

Employees' end of service benefits represents terminal gratuity and are provided for services rendered based on entitlements stipulated in the employees' contracts of employment and their length of service, subject to the completion of a minimum service period. End of service indemnities are provided in accordance with the Qatari Labor Law. Under law no. 24 of 2002.

n) Revenue recognition:

Revenue from contracts with customers

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

Step 01: Identified the contract(s) with a customer

A contract is defined as an agreement between two or more parties that creates enforceable right and obligations and sets out the criteria for every contract that must be met.

Step 02: Identified the performance obligation in the contract

A performance obligation is promise in a contract with a customer to transfer a good or service to the customer.

Step 03: Determine the transaction price

The transaction price is the amount of considering to which the Company expects to be entitled in exchange for transferring promised goods or service to a customer, excluding amount collected on behalf of third parties.

Step 04: Allocate the transaction price to the performance obligation in the contract

For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount in exchange for satisfying each performance obligation.

Step 05: Recognize revenue when (or as) the Company satisfies a performance obligation

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

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

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR**NOTES TO THE COMBINED FINANCIAL STATEMENTS**
FOR THE YEAR ENDED DECEMBER 31, 2020**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):****n) Revenue recognition (Continued):****Revenue from contracts with customers (Continued)**

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

When the Company satisfies a performance obligation by delivering the promised goods or service it creates a contract asset based on the amount of consideration earned by the performance. When the amount of consideration received from a customer exceeds the amount of revenue recognized this give rise to a contract liability.

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

Revenue is recognizing in the statement of profit or loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable can be measured reliably.

Sale of goods

Revenue is recognized when the control of the goods is transferred to the buyer.

Revenue is recognized when control of the goods has transferred, being when the goods have been shipped to the customer's location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognized by the Company when the goods are delivered to the customer as this represents the point in time as which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Other income

Revenue is recognized when earned

o) Critical accounting judgments and key sources of estimation uncertainty:

In the application of the Group's accounting policies, which are described in Note 4, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associates assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimated. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimated are recognized 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 revision affects both current and future periods.

Going concern

Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets, working capital and cash flow positions as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the combined financial statements continue to be prepared on a going concern basis.

Property, plant and equipment

The cost of property, plant and equipment is depreciated over the estimated useful life, which are based on expected usage of the asset. Expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and the residual value. The management has not considered any residual value.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

o) Critical accounting judgments and key sources of estimation uncertainty:

Impairment of financial assets

The Group's management reviews periodically items classify as receivables to assess whether a provision for impairment should be recorded in the statement of profit or loss and other comprehensive income. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Impairment of inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old, unusable or obsolete, an estimate is made of their net realizable value. For individual 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 aging or obsolescence, based on historical selling price.

Provision for employees' end of service benefits

Management has measured the Group's obligation for the post-employment benefits of its employees based on the provisions of the relevant labor laws. Management does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision. The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

Contingent liabilities

Contingent liabilities are determined by the likelihood of occurrence or non-occurrence of one or more uncertain future events. Assessment of contingent liabilities is tightly connected with development of significant assumptions and estimates relating to the consequences of such future events.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

4. PROPERTY AND EQUIPMENT:

	Furniture, fixtures and office equipment QR.	Computer and software QR.	Motor vehicles QR.	Tools and equipment QR.	Land QR.	Total QR.
Cost:						
Balance at January 01, 2019	911,837	428,864	70,000	41,000	27,272,000	28,723,701
Additions during the year	302,232	793,710	253,500	127,219	-	1,476,661
Balance at December 31, 2019	1,214,069	1,222,574	323,500	168,219	27,272,000	30,200,362
Additions during the year	1,215,698	3,557	1,431,256	60,294	-	2,710,805
Balance at December 31, 2020	2,429,767	1,226,131	1,754,756	228,513	27,272,000	32,911,167
Accumulated depreciation:						
Balance at January 01, 2019	247,865	103,660	16,877	9,885	-	378,287
Charge for the year	295,908	240,627	37,719	18,155	-	592,409
Balance at December 31, 2019	543,773	344,287	54,596	28,040	-	970,696
Charge for the year	725,795	330,783	165,895	60,656	-	1,283,129
Balance at December 31, 2020	1,269,568	675,070	220,491	88,696	-	2,253,825
Net book value:						
At December 31, 2019	670,296	878,287	268,904	140,179	27,272,000	29,229,666
At December 31, 2020	1,160,199	551,061	1,534,265	139,817	27,272,000	30,657,342
Depreciation rates	20 - 35%	20 - 35%	20 - 25%	20 - 35%		

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

5. INVESTMENTS IN SUBSIDIARIES:

The investment in subsidiary are stated at cost less any provision for impairment. The subsidiaries are as follows:

Entity	Ownership (%)	December 31,	
		2020 QR.	2019 QR.
Mekdam Capital - W.L.L.	99%	-	198,000
Mekdam Training Centre - W.L.L.	100%	-	200,000
Injaz Telecom - W.L.L.	99%	-	198,000
CGC Converse Technologies	100%	-	240,392
CAMPAK - W.L.L.	51%	-	102,000
Mekdam Telecom - W.L.L.	100%	-	200,000
Total		-	1,138,392

6. AVAILABLE FOR SALE INVESTMENTS:

The available for sale investment are as follows:

Entity	Ownership (%)	December 31,	
		2020 QR.	2019 QR.
CGC Converse Technologies	100%	240,392	-
Total		240,392	-

7. LEASES:

7 a) Right of use assets

Balance at the beginning of the year
Accumulated amortization of right of use assets
Balance at the ended of the year

December 31,	
2020 QR.	2019 QR.
4,413,932	-
(125,400)	-
4,288,532	-

7 b) Lease liability

Balance at the beginning of the year
Accumulated amortization of right of use assets
Balance at the ended of the year

December 31,	
2020 QR.	2019 QR.
4,413,932	-
(125,400)	-
4,288,532	-

Lease liability - non-current liabilities
Lease liability - current liabilities
Total lease liability

2,818,178	-
1,470,354	-
4,288,532	-

8. INVENTORIES:

Material stocks
Less : Provision of impairment inventory
Total

December 31,	
2020 QR.	2019 QR.
6,455,456	4,914,717
(2,100,000)	(1,000,000)
4,355,456	3,914,717

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

8. INVENTORIES (CONTINUED):

8 a) Movement in provision for slow moving and obsolete inventories is presented as follows:

Balance at the beginning of the year
Movement during the year
Balance at the end of the year

December 31,	
2020	2019
QR.	QR.
1,000,000	-
1,100,000	1,000,000
2,100,000	1,000,000

9. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:

Accounts receivable

Accounts receivable (Note 9 b)
Less: Allowance for impairment of receivables (Note 9 d)
Fair value of accounts receivable

December 31,	
2020	2019
QR.	QR.
38,318,850	45,446,193
(6,250,000)	(7,350,000)
32,068,850	38,096,193

Notes receivable

Post dated cheques receivable
Less: Provision for doubtful debts
Fair value of notes receivable
Total fair value of account receivable and notes receivable

5,875,449	592,004
(1,700,000)	-
4,175,449	592,004
36,244,299	38,688,197

Other debit balances

Prepaid expenses
Advances paid to suppliers
Advances paid to sub constructors
Due from staff
Security deposits receivable
Retentions receivable
Other debit balances
Total accounts receivable and other debit balances

670,160	405,558
1,654,080	3,797,039
2,516,419	-
17,001	146,997
43,240	39,240
2,487,202	4,419,130
960,516	4,154,047
44,592,917	51,650,208

9 a) The average credit period on invoicing of goods is 30 days.

9 b) The aging of the accounts receivable is as follows:

i) Aging of neither past due nor impaired
Up to 30 days

December 31,	
2020	2019
QR.	QR.
26,884,838	30,059,800

ii) Aging of past due but not impaired
31 - 60 days
61 - 90 days
Above 90 days

2,517,398	3,276,699
1,503,065	1,792,672
1,163,549	2,967,022
5,184,012	8,036,393

iii) Aging of past due impaired
Above 90 days

6,250,000	7,350,000
38,318,850	45,446,193

Total

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

9. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES (CONTINUED):

9 c) Movement in allowance for impairment of receivables is presented as follows:

	December 31,	
	2020	2019
	QR.	QR.
Balance at the beginning of the year	7,350,000	7,672,102
Written off during the year	(55,265)	-
Provision during the year	655,265	(322,102)
Balance at the end of the year	7,950,000	7,350,000

9 d) In determining the recoverability of accounts receivable, the Company considers any change in the credit quality of the accounts receivable from the date credit was initially granted up to the reporting date. The concentration of credit risks is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further credit provision required in excess of the existing provision for doubtful debts.

10. CONTRACT WORKING PROGRESS:

	December 31,	
	2020	2019
	QR.	QR.
Value of work performed at cost plus attributable profit	366,570,773	262,240,094
Billings on contracts in progress	(362,093,637)	(248,539,511)
Amount due from customers for contract works	4,477,136	13,700,583

11. RELATED PARTIES TRANSACTIONS AND BALANCES:

	December 31,	
	2020	2019
	QR.	QR.
		(Restated)
11 a) Due from related parties		
Injaz Capital Group for Trading and Contracting - W.L.L.	-	728,581
Aman Capital Trading - W.L.L.	-	50
CAMPAK for Facility Management - W.L.L.	-	97,377
Integrated Logistics - W.L.L.	-	957,459
Sheikh Mohamed Nawaf N. K. Al-Thani	-	3,750,000
CGC Converse Technologies	54,527	54,130
Consolidated Engineering Consultancy - W.L.L.	-	1,205,372
Mekdam Debt Collection	-	2,770
Mekdam Restaurant	-	1,050
Al Ahlam for Investment	-	5,610
European Investment	-	600
CGC Us Chillers	-	17,000
Integrated Customs & Clearance	-	20,848
Mekdam Investment - W.L.L.	-	3,550
Mekdam Telecom - W.L.L.	-	12,017,068
Total	54,527	18,861,465
Less: Provisions of impairment related party	-	(4,571,886)
Total	54,527	14,289,579

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

11. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED):

	December 31,	
	2020	2019
	QR.	QR.
		(Restated)
11 b) Due to related parties		
Consolidated Engineering and Consultancy services - W.L.L.	-	12,000
CAMPAK for Facility Management - W.L.L.	-	4,149
Injaz Capital Group for Trading and Contracting - W.L.L.	-	566,186
Total	-	582,335

	Year ended December 31,	
	2020	2019
	QR.	QR.
11 c) Transaction with related parties		
Sales	-	384,625
Shared services payment	-	1,243,062

11 d) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel of the Group are the board of directors and/or personnel holding the designation of general manager and above. Transactions with key management personnel and transactions with close family members of the key management personnel; if any, also have been taken into consideration in the following disclosure:

	Year ended December 31,	
	2020	2019
	QR.	QR.
Short term benefits	1,653,007	1,629,045
Post employment benefits	51,835	42,847
Total	1,704,842	1,671,892

12. CASH AND BANK BALANCES:

	December 31,	
	2020	2019
	QR.	QR.
Cash in hand	4	13,737
Cash at bank - Current accounts	10,016,144	3,794,744
- Credit card accounts	19,755	23,068
Cash margin held against bank guarantees - restricted cash	4,754,213	10,742,675
Total	14,790,116	14,574,224

12 a) For the purpose of cash flows statement, the amount of cash and cash equivalents is presented as follows:

	December 31,	
	2020	2019
	QR.	QR.
Total cash and cash equivalents	14,790,116	14,574,224
Restricted cash (Cash margin held against bank guarantees)	(4,754,213)	(10,742,675)
Net cash available for use	10,035,903	3,831,549

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

13. SHARE CAPITAL:

The Company's issued share capital as per Commercial registration number 115142 is QR. 10,000,000 and is fully paid as at December 31, 2020. The Shareholders have contributed the share capital as follows:

Name	Nationality	Share holding (%)	December 31,	
			2020 QR.	2019 QR.
Aa'ishh Mohamed N. K. Al-Thani	Qatari	50%	5,000,000	5,000,000
Nada Mohamed N. K. Al-Thani	Qatari	50%	5,000,000	5,000,000
Total			10,000,000	10,000,000

14. LEGAL RESERVE:

In accordance with Qatar Commercial Companies' Law No. 11 of 2015 and the Company's Articles of Association, 10% of net income for the year is required to be transferred to the legal reserve until the reserve equals 50% of the paid capital. This reserve is not available for distribution except in circumstances stipulated in the Commercial Companies Law.

15. SHAREHOLDERS' CURRENT ACCOUNTS:

The detail breakdown of the Shareholder's current accounts as at December 31, 2020 are as follows:

	December 31,	
	2020 QR.	2019 QR.
Aa'ishh Mohamed N. K. Al-Thani	-	11,320,043
Nada Mohamed N. K. Al-Thani	-	11,320,043
Total	-	22,640,086

16. BANK LOANS AND BORROWING:

	December 31,	
	2020 QR.	2019 QR.
Non-current liabilities		
Non current secured bank loans	11,357,050	8,546,689
Total non-current liabilities	11,357,050	8,546,689
Current liabilities		
Current portion of secured bank loans	3,941,040	16,632,940
Total current liabilities	3,941,040	16,632,940
Total bank loans and borrowings	15,298,090	25,179,629

MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

16. BANK LOANS AND BORROWING (CONTINUED):

16 a) Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Year of maturity	Face value QR.	December 31,	
					2020 QR.	2019 QR.
Secured bank loan	QR	5.75%	2022	25,000,000	8,197,190	15,656,689
Secured bank loan	QR	5.75%	2019	3,000,000	-	2,565,000
LTR Loan	QR	5.75%	2020	7,000,000	-	6,957,940
Secured bank loan	QR	4.50%	2023	1,108,800	1,108,800	-
Secured bank loan	QR	4.50%	2023	5,992,100	5,992,100	-
Total				42,100,900	15,298,090	25,179,629

17. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:

	December 31,	
	2020 QR.	2019 QR.
Balance at the beginning of the year	1,039,335	156,273
Provision for the year	1,787,043	916,975
Payments made during the year	(390,558)	(33,913)
Balance at the end of the year	2,435,820	1,039,335

18. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES:

	December 31,	
	2020 QR.	2019 QR.
Accounts payable	9,991,763	6,795,107
Accrued expenses	661,921	4,873,091
Advances received from customers	3,332,318	5,073,921
Retention payable	185,455	364,316
Due to staff	5,027	7,237
Provisions	4,927,122	4,928,122
Notes payable	2,506,847	4,161,216
Other credit balance	-	28,368
Total	21,610,453	26,231,378

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

19. REVENUE:

	Year ended December 31,	
	2020	2019
	QR.	QR.
Revenue from contracts with the customer	133,062,850	117,173,865
Trading income	13,272,132	13,780,490
Projects income	-	34,201,352
Rendering of service	-	445,350
Dividend income	-	4,365,583
Total	146,334,982	169,966,640

20. COST OF OPERATIONS:

	Year ended December 31,	
	2020	2019
	QR.	QR.
Cost of materials	37,615,402	43,649,910
Cost of Labour	39,581,892	37,055,328
Cost of subcontracting	14,883,121	20,742,305
Other direct expenses	4,205,596	9,532,015
Total	96,286,011	110,979,558

21. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES:

	Year ended December 31,	
	2020	2019
	QR.	QR.
Salaries and other benefits to employees	15,739,527	13,130,488
Rent expenses	1,913,960	1,791,042
Utility expenses	63,332	113,743
Communication expenses	267,708	286,922
Repairs and maintenance expenses	447,491	178,767
Medical expenses	13,425	35,273
Printing and stationery expenses	18,171	39,731
Travelling expenses	153,370	580,709
General insurance expenses	70,556	99,693
Depreciation expenses (Note 4)	1,283,129	592,410
Incentive expenses	-	1,530,848
Visa expenses	921,463	992,928
Bank charges	550,397	574,348
Professional charges	196,499	-
Office supplies expenses	249,259	147,430
Training expenses	92,672	20,881
Tender fees	213,250	179,010
Subscription charges	232,738	272,468
Provision for slow moving and obsolete inventories	1,100,000	1,072,731
Advertising and publicity	189,683	238,076
Exchange gain or loss	-	29
Legal fees	245,141	453,634
Fuel expenses	59,865	49,639
Miscellaneous expenses	609,433	1,482,606
Total	24,631,069	23,863,406

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

22. FINANCE COST:

	Year ended December 31,	
	2020	2019
	QR.	QR.
Interest expenses	1,184,621	1,289,712
Total	1,184,621	1,289,712

23. COMMITMENTS AND CONTINGENCIES:

	December 31,	
	2020	2019
	QR.	QR.
There were no commitments and contingencies as of the report date except follows:		
Letter of guarantees	85,879,451	66,385,871
Letter of credit	4,460,826	1,703,125

24. FINANCIAL RISK MANAGEMENT:

The Group has exposure to the following risks arising from financial instruments:

- 23 a) Credit risk
- 23 b) Liquidity risk
- 23 c) Market risk

Risk management framework

The Group's shareholders has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set the appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

24 a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

Accounts and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The risk management policy has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review included external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits required the higher management approval.

24 b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset. The Group'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 Group's reputation.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

24. FINANCIAL RISK MANAGEMENT (CONTINUED):

24 b) Liquidity risk (Continued)

The Group uses activity based costing to cost its products and services, which assist it in monitoring cash flow requirements and optimizing its cash return on investments.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (other than accounts payables) over the next 90 days.

24 c) Market risk

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

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group. The functional currency of the Group is primarily the Qatari Riyals (QR).

25. CAPITAL RISK MANAGEMENT:

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of invested capital. The capital structure of the Group consists of equity, comprising share capital, reserves, shareholder's current accounts and retained earnings.

26. EVENTS AFTER THE REPORTING PERIOD:

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the combined financial statements.

27. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments include financial assets and liabilities.

Financial assets consist of amounts due from related parties, bank balances and cash, account receivable and other debit balances. Financial liabilities consist of due to related parties, loan and borrowings and account payable and other debit balances.

The fair values of financial instruments are not materially different from their carrying values except for the following:

	Year ended December 31,			
	2020		2019	
	Carrying value	Fair value	Carrying value	Fair value
	QR.	QR.	QR.	QR.
Accounts receivable	38,318,850	32,068,850	45,446,193	38,096,193
Post dated cheques receivable	5,875,449	4,175,449	592,004	592,004
Due from related parties	54,527	54,527	18,861,465	14,289,579

MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

28. COMPARATIVE FIGURES:

Certain prior year amounts have been reclassified in order to conform to the current period presentation. Such reclassification did not affect previously reported net profit or total equity.

During the previous year, the Holding Company maintained their financial records in a manual system and resulted to several errors in the manual system. These errors have been identified and rectified during the year. As a result comparative figures have been restated in the current financial year and the net impacts on the restatement to the combined financial statements are as follows:

	Year ended December 31, 2020		
	Prior to restatement	After restatement	Impact
	QR.	QR.	QR.
Due from related parties	26,333,521	21,761,635	(4,571,886)
Retained earning	16,579,099	12,464,401	(4,114,698)
Net profit	18,421,221	13,849,335	(4,571,886)

29. IMPACT OF COVID-19:

On March 11, 2020, Covid-19 was declared as global pandemic by the World Health Organization (WHO) and is causing disruptions to businesses and economic activities. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications.

The Group will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in 2020.

COVID-19 has brought about uncertainties in the global economic environment. In light of the rapidly escalating situation, the Group has considered whether any adjustments and changes in judgments, estimates and risk management are required to be considered and reported in the combined financial statements. The Group's business operations remain largely unaffected by the current situation.

Below are the key assumptions about the future and other key sources of estimation that may have a significant risk of causing a material adjustment to the combined financial statements:

Expected Credit Losses ("ECL") and impairment of financial assets

The uncertainties caused by COVID-19 have required the Group to reassess the inputs and assumptions used for the determination of expected credit losses ("ECLs") as at December 31, 2020. The Group has updated the relevant forward-looking information of its international operations with respect to: the weightings of the relevant macroeconomic scenarios of the respective market in which it operates; significant increase in credit risk; and assessing the indicators of impairment for the exposures in potentially affected sectors.

Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from December 31, 2020. As a result, these combined financial statements have been appropriately prepared on a going concern basis.

The group will continue to closely monitor the impact of COVID-19 as the situation progresses to manage the potential business disruption COVID-19 outbreak may have on its operations and financial performance in 2021.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

TABLE OF CONTENTS

Report on Review of Interim Condensed Combined Financial Statements	--
	<u>Page</u>
Interim Condensed Combined Statement of Financial Position	01
Interim Condensed Combined Statement of Comprehensive Income	02
Interim Condensed Combined Statement of Changes in Shareholders' Equity	03
Interim Condensed Combined Statement of Cash Flows	04
Notes to the Interim Condensed Combined Financial Statements	05-15



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Russell Bedford & Partners
Certified Public Accountants

Office No. 1, 10th Floor, Al Jasra Commercial Tower
Al-Aaliyah Street, Old Salata
P.O. Box 47539, Doha – State of Qatar

T: +974 4462 6506
F: +974 4435 2199
E: inquiry@russellbedford.qa
W: www.russellbedford.qa

INDEPENDENT AUDITOR'S REPORT REVIEW
OF INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS

TO DIRECTORS
MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

Introduction

We have reviewed the accompanying interim condensed combined financial statements of Mekdam Holding Group – W.L.L. (the "Parent Company") and its subsidiaries (together the "Group") as at March 31, 2021, comprising of the interim condensed combined statement of financial position as at March 31, 2021 and related interim condensed combined statements of profit or loss and other comprehensive income, interim condensed combined statement of changes in shareholders' equity and interim condensed combined statement of cash flows for the three-month period then ended, and related explanatory notes.

Management responsibility for the interim condensed combined financial statements

The management is responsible for the preparation and presentation of these interim condensed combined financial statements in accordance with IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed combined financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the interim financial information consists of making inquiries, primarily of persons responsible for the 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed combined financial statements are not prepared, in all material aspects, in accordance with IAS 34.

For Russell Bedford & Partners
Certified Public Accountants


Hani Mukhaimer
License No. (275)



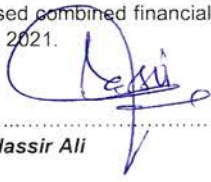
Doha – Qatar
April 11, 2021

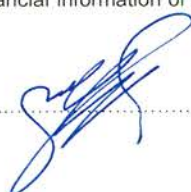
MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

INTERIM CONDENSED COMBINED STATEMENT OF FINANCIAL POSITION AS OF MARCH 31, 2021


	Notes	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
ASSETS:			
Non-current assets:			
Property and equipment	4	30,385,000	30,657,342
Available for sale investment		-	240,392
Right of use assets	5	3,974,089	4,288,532
Total non-current assets		34,359,089	35,186,266
Current assets:			
Inventories	6	5,002,186	4,355,456
Accounts receivable and other debit balances	7	56,916,565	44,592,917
Gross amounts due from customers for contract works		6,024,788	4,477,136
Due from related parties		-	54,527
Cash and bank balances	8	11,789,541	14,790,116
Total current assets		79,733,080	68,270,152
TOTAL ASSETS		114,092,169	103,456,418
SHAREHOLDERS' EQUITY AND LIABILITIES:			
Shareholders' equity:			
Share capital	9	50,000,000	10,000,000
Legal reserve	10	-	4,211,638
Retained earnings		18,819,347	45,611,885
Total shareholders' equity		68,819,347	59,823,523
Non-current liabilities:			
Loans and borrowings	11	10,635,965	11,357,050
Provision for employees' end of service benefits	12	2,719,016	2,435,820
Lease liability	5	2,770,764	2,818,178
Total non-current liabilities		16,125,745	16,611,048
Current liabilities:			
Loans and borrowings	11	7,980,742	3,941,040
Accounts payable and other credit balances	13	19,962,717	21,610,453
Lease liability	5	1,203,618	1,470,354
Total current liabilities		29,147,077	27,021,847
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		114,092,169	103,456,418

The Chief Finance Officer and the Chief Executive Officer attest to the accuracy and completeness of the accompanying interim condensed combined financial statements and the interim condensed combined financial information of this report as at March 31, 2021.


Mohamed Mudassir Ali
Group CFO


Ehab Naser
Group CEO

The accompany interim condensed combined financial statements were approved to issue by the shareholders on April 11, 2021 and signed on behalf of the Company by:


Mohamed Nawaf N K Al-Thani
Chairman



The accounting policies and notes as set out in pages 05 to 15 form an integral part of these interim condensed combined financial statements.



MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

**INTERIM CONDENSED COMBINED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

	Notes	Three months period ended March 31,	
		2021	2020
		QR. (Reviewed)	QR. (Reviewed)
Revenue	14	49,276,921	37,439,615
Cost of operations	15	(33,884,735)	(20,239,649)
Gross profit		15,392,186	17,199,966
Other income		55,111	17,425
General and administrative expenses	16	(6,329,324)	(5,931,893)
Operating profit for the period		9,117,973	11,285,498
Finance cost	17	(122,149)	(219,985)
Net profit for the period		8,995,824	11,065,513
Other comprehensive income		-	-
Total comprehensive income for the period		8,995,824	11,065,513

The accounting policies and notes as set out in pages 05 to 15 form an integral part of these interim condensed combined financial statements.



MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

**INTERIM CONDENSED COMBINED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

	Share capital QR.	Legal reserve QR.	Shareholders' current accounts QR.	Retained earnings QR.	Total QR.
Balance at January 01, 2020 (Audited)	10,000,000	1,384,933	22,640,086	41,439,673	75,464,692
Net profit for the period	-	-	-	11,065,513	11,065,513
Net movement in shareholders' current accounts	-	-	(9,713,760)	-	(9,713,760)
Balance at March 31, 2020 (Reviewed)	10,000,000	1,384,933	12,926,326	52,505,186	76,816,445
Balance at January 01, 2021 (Audited)	10,000,000	4,211,638	-	45,611,885	59,823,523
Transferred to increase share capital	40,000,000	(4,211,638)	-	(35,788,362)	-
Net profit for the period	-	-	-	8,995,824	8,995,824
Balance at March 31, 2021 (Reviewed)	50,000,000	-	-	18,819,347	68,819,347

The accounting policies and notes as set out in pages 05 to 15 form an integral part of these interim condensed combined financial statements.



MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

INTERIM CONDENSED COMBINED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

Notes	Three months period ended March 31,	
	2021	2020
	QR. (Reviewed)	QR. (Reviewed)
<u>Cash flows from operating activities.</u>		
Net profit for the period	8,995,824	11,065,513
Adjustments for:		
Depreciation of property and equipment	369,264	299,717
Provision for allowance for impairment of receivables	-	157,651
Provisions and employee's end of service benefits	337,361	1,787,043
Finance cost	122,149	219,985
Operating income before changes in working capital	9,824,598	13,529,909
Changes in		
Inventories	(646,730)	660,984
Accounts receivable and other debit balances	(12,323,648)	1,776,022
Gross amounts due from customers for contract works	(1,547,652)	(6,212,033)
Due from related parties	54,527	-
Accounts payable and other credit balances	(1,647,736)	(8,722,648)
Cash (used) in/generated from operating activities	(6,286,641)	1,032,234
Employees end of service benefit paid	(54,165)	(390,558)
Finance cost	(122,149)	(219,985)
Net cash (used) in/generated from operating activities	(6,462,955)	421,691
<u>Cash flows from investing activities.</u>		
Acquisition of property plant and equipment	(96,922)	(29,057)
Net movement of available for sale investment	240,392	-
Net cash generated from/(used) in investing activities	143,470	(29,057)
<u>Cash flows from financing activities.</u>		
Net movement in loans and borrowings	3,318,617	6,657,870
Net movement in shareholders' current accounts	-	(9,713,760)
Net movement in lease	293	-
Net movement in restricted cash	(1,919,386)	95,325
Net cash generated from/(used) in financing activities	1,399,524	(2,960,565)
Net decrease in cash and cash equivalents	(4,919,961)	(2,567,931)
Cash and cash equivalents - at January 01	10,035,903	3,955,114
Cash and cash equivalents - at March 31,	5,115,942	1,387,183

The accounting policies and notes as set out in pages 05 to 15 form an integral part of these interim condensed combined financial statements.



MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENT FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

1 THE GROUP FORMATION AND ACTIVITIES

Mekdam Holding Group – W.L.L. ("the Parent Company") and its subsidiaries (together referred as the "Group") The Parent Company is domiciled in the State of Qatar and registered as a limited liability Company under the Commercial Registration number 115142. The parent Company's registered office is at P O Box 17654 0 Doha, State of Qatar The Parent Company acts as a holding Company

The main activities of the Group are the patent for the inventions, Commercial business, privileges and other intangible rights with utilizing from them and leasing them to the affiliate companies or others participation in the management of the subsidiaries or which it has shares in, providing the necessary support to its subsidiaries, owning movables and real estate businesses within the limits permitted by law and investing its funds in shares, bonds and securities.

"The Financial Statements of following entities which are currently fully owned by Mekdam Holding Group are combined in these "Combined Financial Statements" as special purpose report."

NAME OF COMPANY	COMMERCIAL REGISTER	YEAR OF INCORPORATION	OWNERSHIP
Mekdam Holding Group – W.L.L. (Separate Financial Statements)	115142	2018	50% Aa'ishh Mohamed N. K. Al-Thani 50% Nada Mohamed N. K. Al-Thani
Mekdam Technology – W.L.L.	103277	2017	100% Mekdam Holding Group
Mekdam CAMS – W.L.L.	103562	2017	100% Mekdam Holding Group
Mekdam Technical Services – W.L.L.	103070	2017	100% Mekdam Holding Group
Gulf Security System – W.L.L.	103565	2017	50% Mekdam Technology 50% Mekdam Technical Services

The interim condensed combined financial statements were approved and signed on behalf of the Group on April 11 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The interim condensed combined financial statements for the three months period ended March 31 2021 have prepared in accordance with IAS 34 Interim Financial Reporting under the historical cost convention

The interim condensed combined financial statements do not include all information and disclosures require by the annual financial statements, and should be read in conjunction with the Group's annual combined financial statements as at December 31 2020. In addition results for the three months period ended March 31 2021 are not necessarily indicative of the results that may be expected for the financial year ending December 31 2021

The preparation of the interim condensed combined 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 management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the combined financial statements for the year ended 31 December 2020

The Group's financial risk management objectives and policies are consistent with those disclosed in the combined financial statements for the year ended 31 December 2020

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The following amendments to standards have been applied by the Group in preparation of these interim condensed combined financial statements. The amendments to the below standards did not have any material impact to the Group, but they may result in additional disclosures at year end:

a) New and amended IFRS and IFRIC Interpretations effective in 2021:

During the current period, the Group adopted the same amendments and improvements to the international Financial Reporting Standards that are effective for annual periods beginning on January 01 2020 which were applied on the combined financial statements for the year ended December 31 2020

The adoption of the above did not result in any changes to previously reported net profit or equity of the Company

b) Standards Issued but not yet effective.

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Establishment's interim condensed financial statements are disclosed below. The Establishment intends to adopt these standards, if applicable, when they become effective.

TOPIC	EFFECTIVE DATE
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 01 2022
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 01 2022
Amendments to IAS 16 "Property, Plant and Equipment — Proceeds before Intended Use"	January 01 2022
Amendments to IAS 37 "Onerous Contracts – Cost of Fulfilling a Contract"	January 01 2022
Annual Improvements to IFRS Standards 2018–2020 "Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41"	January 01 2022
IFRS 17 "Insurance Contracts"	January 01 2023

The Establishment has not early adopted any other standard interpretation or amendment that has been issued but is not yet effective.

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

**NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

4. PROPERTY AND EQUIPMENT	Furniture, fixtures and office equipment QR.	Computer and software QR.	Motor vehicles QR.	Tools and equipment QR.	Land QR.	Total QR.
Cost:						
Balance at January 01 2020 (Audited)	1 214 069	1 222 574	323 500	168,219	27 272 000	30 200 362
Additions during the year	1,215,698	3,557	1,431,256	60,294	-	2,710,805
Balance at January 01, 2021 (Audited)	2,429,767	1,226,131	1,754,756	228,513	27,272,000	32,911,167
Additions during the period	47,050	12,156	8,373	29,343	-	96,922
Balance at March 31, 2021 (Reviewed)	2,476,817	1,238,287	1,763,129	257,856	27,272,000	33,008,089
Accumulated depreciation						
Balance at January 01 2020 (Audited)	1 513 544	344,287	54,596	28 040	-	1,940,467
Charge for the year	174,613	82,178	34,548	8,378	-	299,717
Balance at January 01, 2021 (Audited)	1,269,568	675,070	220,491	88,696	-	2,253,825
Charge for the period	242,660	15,693	89,479	21,432	-	369,264
Balance at March 31, 2021 (Reviewed)	1,512,228	690,763	309,970	110,128	-	2,623,089
Net book value						
At December 31, 2020 (Audited)	1,160,199	551,061	1,534,265	139,817	27,272,000	30,657,342
At March 31, 2021 (Reviewed)	964,589	547,524	1,453,159	147,728	27,272,000	30,385,000
Depreciation rates	20 - 35%	20 - 35%	20 - 25%	20 - 35%		

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

5. LEASES

5 a) Right of use assets

Balance at the beginning of the period/year
Accumulated amortization of right of use assets
Balance at the ended of the period/year

March 31, 2021	December 31, 2020
QR.	QR.
(Reviewed)	(Audited)
4,288,532	4,413,932
(314,443)	(125,400)
3,974,089	4,288,532

5 b) Lease liability

Balance at the beginning of the period/year
Accumulated amortization of right of use assets
Balance at the ended of the period/year

March 31, 2021	December 31, 2020
QR.	QR.
(Reviewed)	(Audited)
4,288,532	4,413,932
(313,928)	(125,400)
3,974,604	4,288,532

Lease liability - non-current liabilities
Lease liability - current liabilities
Total lease liability

2,770,764	2,818,178
1,203,618	1,470,354
3,974,382	4,288,532

6. INVENTORIES

Material stocks
Less Provision of impairment inventory
Total

March 31, 2021	December 31, 2020
QR.	QR.
(Reviewed)	(Audited)
6,373,917	6,455,456
(1,371,731)	(2,100,000)
5,002,186	4,355,456

6 a) Movement in provision for slow moving and obsolete inventories is presented as follows.

Balance at the beginning of the period/year
Movement during the period/year
Reversal during the period/year
Balance at the end of the period/year

March 31, 2021	December 31, 2020
QR.	QR.
(Reviewed)	(Audited)
2,100,000	1,000,000
-	1,100,000
(728,269)	-
1,371,731	2,100,000

7 ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES

Accounts and notes receivable

Accounts receivable (Note 7 b)
Post dated cheques receivable
Less: allowance for impairment of accounts and notes receivables (Note 7 c)
Total fair value of account receivable and notes receivable

March 31, 2021	December 31, 2020
QR.	QR.
49,957,632	38,318,850
6,987,273	5,875,449
(7,916,963)	(7,950,000)
49,027,942	36,244,299

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

**NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

7 ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES (CONTINUED).		March 31, 2021 QR.	December 31, 2020 QR.
<u>Other debit balances</u>			
Prepaid expenses		531,073	670,160
Advances paid to suppliers		1,639,741	1,654,080
Advances paid to sub constructors		1,909,669	2,516,419
Due from staff		16,275	17,001
Security deposits receivable		45,240	43,240
Retentions receivable		3,743,257	2,487,202
Other debit balances		3,366	960,516
Total accounts receivable and other debit balances		56,916,565	44,592,917
7 a) The average credit period on invoicing of rendering services is 30 days.			
7 b) The aging of the accounts receivable is as follows.			
		March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
i) Aging of neither past due nor impaired Up to 30 days		32,873,393	26,884,838
ii) Aging of past due but not impaired			
31 - 60 days		6,155,316	2,517,398
61 - 90 days		1,701,631	1,503,065
Above 90 days		9,227,093	1,163,549
		17,084,040	5,184,012
iii) Aging of past due impaired Above 90 days		6,250,000	6,250,000
Total		49,957,632	38,318,850
7 c) Movement in allowance for impairment of receivables is presented as follows.			
		March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Balance at the beginning of the period/year		7,950,000	7,350,000
Reversal during the period/year		(33,037)	(55,265)
Provision during the period/year		-	655,265
Balance at the end of the period/year		7,916,963	7,950,000

7 d) In determining the recoverability of accounts receivable, the Company considers any change in the credit quality of the accounts receivable from the date credit was initially granted up to the reporting date. The concentration of credit risks is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further credit provision required in excess of the existing provision for doubtful debts.

MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

8. CASH AND BANK BALANCES.

	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Cash in hand	266,822	4
Cash at bank - Current accounts	4,724,573	10,016,144
- Credit card accounts	124,547	19,755
Cash margin held against bank guarantees - restricted cash	6,673,599	4,754,213
Total	11,789,541	14,790,116

8 a) For the purpose of cash flows statement, the amount of cash and cash equivalents is presented as follows.

	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Total cash and cash equivalents	11,789,541	14,790,116
Restricted cash (Cash margin held against bank guarantees)	(6,673,599)	(4,754,213)
Net cash available for use	5,115,942	10,035,903

9. SHARE CAPITAL.

The Company's issued share capital as per Commercial registration number 115142 is QR. 50,000,000 and is fully paid as at March 31, 2021. The Shareholders have contributed the share capital as follows.

Name	Nationality	Share holding (%)	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Aa'ishh Mohamed N. K. Al-Thani	Qatari	50%	25,000,000	5,000,000
Nada Mohamed N. K. Al-Thani	Qatari	50%	25,000,000	5,000,000
Total			50,000,000	10,000,000

10. LEGAL RESERVE.

In accordance with Qatar Commercial Companies' Law No. 11 of 2015 and the Company's Articles of Association, 10% of net income for the year is required to be transferred to the legal reserve until the reserve equals 50% of the paid capital. This reserve is not available for distribution except in circumstances stipulated in the Commercial Companies Law.

11. BANK LOANS AND BORROWING.

	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Non-current liabilities		
Non-current secured bank loans	10,635,965	11,357,050
Total non-current liabilities	10,635,965	11,357,050
Current liabilities		
Current portion of secured bank loans	7,980,742	3,941,040
Total current liabilities	7,980,742	3,941,040
Total bank loans and borrowings	18,616,707	15,298,090

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

11 BANK LOANS AND BORROWING (CONTINUED)

11 a) Terms and repayment schedule

The terms and conditions of outstanding loans are as follows.

	Currency	Nominal interest rate	Year of maturity	Face value QR.	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Secured bank loan	QR	5.75%	2022	25,000,000	8,197,190	8,197,190
Secured bank loan	QR	4.50%	2023	1,108,800	1,108,800	1,108,800
Secured bank loan	QR	4.50%	2023	5,992,100	5,992,100	5,992,100
Secured bank loan	QR	4.50%	2021	3,318,617	3,318,617	-
Total				35,419,517	18,616,707	15,298,090

12. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Balance at the beginning of the period/year	2,435,820	1,039,335
Provision for the period/year	337,361	1,787,043
Payments made during the period/year	(54,165)	(390,558)
Balance at the end of the period/year	2,719,016	2,435,820

13. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

	March 31, 2021 QR. (Reviewed)	December 31, 2020 QR. (Audited)
Accounts payable	6,087,938	9,991,763
Accrued expenses	1,562,276	661,921
Advances received from customers	4,442,481	3,332,318
Retention payable	209,468	185,455
Due to staff	22,916	5,027
Provision for contingencies	4,927,122	4,927,122
Notes payable	2,673,241	2,506,847
Other credit balance	37,275	-
Total	19,962,717	21,610,453

MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

14. REVENUE

	Three months period ended March 31,	
	2021	2020
	QR.	QR.
	(Reviewed)	(Reviewed)
Revenue from contracts with the customer	49,074,621	37,439,615
Projects income	202,300	-
Total	49,276,921	37,439,615

15. COST OF OPERATIONS

	Three months period ended March 31,	
	2021	2020
	QR.	QR.
	(Reviewed)	(Reviewed)
Material and subcontracting costs	19,494,541	8,812,917
Direct labour	12,265,367	9,790,813
Other direct expenses	2,124,827	1,635,919
Total	33,884,735	20,239,649

16. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months period ended March 31,	
	2021	2020
	QR.	QR.
	(Reviewed)	(Reviewed)
Salaries and other benefits to employees	3,982,405	4,186,597
Travelling expenses	15,093	31,506
Rent expenses	475,100	494,080
Advertisement expense	54,665	13,364
Depreciation expenses	369,266	299,717
Utilities expenses	3,588	-
Communication expenses	33,416	18,102
Insurance expenses	59,941	5,075
Tender fees	105,220	11,350
Office expenses	-	3,963
Repair and maintenance	44,210	5,311
Printing and stationary expenses	27,031	-
Legal and professional fees	317,556	85,000
Medical expenses	5,800	4,700
Recruitment expenses	38,033	28,125
Fuel expenses	10,521	1,960
Bank charges	125,575	126,196
Government fees	13,540	24,640
Exchange gain or loss	-	1,504
Visa expenses	111,479	219,405
Subscription fee	176,788	12,364
Miscellaneous expenses	360,097	358,934
Total	6,329,324	5,931,893

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

**NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

17. FINANCE COST

	Three months period ended March 31,	
	2021	2020
	QR. (Reviewed)	QR. (Audited)
Interest expenses	122,149	219,985
Total	122,149	219,985

18. COMMITMENTS AND CONTINGENCIES

There were no commitments and contingencies as of the report date except follows.

	March 31, 2021	December 31, 2020
	QR.	QR.
	(Reviewed)	(Audited)
Letter of guarantees	100,383,494	85,879,451
Letter of credit	2,411,712	4,460,826

19. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

- 19 a) Credit risk
- 19 b) Liquidity risk
- 19 c) Market risk

Risk management framework

The Group's shareholders has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set the appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

19 a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

Accounts and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The risk management policy has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review included external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits required the higher management approval.

MEKDAM HOLDING GROUP – W.L.L. DOHA – STATE OF QATAR

NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021

19 FINANCIAL RISK MANAGEMENT (CONTINUED)

19 b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset. The Group'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 Group's reputation.

The Group uses activity based costing to cost its products and services, which assist it in monitoring cash flow requirements and optimizing its cash return on investments.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (other than accounts payables) over the next 90 days.

19 c) Market risk

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

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group. The functional currency of the Group is primarily the Qatari Riyals (QR).

20. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of invested capital. The capital structure of the Group consists of equity comprising share capital and retained earnings.

21 EVENTS AFTER THE REPORTING PERIOD

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the combined financial statements.

22. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments include financial assets and liabilities.

Financial assets consist of bank balances and cash, account receivable and other debit balances. Financial liabilities consist of loans and borrowings, account payable and other debit balances.

The fair values of financial instruments are not materially different from their carrying values except for the following:

	Period ended March 31,		Year ended December 31,	
	2021		2020	
	Carrying value	Fair value	Carrying value	Fair value
	QR.	QR.	QR.	QR.
Accounts and notes receivable	56,944,905	49,027,942	44,194,299	36,244,299

MEKDAM HOLDING GROUP – W.L.L.
DOHA – STATE OF QATAR

**NOTES TO THE INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

23. COMPARATIVE FIGURES

Certain prior year amounts have been reclassified in order to conform to the current period presentation. Such reclassification did not affect previously reported net profit or total equity.

24. IMPACT OF COVID-19.

On March 11, 2020, Covid-19 was declared as global pandemic by the World Health Organization (WHO) and is causing disruptions to businesses and economic activities. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications.

The Group will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in 2021.

COVID-19 has brought about uncertainties in the global economic environment. In light of the rapidly escalating situation, the Group has considered whether any adjustments and changes in judgments, estimates and risk management are required to be considered and reported in the interim condensed combined financial statements. The Group's business operations remain largely unaffected by the current situation.

Below are the key assumptions about the future and other key sources of estimation that may have a significant risk of causing a material adjustment to the interim condensed combined financial statements:

Expected Credit Losses ("ECL") and impairment of financial assets

The uncertainties caused by COVID-19 have required the Group to reassess the inputs and assumptions used for the determination of expected credit losses ("ECLs") as at March 31, 2021. The Group has updated the relevant forward-looking information of its international operations with respect to; the weightings of the relevant macroeconomic scenarios of the respective market in which it operates, significant increase in credit risk; and assessing the indicators of impairment for the exposures in potentially affected sectors.

Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from December 31, 2020. As a result, these interim condensed combined financial statements have been appropriately prepared on a going concern basis. The group will continue to closely monitor the impact of COVID-19 as the situation progresses to manage the potential business disruption COVID-19 outbreak may have on its operations and financial performance in 2021.

10. Management Discussion and Analysis

The management discussion and analysis of the company's financial position and the results of its operations are based on audited financial statements, and accompanying notes as of December 31 for financial years 2019 and 2020, as well as information under the (Auditor's Report and Financial Statements) and should be read in conjunction with it. This discussion also contains forward-looking statements involving risks and uncertainties. Actual results could differ significantly from those expected in these forward-looking statements. The investor should study the information under the heading "risk factors" contained in this Information Memorandum when evaluating the company's business. Note that the company's financial year ends on December 31st for all stipulated periods.

10.1 Income Statement

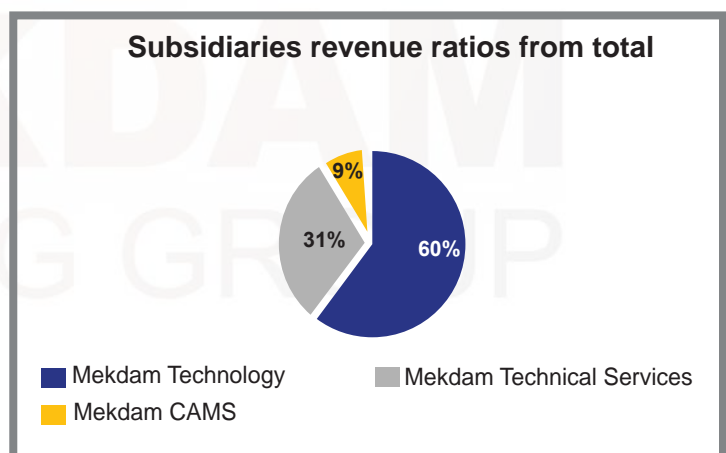
In QAR	2020	2019
Revenue	146,334,982	169,966,640
Cost of Operations	(96,286,011)	(110,979,558)
Gross Profit	50,048,971	58,987,082
Other income	-	156,111
General and administrative expenses	(24,631,069)	(23,863,406)
Losses on impairment of financial assets	(655,265)	(5,949,686)
Operating Profit for the year	24,762,637	29,330,101
Finance Cost	(1,184,621)	(1,289,712)
Net Profit for the year	23,578,016	28,040,389

Source: Combined financial statements for the year ended December 31, 2020.

The following discussion provides a general analysis of the core factors affecting the results of the company's operations for the financial years ended December 31, 2019 and 2020.

Revenue

The company receives its revenues through three subsidiaries: Mekdam CAMS, Mekdam Technology and Mekdam Technical Services, through which electronic services, operation and maintenance, networks, systems, and information security systems are provided. In 2020, the revenue contribution from subsidiaries accounted for 60.4% from Mekdam Technology, 31.0% from Mekdam Technical Services and 8.6% from Mekdam CAMS.



Source: Audited financial statements of subsidiaries for the financial year ended in December 2020

Revenues decreased by 13.9% in 2020, from QAR 170.0 million in 2019 to QAR 146.3 million in 2020, primarily because of government issued business restrictions imposed to contain the Covid-19 pandemic in late March 2020, which in turn caused the company to be unable to complete the contracted work on time. Mekdam Technology's revenue dropped by 20.6% in 2020, Mekdam CAMS revenues decreased by 3.7%, but Mekdam Technical Services revenue increased by 39.5% in 2020. The increase in revenues of Mekdam Technical Services is primarily attributed to the growth in demand for a highly skilled workforce, mainly for government sector clients.

In QAR	2020	2019
Revenues	146,334,982	169,966,640
Annual change (%)	-13.9%	

Source: Combined financial statements for the year ended December 31, 2020.

Cost of operations

The cost of operations represents the purchase of all types of equipment, including but not limited to networks, data management tools, servers, standard communication devices, etc., and given the importance of operational costs to revenues, following is the data in absolute and percentage form:

In QAR	2020	2019
Operating cost	96,286,011	110,979,558
As a percentage of revenue (%)	65.8%	65.3%

Source: Combined financial statements for the year ended December 31, 2020.

The cost of operations decreased by 13.2% in 2020 from QAR 111.0 million in 2019 to QAR 96.3 million in 2020, this decrease is in line with the decline in the volume of revenues.

Gross profit

In 2020, the gross profit decreased by 15.2% from QAR 59.0 million in 2019 to QAR 50.0 million in 2020, primarily due to lower revenues caused by the Corona pandemic, but the company maintained its gross profit margins by 34.7% in 2019 and 34.2% in 2020, mainly because of the management's ability to run the business during Corona and due to slowed completion progress.

Subsidiaries also maintained gross profit margins in 2019 and 2020 but slightly declined for Mekdam Technical Services because the company had to subcontract with service providers to increase the volume of contracts in 2020 under restrictions imposed due to Corona pandemic and the inability to hire from abroad.

In QAR	2020	2019
Gross profit	50,048,971	58,987,082
Gross profit margin (%)	34.2%	34.7%
Gross profit margin of subsidiaries (%):		
Mekdam Technology WLL	28.9%	28.2%
Mekdam Technical Services WLL	26.2%	31.5%
Mekdam CAMS WLL	80.6%	78.1%

Source: Combined financial statements for the year ended December 31, 2020.

General and administrative expenses

General and Administrative expenses consist expenses not directly allocated to projects, including wages and salary expenses, employee benefits, marketing, and other expenses.

General and Administrative expenses include the cost of employees and salaries paid to employees working at the company's headquarters. Employees' salaries and benefits accounted for 64.0% of total general and administrative expenses in 2020.

During 2020, the cost of staff increased by 19.9% from QAR 13.1 million in 2019 to QAR 15.7 million in 2020. This is mainly due to the appointment of managers and employees in line with the expansion of the business that the company plans in the coming years.

General and Administrative expenses did not fluctuate substantially between 2019 and 2020. During 2020, expenses increased by 3.2% from QAR 23.9 million in 2019 to QAR 24.6 million in 2020, primarily because of higher salaries for employees.

In QAR	2020	2019
General and Administrative expenses	24,631,069	23,863,406
As a percentage of sales (%)	16.8%	14.0%
Annual change (%)	3.2%	

Source: Combined financial statements for the year ended December 31, 2020.

Accounts receivable

The Company's management periodically reviews the receivables to assess whether the impairment allowance should be recorded in the profit and loss statement when determining whether the credit risk of a financial asset has increased significantly since the initial recognition and when estimating the expected credit losses.

The company chose to measure the loss allowances for its financial assets at an amount equal to the expected 12-month credit loss. When determining whether the credit risk of a financial asset has increased significantly from initial recognition and in estimating expected credit losses, the company assumes that the credit risk on the financial asset has increased significantly if the maturity period exceeds 90 days. The Company considers a financial asset defaulted when:

- It is unlikely that the debtor will pay his financial obligations to the company in full, without the company resorting to procedures such as resorting to the agreed upon guarantee (if any);
- The financial asset exceeds a maturity period of more than 90 days.

In QAR	2020	2019
Accounts receivable provision balance and notes receivable	7,950,000	7,350,000
As a percentage of revenue (%)	5.4%	4.3%
Annual change (%)	8.2%	

Source: Combined financial statements for the year ended December 31, 2020.

The balance of provisions for account and note receivables increased in 2020 from QAR 7.3 million in 2019 to QAR 7.9 million in 2020. This is due to the company's assessment of account and note receivables and its collectability .

Finance cost

Interest expense constitutes the costs of loans and financing, the following table shows the amounts of those expenses and their percentage of revenues:

In QAR	2020	2019
Finance costs	1,184,621	1,289,712
As a percentage of revenue (%)	0.8%	0.8%
Annual change (%)	-8.0%	

Source: Combined financial statements for the year ended December 31, 2020.

Finance costs including loan costs, bank fees, and other bank administrative costs or financial charges. During the year 2020, the financial burden decreased by 8.0% from QAR 1.3 million in 2019 to QAR 1.2 million in 2020. This was primarily the result of the company's ability to repay the loans early and its ability to finance its business through its annual profits. The company has five different loans that have been borrowed to finance the business at an interest rate of 4.5% to 5.75%, with a maturity period of these loans ranging from 2020 to 2023.

Net profit for the year

During 2020, net profit decreased by 15.9% from QAR 28.0 million in 2019 to QAR 23.6 million in 2020. This is due to lower revenues from Mekdam Technology and Mekdam CAMS because of the Corona pandemic but considering these events the company was able to maintain its net profit margin of 16.1% in 2020 as compared to 16.5% in 2019.

In QAR	2020	2019
Net profit for the year	23,578,016	28,040,389
As a percentage of revenue (%)	16.1%	16.5%
Annual change (%)	-15.9%	

Source: Combined financial statements for the year ended December 31, 2020.

10.2 Statement of Financial Position

The following table shows the financial position of the company as of December 31, 2019 and 2020.

In QAR	2020	2019
Assets		
Non-current assets	35,186,266	30,368,058
Current assets	68,270,152	98,129,311
Total assets	103,456,418	128,497,369
Shareholders' Equity and Liabilities		
Shareholders' equity	59,823,523	75,464,692
Non-current liabilities	16,611,048	9,586,024
Current liabilities	27,021,847	43,446,653
Total shareholders' equity and liabilities	103,456,418	128,497,369

Source: Combined financial statements for the year ended December 31, 2020.

Non-current assets

Property and equipment

The company purchased 3,167 square meters of land at a cost of QAR 27.3 million on October 15, 2018, to establish its headquarters. The equipment consists mainly of computers, servers, and other auxiliary devices. Net book value did not fluctuate substantially from December 31, 2019 to 2020, except for the addition of computers, servers, and other auxiliary devices during 2020 worth QAR 2.7 million in line with the expansion in the volume of business that the company plans in the coming years.

In QAR	2020	2019	Annual change(%)
Land	27,272,000	27,272,000	NA
Motor Vehicles	1,534,265	268,904	470.6%
Furniture, fixtures and office equipment	1,160,199	670,296	73.1%
Computer and software	551,061	878,287	-37.3%
Tools and equipment	139,817	140,179	-0.3%
Net book value	30,657,342	29,229,666	4.9%
As a percentage of total assets (%)	29.6%	22.7%	

Source: Combined financial statements for the year ended December 31, 2020.

Investments in Subsidiaries and investments available for sale

In 2019, the company had investments in six subsidiaries that were purchased for non-trading purposes and disclosed at a cost value of QAR 1.1 million. As a result of the changes that occurred in company's strategy, these investments were reclassified to be included in the available-for-sale investments starting from 2020, and before the end of the financial year, the group was able to sell most of these investments.

In QAR

Companies	Ownership	2020	2019
Investments in subsidiaries			
Mekdam Capital – WLL	99%	-	198,000
Mekdam Training Center – WLL	100%	-	200,000
Injaz Telecom – WLL	99%	-	198,000
Converse Technology	100%	-	240,392
CAMPAK – WLL	51%	-	102,000
Mekdam Telecom - WLL	100%	-	200,000
Total		-	1,138,392
Investments available for sale			
Converse Technology	100%	240,392	-
Total		240,392	-

Source: Combined financial statements for the year ended December 31, 2020.

Current assets

Cash and bank balances

Cash and Bank balances consist of bank balances and cash margin held against bank guarantees (restricted cash) for project tenders. The net value did not experience material fluctuation in the period from December 31, 2019 to 2020.

In QAR	2020	2019
Cash in hand	4	13,737
Cash at bank	10,035,899	3,817,812
Cash margin held against bank guarantees (restricted cash)	4,754,213	10,742,675
Total	14,790,116	14,574,224
As a percentage of total quality (%)	14.3%	11.3%

Source: Combined financial statements for the year ended December 31, 2020.

Accounts receivable and other receivables

Accounts receivable and other receivables consist of amounts receivable and due to be charged to customers as claims on the date of each balance sheet. Trade receivables did not experience any significant fluctuations in the period from December 31, 2019 to December 31, 2020. Accounts receivable decreased by 13.7% as of December 31, 2020 from QAR 51.7 million on December 31, 2019 to QAR 44.6 million as of December 31, 2020. The main reason behind this is a decrease in the value of revenues by QAR 23.6 million during 2020.

The company follows a policy according to which a provision is made for customers' receivables after 90 days from the due date, while no provision is made for government sector clients until more than 5 years have passed since the balance due date. The provisions for impairment of receivables decreased by 15% on December 31, 2020 from QAR 7.4 million on December 31, 2019 to QAR 6.3 million on December 31, 2020. The main reason for this is that management believes that there is no additional credit provision required than the existing provision in 2020 for doubtful debts.

The total receivables that are not past due over 30 days represented 70.2% and the total receivables due between 31 to 60 days represented 6.6% of the total receivables as of December 31, 2020. The total receivables that are past their due date by more than 90 days are mainly customers related to the government sector and for whom payment terms have been extended.

In QAR	2020	2019	As a percentage of total receivables (%) 2020
Less than 30 days	26,884,838	30,059,800	70.2%
31 - 60 days	2,517,398	3,276,699	6.6%
61 - 90 days	1,503,065	1,792,672	3.9%
More than 90 days	1,163,549	2,967,022	3.0%
Past Dues - more than 90 days	6,250,000	7,350,000	16.3%
Total	38,318,850	45,446,193	100.0%
Past Dues Impairment Provision	(6,250,000)	(7,350,000)	
Other debit balances	12,524,067	13,554,015	
Total	44,592,917	51,650,208	
As a percentage of total assets (%)	43.1%	40.2%	

Source: Combined financial statements for the year ended December 31, 2020.

Amounts due from customers for contract works.

The amounts due from clients from employment contracts result from the difference between revenue recognition (based on the percentage of completion) and the billing cycle (based on the milestones agreed with the customers). Net contracts in progress decreased by 67.3% as of December 31, 2020, from QAR 13.7 million on 31 December 2019 to QAR 4.5 million on December 31, 2020. The main reason for this was that most of the work were billed during 2020 which were under certification in 2019. Additional efforts were made to complete the projects, which improved operating efficiency.

In QAR	2020	2019	Annual change (%)
Value of work performed at cost plus attributable profit	366,570,773	262,240,094	39.8%
Billing on contracts in progress	(362,093,637)	(248,539,511)	45.7%
Total	4,477,136	13,700,583	-67.3%

Source: Combined financial statements for the year ended December 31, 2020.

Related parties transactions and balances

Transactions and balances with related parties accounted for 0.1% of the total assets of the company as of December 31, 2020. The related parties' transactions are attributable to transactions between subsidiaries on a purely commercial basis. In anticipation of the listing, the company's management has succeeded in reducing the outstanding amount due from partners by compensating the balance due in exchange for dividends.

In QAR	2020	2019
Balances with related parties	54,527	14,289,579
As a percentage of total assets (%)	0.1%	11.1%
Annual change (%)	-99.6%	

Source: Combined financial statements for the year ended December 31, 2020.

Liabilities

Loans

The company obtained outstanding loans on various dates from 2020 to 2023, mainly to finance client projects. Loans decreased by QAR 9.9 million as of December 31, 2020, from QAR 25.2 million on December 31, 2019 to become QAR 15.3 million on December 31, 2020. The main reason for this was to demonstrate the company's ability to finance its business through its annual profit and not requiring new facilities when the loans are due. The loans are secured through the personal guarantees of the shareholders.

In QAR	Interest rate	Maturity date	Face value	2020	2019
Secured bank loan	5.75%	2022	25,000,000	8,197,190	15,656,689
Secured bank loan	5.75%	2019	3,000,000	-	2,565,000
LTR Loan	5.75%	2020	7,000,000	-	6,957,940
Secured bank loan	4.50%	2023	1,108,800	1,108,800	-
Secured bank loan	4.50%	2023	5,992,100	5,992,100	-
Total				15,298,090	25,179,629
As a percentage of Shareholders' equity and liabilities (%)				14.8%	19.6%

Source: Combined financial statements for the year ended December 31, 2020.

Accounts payable and other credit balances

Accounts payable mainly consist of technology suppliers who provide implementation and other support services. Accounts payable decreased by 17.6% from QAR 26.2 million on December 31, 2019 to QAR 21.6 million on December 31, 2020. The main reason for this was the timely payment to suppliers due to the available liquidity in the company due to the collection of funds from customers. This reduced the payable turnover days from 86 days as on December 31, 2019 to 82 days as on December 31, 2020.

In QAR	2020	2019
Accounts Payable and Other Credit Balances	21,610,453	26,231,378
Average turnover days of credits (day)	82	86

Source: Combined financial statements for the year ended December 31, 2020.

End of service benefits

End-of-service benefits are a statutory requirement for all Qatari companies and are payable to employees upon dismissal or termination of their contracts in the company. End-of-service benefits for employees increased at an annual growth rate of 134.4% from December 31, 2019 to 2020. The main reason for this was the increase in the number of employees during 2019 who were awarded the end-of-service benefits after completing their first year with the company which was recognized on December 31, 2020.

Shareholders' Equity

In QAR	2020	2019
Shareholders' equity		
Share Capital	10,000,000	10,000,000
Legal Reserve	4,211,638	1,384,933
Shareholders Current Accounts	-	22,640,086
Retained Earnings	45,611,885	41,439,673
Total Shareholder's Equity	59,823,523	75,464,692

Source: Combined financial statements for the year ended December 31, 2020.

The company's capital amounted to QAR 10.0 million as of December 31, 2020.

Legal reserve is a statutory requirement for all Qatari companies. According to the recent regulations, the company is obligated to allocate a legal reserve after absorbing the accumulated losses (if any) by allocating 10% of the net income until the reserve equals 50% of the capital; the reserve amounted to 42% of the capital because of transfers in the previous years. This reserve is not available for dividends. However, according to the company's articles of association existing until December 31, 2020, the company must allocate 10% of the net income until the reserve equals 50% of the capital, and the company will stop these transfers until the reserve reaches 50% of the capital.

The Current Accounts of shareholders represent the company's partners' account through which the withdrawal is made to offset personal expenses in line with their dividends, and in anticipation of the listing, the company's management has succeeded in reducing the outstanding amount due from partners by compensating the balance due in exchange for dividends.

The increase in retained earnings from December 31, 2019 to December 31, 2020 is attributed to the net income realized during each year, minus any dividends distributed.

In the first quarter of 2021, the partners raised the company's capital to QAR 50.0 million, based on the general assembly of the partners held on March 21, 2021 by capitalizing part of the company's retained earnings and the legal reserve. The company is bound by Article 185 of the Commercial Companies Law No. (11) of 2015 to deduct annually a percentage of (10%) from the company's net profits to be allocated to form the legal reserve

10.3 Cash Flows

The following table summarizes the status of cash flows for periods that ended on December 31, 2019 and 2020.

In QAR	2020	2019
Net cash generated from operating activities	51,129,421	15,549,861
Net cash used in investment activities	(1,812,805)	(1,476,661)
Net cash used in financing activities	(43,112,262)	(11,182,039)
Net increase in cash and cash equivalents	6,204,354	2,891,161
Cash and cash equivalents on January 1,	3,831,548	940,387
Cash and cash equivalents on December 31,	10,035,902	3,831,548

Source: Combined financial statements for the year ended December 31, 2020.

Net cash flows generated from operating activities

Net cash flows used in operating activities reached QAR 51.1 million in 2020, mainly due to improved management of the receivables and the collection of most receivables due from customers.

Net cash used in investment activities

The company sold some of its assets during the previous two years, which included selling subsidiaries and financing of capital expenditures to acquire additional fixed assets amounting to QAR 2.7 million.

Net cash used in financing activities

The company regularly resorts to external financing to finance its projects, which is a normal practice in this business sector. Profits have also been distributed annually over the past two years.

MEKDAM
HOLDING GROUP

10.4 Interim Condensed Combined Financial Statements for the Three Months Period Ended March 31, 2021

Income statement

In QAR	March 31, 2021	March 31, 2020	Change	Change %
Revenue	49,276,921	37,439,615	11,837,306	31.6%
Cost of operations	(33,884,735)	(20,239,649)	(13,645,086)	67.4%
Gross profit	15,392,186	17,199,966	(1,807,780)	-10.5%
Other income	55,111	17,425	37,686	216.3%
General and admin expenses	(6,329,324)	(5,931,893)	(397,431)	6.7%
Operating profit for the period	9,117,973	11,285,498	(2,167,525)	-19.2%
Finance Cost	(122,149)	(219,985)	97,836	-44.5%
Net profit for the period	8,995,824	11,065,513	(2,069,689)	-18.7%

Source: Interim condensed combined financial statements for the three months period ended March 31, 2021.

Gross profit amounted to QAR 15.4 million during the three months ended March 31, 2021, thus reducing the level of the gross profit margin, which amounted to 31% compared to 46% for the period ended March 31, 2020. In addition, the level of net profit margin decreased to 18% during the three months ended March 31, 2021, compared to the net profit margin of 30% for the period ended March 31, 2020. This decline is primarily due to business restrictions imposed in light of the coronavirus pandemic in late March 2020, as the government imposed some restrictions on business to contain the pandemic. These restrictions have caused the company to be unable to complete the contracted work on time.

Statement of financial position

In QAR	March 31, 2021	December 31, 2020	Change	Change %
Assets				
Non-current assets	34,359,089	35,186,266	(827,177)	-2.4%
Current assets	79,733,080	68,270,152	11,462,928	16.8%
Total assets	114,092,169	103,456,418	10,635,751	10.3%
Shareholders' equity and liabilities				
Shareholders' equity	68,819,347	59,823,523	8,995,824	15.0%
Non-current liabilities	16,125,745	16,611,048	(485,303)	-2.9%
Current liabilities	29,147,077	27,021,847	2,125,230	7.9%
Total shareholders' equity and liabilities	114,092,169	103,456,418	10,635,751	10.3%

Source: Interim condensed combined financial statements for the three months period ended March 31, 2021.

The company's total assets increased on March 31, 2021, compared to December 31, 2020, by 10%, and the main reason for this is the increase in the company's business volume. This increase in the volume of assets was financed from own funds by retaining interim profits.

In the first quarter of 2021, the partners raised the company's capital to QAR 50.0 million, based on the general assembly of the partners held on March 21, 2021 by capitalizing part of the company's retained earnings and the legal reserve.

10.5 Fundamental and Negative Change

There have been no negative changes in the company's financial position since the release of the last audited financial statements to date.



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11. Management, Shareholders and Corporate Governance

11.1 Overview

Subject to the competencies prescribed for the General Assembly stated in this law or the Company's Articles of Association of the Company, the Board of Directors shall have the broadest authorities necessary to carry out the functions required for the Company's objectives and shall assume full responsibility for the management of the Company and laying out its strategy. The Company shall abide by the functions done by the Board of Directors within the limits of its authority. The Board of Directors has delegated the CEO and the Senior Executive Management to carry out day-to-day management (For more details, refer to Section 10.4).

The Company is committed to the highest standards of corporate governance and to enhance the level of transparency and investor confidence in the Company and its practices.

11.2. The General Assembly

The General Assembly represents all shareholders, and each shareholder has the right to attend the meeting in person or by proxy and has a number of votes equal to the number of his shares. The General Assembly meeting convenes once a year at the invitation of the Board of Directors. It is held at the time and place set by the Board of Directors after obtaining the approval of the Companies Control Department at the Ministry of Industry and Commerce. The Board of Directors may also invite shareholders for a general meeting when necessary.

The meeting shall not be valid unless the invitation is published in two daily newspapers, at least one of them is in Arabic, as well as on the website of Qatar Financial Markets Authority (QFMA) and the website of the Company (2). The invitation must be published at least 15 days before the date of the General Assembly meeting, and must include a summary of the meeting agenda, all information and documents referred to in the previous Article as well as the Auditor's report.

The Ordinary General Meeting (OGM) shall not be valid unless it is attended by shareholders representing at least 50% of the Company's share capital. If the necessary quorum is not met, the Board of Directors shall invite shareholders for a second meeting to be held in 15 days after the first meeting. The second meeting shall be valid, regardless of whether the majority of the company's capital shares are represented therein (3).

The decisions of the Ordinary General Meeting are issued by the majority of votes, and the OGM shall be held at least once a year. The Board of Directors shall invite the General Assembly to convene upon the request of the Company's Auditor or upon the request of a shareholder or shareholder representing at least 10% of the Company's capital (4).

2-Source: Article 121 of the Companies Law

3-Source: Article 131 of the Companies Law

4-Source: Article 138 of the Companies Law

The Extraordinary General Assembly Meeting (EGM) shall be valid only if it is attended by shareholders representing at least 75% of the Company's share capital. If this quorum is not met, the Board of Directors shall invite shareholders for another EGM within 30 days from the first meeting. The second meeting shall be valid only if it is attended by shareholders representing 50% of the share capital. If the quorum is not met, the Board of Directors shall invite shareholders for a third meeting within 30 days from the second EGM date. The third meeting shall be valid regardless of the number of attendants. If the meeting aims to decide on liquidating, transferring, acquiring, or merging the Company, or if it aims to decide on selling or disposing of a project for which the Company was established, the meeting shall not be valid unless it is attended by shareholders representing 75% at least of the Company's share capital (5) .

11.3 Major Shareholders

The company's data included the following shareholders before listing, according to what is contained in its commercial registry.

##	Name	Number of Shares	Ratio of Shares	Nationality	PO BoxAddress
1	Sheikh Mohamed Nawaf N K Al Thani	83,500	0.167%	Qatari	PO Box: 17654 Phone No: 44059100
2	Sheikh Nawaf Mohamed N N Al Thani	7,500	0.015%	Qatari	
3	Sheikh Ahmed Mohamed N N Al Thanl	7,500	0.015%	Qatari	
4	Sheikha Aisha Mohamed N N Al Thani	23,277,500	46.555%	Qatari	
5	Sheikha Nada Mohamed N N Al Thani	23,277,500	46.555%	Qatari	
6	Sheikha Shaikha Ahmed F N Al Thani	83,500	0.167%	Qatari	
7	Sheikh Jassem Nawaf N K Al Thani	83,500	0.167%	Qatari	
8	Sheikha Anwar Nawaf N K Al Thani	42,000	0.084%	Qatari	
9	Sheikha Maryam Nawaf N K Al Thani	42,000	0.084%	Qatari	
10	Mr. Khalid Abdulla A A Al-Ibrahim	2,000	0.004%	Qatari	
11	Mr. Ehab Naser	3,000,000	6.000%	Turkish	
12	Mrs. Saeda Alkhalaileh Naser	7,500	0.015%	Turkish	
13	Miss / Renad Naser	7,500	0.015%	Turkish	
14	Mr. Taim Naser	7,500	0.015%	Turkish	
15	Mr. Ahmad Abdulla A A Al-Ibrahim	2,500	0.005%	Qatari	
16	Mr. Abdullah Ahmad A A Al-Ibrahim	38,500	0.077%	Qatari	
17	Miss / Al-Bandri Ahmad A A Al-Ibrahim	7,500	0.015%	Qatari	
18	Mr. Meshaal Ahmad AA Al-Ibrahim	7,500	0.015%	Qatari	
19	Miss / AlMaha Ahmad AA Al-Ibrahim	7,500	0.015%	Qatari	
20	Mrs. Lolwa Hassan DH A Al-Ajami	7,500	0.015%	Qatari	
Total		50,000,000	100%		

5-Source: Article 139 of the Companies Law

11.4 The Board of Directors

The Board of Directors consists of seven members, that meet according to the Company's Articles of the Association, at least six times during the financial year. The Board of Directors have extensive powers to manage the Company as per the Articles of Association, this includes, but not limited to, the powers to provide funding, grant guarantee rights, establish committees and delegate some of the discretionary tasks assigned to the Board of Directors. Each Member of the Board must (1) be at least 21 years old and fully qualified, (2) not have been convicted of a crime or dishonest or dishonorable behavior or any of the crimes prescribed in Articles 334 and 335 of the Companies Law, and (3) own a certain number of the Company's shares, as per Articles of Association. These shares shall be deposited within 60 days from the date of membership in any of the approved banks. They shall continue to be deposited without being subject to trading, mortgage, or seizure until the end of the membership term and ratification of the budget of the last financial year during which the member was performing his job.

The Board of Directors are elected for a period not exceeding three years, subject to renewal, except for the first board which was elected for a five-year term from the date of the Company's listing as a Public Shareholding Company on the Second Market on the Qatar Stock Exchange. According to the Company's Articles of Association, seven members are to be appointed to the Board of Directors. In addition, for a full quorum of board meetings, at least half of the members must attend. Board decisions are taken by the majority of the votes present at the meeting, and in the event of a tie, the Chairman of the Board has the casting vote.

The powers of the Board of Directors

The Board of Directors is responsible for overall strategic direction, supervision, and management of the Company through reviewing and approving policies and strategic objectives. More specifically, the Board shall review and approve the budget, business plan, and all capital expenditures of the Company. Its responsibilities also include ensuring the implementation of a control system related to the internal audit process and risk management (the credit, liquidity, and market risks, as well as the operational risks), in addition to the financial control.

The Board of Directors has delegated the experienced Senior Executive Management team, led by the Chief Executive Officer (CEO), with the daily management responsibilities.

Current Board of Directors structure

The Board of Directors was formed in accordance with Article 9 of the Corporate Governance Code for Companies listed on the Venture Market issued by the QFMA, which stipulates the need to maintain the presence of non-executive and independent members to ensure that the executive members do not control the Board of Director's decisions.

The following table illustrates the names and positions of the Board of Directors:

Name	Position
Sheikh Mohamed Nawaf NBK Al Thani	Chairman of the Board (Non-Executive Member)
Sheikh Jassem Nawaf NBK Al Thani	Vice Chairman (Non-Executive Member)
Mr. Hassan Matar S Al-Sowaidi	Independent Board Member (Non-Executive Member)
Mr. Rajesh Menon	Independent Board Member (Non-Executive Member)
Mr. Jassim Sultan J M Al Rumaihi	Independent Board Member (Non-Executive Member)
Mr. Narinder Singh	Independent Board Member (Non-Executive Member)
Mr. Ehab Naser	Board Member (Executive Member)

Sources: Management Information

The business address listed for all Board Members is the approved head office address of the Company.

11.5 Board of Directors Biographies

Sheikh Mohamed Nawaf NBK Al Thani

Sheikh Mohammed bin Nawaf bin Nasser Al Thani has many years of successful experience in corporate management, and a strong network of relationships in the State of Qatar. He has proven experience in making strategic decisions and developing growth plans, and has professional wisdom and skill in planning, implementation and supervision. Sheikh Mohammed is currently a member of the Board of Directors at Al Faleh Educational Holding. Sheikh Mohammed is a graduate of the Britannia Royal Naval School (BRNC), United Kingdom.

Sheikh Jassem Nawaf NBK Al Thani

Sheikh Jassem graduated from Middlesex University, United Arab Emirates, and holds a bachelor's degree in Business Administration. Since his graduation, he held the position of Executive Vice President of Al Waab City. Over the years, Sheikh Jassim has injected new energy coupled with scientific knowledge and experience in organizing, and he has taken an active approach in developing the company's business by introducing modern methods of managing its business.

Mr. Hassan Matar S Al-Suwaidi

Mr. Hassan Al-Suwaidi provides more than 40 years of professional experience in several fields, as he held many prestigious positions, including Director of Public Relations and Director of Board Affairs and Government Relations at Doha Insurance Company, Member of the Board of Directors of Al-Sadd Sports Club, in addition to his previous position Commander of the Special Forces. He has attended several military and administrative training courses specialized in organizational methods and change strategies in the State of Qatar, the United Kingdom, and Germany. Mr. Al-Suwaidi is a graduate of Royal Military Academy Sandhurst in the United Kingdom and holds a master's degree in military science.

Mr. Rajesh Menon

Mr. Rajesh Menon is an independent member of the Board of Directors of Mekdam Holding Group. He is the responsible director of Beacon Consulting and is responsible for developing and directing its strategies. Mr. Rajesh has extensive management experience spanning over 20+ years. He started his career early in KPMG in Bahrain and Qatar as a business advisory partner, specializing in crisis, debt and restructuring management. Mr. Rajesh holds a BA in Commerce and a Leadership Program from INSEAD in France and is a Certified Public Accountant.

Mr. Jassim Sultan J M Al Rumaihi

Mr. Jassim Al-Rumaihi served as a member of the Board of Directors of the Gulf Warehousing Company, and he has more than 40 years of experience in several fields of business administration where he held a number of high positions in various entities, including the Qatari Armed Forces. Mr. Jassim holds a bachelor's degree in Marketing from Metro State University, in Denver Colorado, in addition to a master's degree in Business Administration from Grambling State University, in Rustin, Louisiana, in the United States.

Mr. Narinder Singh

Mr. Narinder Singh has more than 15 years of experience and has an exceptional track record in business transformation, brand building, sales effectiveness and improving corporate profitability. He has spent a majority of his professional career working in Finland. Mr. Narinder holds a master's degree in Sound Technology from the Danish University in Copenhagen.

Mr. Ehab Naser

Mr. Ehab Naser has been the CEO of Mekdam Holding Group since its establishment. Mr. Ehab alongside the Executive Management members, in constant cooperation with Sheikh Mohamed bin Nawaf, laid the foundation of the company in accordance with the best international practices.

He started his career with the Arab Bank Group in Jordan, in 2000, as Vice President for Financial Affairs. By 2009, he held the position of Deputy Chief Executive Officer of Global Strategy and Governance in Switzerland. Currently, Mr. Ehab is responsible for the corporate strategic leadership of Mekdam Holding Group where he handles the strategic management and business growth of the subsidiaries and budgeting for them.

Mr. Ehab holds a bachelor's degree in Accounting from the University of Jordan in Jordan, and a Master of Business Administration (MBA) from Dominican University in the United States. He also holds the following professional qualifications from the United States of America:

Certified Public Accountant (CPA), Certified Financial Manager (CFM), and Certified Management Accountant (CMA). Mr. Ehab is a permanent member of the International forum of Honor Beta Gamma Sigma (ΒΓΣ), which recognizes the top graduates of business schools from the most prestigious international universities (AACSB International), based on his academic achievement in the study of business administration and his professional skills.

11.6 The Senior Executive Management of the Company

The following table includes the names and positions of the Senior Management of the Company.

Name	Position
Mr. Ehab Naser	Board Member and CEO
Mr. Mohamad Baraa Sami Sami A Sabha	Group General Manager
Mr. Mohammed Mudassar Ali	Chief Financial Officer
Mr. Saber Ahmed Abdel Moneim	Legal Advisor (Secretary of the Board)
Mr. Marwan Hanna Turjuman	General Manager of Technology (Extra Low Voltage Division)
Mr. Ganesh Kumar Velusamy	General Manager of Technology (Engineering Department)
Mr. Shadab Nizam Mukadam	General Manager of Technical Services
Mr. Ahmed Abdullah Ahmed Al-Ibrahim	General Manager of CAMS
Mr. Venkatesh Seenivasagan	Tender Manager
Mr. Mohammed Faisal Bava	PMO and QHSE
Mr. Ahmed Jeevan Ali	Head of Human Resources
Mr. Vatan Sakhuja	IT Director
Mr. Premith Paul Pereira	Supply Chain Manager

Sources: Management Information

The following is an overview of the skills and experiences of some of management team:

Mr. Mohamad Baraa Sami Sami A Sabha

Mr. Mohamad has 13 years of focused experience developing performance systems for companies in the Middle East region. He undertakes the implementation of the corporate strategy of the Mekdam Holding Group and is responsible for managing the operations and business growth of the subsidiary companies in particular according to the budgets allocated to them. His previous career includes managing business units and special projects in some of the largest technology companies in Qatar where he has managed and implemented a range of large and strategic projects in the country. He holds a degree in computer engineering from the University of Applied Sciences in Jordan

Mr. Mohammed Mudassar Ali

Mr. Mohamed Mudassir Ali has been working for Mekdam Holding Group since 2019 and has 21 years of experience (including 11 years in Qatar) in business development, project financing, commercial management, and financial control. He started his career at Siemens as a commercial officer, in 1999, and has extensive experience through holding management positions in Pakistan and Qatar. He also obtained a Bachelor of Commerce from Punjab University, Pakistan and an ACMA certification from the Institute of Cost and Management Accountants of Pakistan.

Mr. Saber Ahmed Mohammed Abdel Moneim

Mr. Saber works as a legal advisory, and has over 18 years of experience in advocacy, legal advice, and commercial disputes. He is a member of the Egyptian Bar Association with a high appeal record and a member of the Arab Bar Association. Mr. Saber previously worked for renowned companies in Qatar, such as the National Water Production and Restoration (Qatar), and with The Landmark Contracting Group (Egypt). He holds a Law Degree from Ain Shams University in the Arab Republic of Egypt.

Mr. Marwan Hanna Turjuman

Mr. Marwan joined Mekdam Technology in January 2018. His career history includes multiple positions at Control Contracting and Trading Company as a Senior Projects Manager and he held the position of Communications Engineer (Contract Manager) at Unified Contracting. Mr. Marwan holds a bachelor's degree of Electronics Engineering from Princess Sumaya University for Technology in Jordan, and in 2007 received a Master of Science in Communications/ Signal Processing Engineering from California State University, he holds professional qualifications PMP and IPMO-P in addition to being a member of the Jordanian Engineers Union.

Mr. Ganesh Kumar Velusamy

Mr. Ganesh joined Mekdam Technology in January 2018. He held various positions in Qatar and UAE in the field of tenders and bidding. He holds a bachelor's degree in Electronics and Communications Engineering from Madurai Kamaraj University in India.

Mr. Shadab Nizam Mukadam

Mr. Shadab has fifteen years of experience in the technical services sector, he has spent most of the years in Middle East with major companies in Saudi Arabia and Oman as well as extensive experience in India and Singapore. He holds a bachelor's degree in Hardware Engineering from the University of Mumbai in India, and a Postgraduate Diploma in Operations Management from Welingkar Institute of Management Development and Research in India and holds professional Certifications like PMP and PMI-RMP.

Mr. Ahmed Abdullah Ahmed AbdulKarim Al-Ibrahim

Mr. Ahmed Al Ibrahim joined Mekdam Holding Group in 2018 where he currently serves as General Manager of Mekdam CAMS and has been responsible for working on various strategic engagements from contracts to customer management measures.

Mr. Venkatesh Seenivasagan

Mr. Venkatesh is currently the Tender Manager at Mekdam Holding Group and has nine years of extensive experience in Business Development, Sales, Commercial Contracts and General Administration for Continuous Development. He started his career in India and moved to Qatar and held the position of Assistant Tender Manager in one of the largest companies in 2013. He holds a bachelor's degree in Mechanical Engineering from Anna University in India.

Mr. Mohammed Faisal Bava

Mr. Mohammed has over 20 years of experience in the contracting industry, specifically in the IT sector. He holds a bachelor's degree in Electronics and Communications Engineering from The University of Pondicherry in India. Additionally, he holds a professional qualification in Project Management and Quality Management System (QMS).

Mr. Ahmed Jeevan Ali

As Head of Human Resources, he manages and directs the strategic objectives of the Mekdam Holding Group's HR policy with a focus not only on managing everything related to human resources but also developing the Mekdam Group to be a great place to work. He has 15 years of experience in the field of Human Resources Management before joining the group in 2018. His experiences vary between the public and private sectors such as automotive sector, real estate investment, educational sector as well as the engineering and technology sectors. Mr. Ahmed holds a master's degree in Human Resources Management from Annamalai University, and a diploma in IT, in addition to being a Chartered Member of Institute of Personnel Development (CIPD), UK.

Mr. Vatan Sakhuja

Mr. Vatan is the Director of Information Technology and Management with over 15 years of experience in Engineering and Information Technology and worked for leading companies in the field of Information Engineering. For nearly 8 years, he held the role of Technical Director for Advanced Electronics in India, in addition to various positions in Architectural Solutions in Qatar. Mr. Vatan holds many professional certifications, including Project Management Professional Certificate from the Project Management Institute in the United States of America and the Cisco Networking Expert Certificate. He holds a bachelor's degree in Electronics and Communications Engineering from the University of Kurukshetra in India.

Mr. Premith Paul Pereira

Mr. Primith manages the Procurement Department with over 15 years of experience in Project Management, Sales and Procurement Management. He holds a bachelor's degree in Electronics and Hardware Engineering and an MBA from Bharathair and Anna University in India and holds a Grade A UPDA Certificate in Electrical Engineering in Qatar.

11.7 Corporate Governance

The Board of Directors is committed to the highest standards of corporate governance and maintaining a sound framework for the control and management of the Company.

The Board of Directors

The Board of Directors is responsible for leading and managing the group and has full authority for the management and conduct of the Company's business, strategy, and development. The Board of Directors is also responsible for ensuring the maintenance of a comprehensive system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place. The Board is also responsible for approving any changes to the group's structure, capital or management structure of the Company.

The Board committees

The Board of Directors established the following committees as detailed below:

Audit and risk committee

The Audit and Risk Committee assists the Board of Directors in carrying out its responsibilities with regard to financial reporting, and external and internal controls, which include: reviewing and monitoring the integrity of the Company's annual and interim financial statements; advising on the appointment of external auditors; supervising the internal control of the Company; overseeing the Company's relationship with its external auditors; reviewing the effectiveness of the external audit process; and reviewing the effectiveness of the Company's internal control and review function. The Board of Directors also assumes the ultimate responsibility for reviewing and approving the annual report and accounts and quarterly reports. The Audit and Risk Committee will give due consideration to applicable laws and regulations.

The Audit and Risk Committee has taken appropriate steps to ensure that the Company's external auditors are independent of the Company and that the Company has obtained written confirmation from the auditors that they comply with the independence guidelines issued by the relevant accountancy and auditing bodies.

Appointments of the Audit and Risk Committee will be made by the Board of Directors, based on recommendation by the Nomination Committee. The Chairman of the Audit and Risk Committee shall be an independent member of the Board of Directors of the Company.

When required, the Audit Committee will meet with the Company's Senior Management. The Audit and Risk Committee will also meet separately at least once a year with the Company's external and internal auditors without the presence of the management.

Remuneration and nomination committee

The Remuneration and Nomination Committee will assist the Board of Directors in defining its responsibilities in relation to remuneration by making recommendations to the Board regarding the Company's policy and setting the individual remuneration and benefits packages for the Executive Management and Board Members. The Remuneration Committee will also ensure compliance with any applicable laws and regulations regarding bonuses whenever possible.

The function of the Remuneration and Nomination Committee is to approve the nominations for appointment to senior executive management positions, and to set principles and criteria for the General Assembly to elect the best candidate from among the nominees for board membership.

The Remuneration and Nomination Committee is primarily responsible for:

Identifying and nominating candidates for vacant positions in the Board of Directors, evaluating the structure and composition of the Board of Directors in relation to the balance of skills and the diversity of the Board of Directors and the knowledge and experience of the Board members, and making recommendations accordingly. The Remuneration and Nomination Committee will also be responsible for offering advice to the Board of Directors on succession of management and submitting an annual report to the Board of Directors including an analysis of the Board performance.

The Board of Directors shall appoint the members of the Remuneration and Nomination Committee, and its Chairman must be a member of the Board of Directors.

Investment committee

The Investment Committee assists the board of directors in adopting and updating the Company's investment policies and ensuring compliance with that policy. The Investment Committee assists the Company in adopting the investment policy, as authorized by the board of directors, to develop an investment strategy. For this to be achieved, the Committee sets limits for the authorities of the management and investment managers from time to time with respect to the Company's investment activities. The Committee also takes the necessary measures in case such limits are exceeded. The Committee monitors the performance of the Company's securities portfolio to achieve the best possible return. The Investment Committee regularly conducts a report for the Board of Directors about its activities and makes recommendations about the issues that require the Boards approval. Appointments to the Investment Committee will be made by the Board of Directors and its Chairman must be a Board Member.

Board remuneration

The Company's executive remuneration policy in relation to the Board of Directors will be directed by the Board and approved by the shareholders in the General Assembly based on the recommendation of the Remuneration and Nomination Committee. The percentage of such remunerations shall not exceed (5%) of the Company's net profit after deducting the legal reserves and deductions and distributing a profit of no less than (5%) of the Company's capital as per the Companies Law.

11.8 Conflicts of Interest

There are no potential conflicts of interest between any duties of the directors or senior management to the Company and their own interests or any other duties. The Company adopts an effective policy to address any potential conflicts of interest between any duties of the directors or senior management of the Company and their own interests or other duties. Transactions with related parties are conducted on a commercial basis and approved by the General Assembly.

It is not permissible for any director or any of the members of Senior Management at any time during the five years preceding their appointment at the Company:

- Have any convictions in relation to fraudulent offences
- Have been declared bankrupt
- Have been a director of a company and while he was a director, the company went into liquidation, or made any formation or arrangement with its creditors in general or with any class of its creditors .
- Have been a partner of a company and while a partner, the company went into liquidation
- Face any public criticism and/or public sanction from legal or regulatory authorities; or
- Was fired and terminated from the position of a director of a company or from administration or management of any company's affairs

To the knowledge of the directors, there are no arrangements whose implementation at a later date would lead to a change in the control of the Company. There are no loans made or guarantees granted or provided by any member of the Company to or for the benefit of any senior management.

No senior manager is or has been interested in any transaction which is unusual or unfamiliar in its nature or conditions or significant to the business of the Company and which was executed by any member of the Company during the current financial year or the preceding year, or which was executed by any member of the Company during any earlier financial year and remains in any respect incomplete or unperformed. In respect of the senior managers, there are no conflicts of interest between any duties they have to the Company and their private interests and/or other obligations they may have.

MEKDAM
HOLDING GROUP

12. Share Capital and Loans

The following tables should be read with Section 10 titled (Management Discussion and Analysis) as well as Section 9.

12.1 Share Capital and Loans

The following table exhibits the share capital and loans of Mekdam Holding Group as of December 31, 2019 as well as on December 31, 2020, respectively. The share capital and loans of Mekdam Holding Group are extracted without major adjustment from the audited financial statements for the financial year ending December 31, 2020.

In QAR	2020	2019
Loans and Borrowings		
Non-current loans	11,357,050	8,546,689
Current loans	3,941,040	16,632,940
Total Loans and Borrowings	15,298,090	25,179,629
Shareholder's Equity (excluding retained earnings)		
Share Capital	10,000,000	10,000,000
Legal Reserve	4,211,638	1,384,933
Shareholder's Current Accounts	-	22,640,086
Shareholder's Equity (excluding retained earnings)	14,211,638	34,025,019

Source: Combined financial statements for the year ended December 31, 2020.

It is worth noting that the Company's capital was raised to QAR 50 million in March 2021, based on the partners' decision, which is described in section 10 (management discussion and analysis). There have been no substantial changes in the total Share Capital and loans of Mekdam Holding Group as of December 31, 2020, except for the maturity of two company loans resulting in a decrease in borrowings as of December 31, 2020, and the payment of current accounts of shareholders.

12.2 Net Financial Loans

The following table exhibits the net financial loans of Mekdam Holding Group as of December 31, 2019 and 2020, which were extracted without any major change from the financial statements as outlined in Section 9 of this memorandum

In QAR	2020	2019
Current financial loans	(3,941,040)	(16,632,940)
Cash and cash equivalent	10,035,903	3,831,549
Net current funds (loans)	6,094,863	(12,801,391)
Non-current financial loans	(11,357,050)	(8,546,689)
Net (financial loans)	(5,262,187)	(21,348,080)

Source: Combined financial statements for the year ended December 31, 2020.

13. Transactions with Related Parties

The company conducts transactions with related parties as part of its normal business operations. The Board of Directors and Senior Executive Management review pricing policies and other basic requirements for the articles related to party transactions and approve it to ensure that the transactions are conducted on a purely commercial basis in the best interest of the company.

In accordance with the provisions of the Corporate Governance Code issued by the Qatar Financial Markets Authority, a person is considered to be a Related Party to the Company if that person:

1. Is a Board member of the Company or any affiliate/subsidiary Company
2. Is a member of the Senior Executive Management of the Company or any affiliate/subsidiary Company
3. Owns 5% or more of the Company shares or any of its affiliate/subsidiary Companies.
4. Is a relative and/or partner of the persons above mentioned
5. Has projects and/or joint facilities with any other party
6. Companies controlled by Board members, Senior Executive Management, and their relatives.

However, for the purpose of preparing financial statements, the related party is defined in line with International Accounting Standards and International Financial Reporting Standards. As such, the related party is someone who has the power to control the other party or significantly influence the other party in making financial and operating decisions. Related parties include owners and significant entities over which the company exercises significant influence, members of the Board of Directors, employees of Senior Management of the Company, close family members, entities owned or controlled by these partners, associates, and subsidiaries.

The following are the related party transactions and balances in Note 11 of the Audited Financial Statements on December 31, 2019 and December 31, 2020

In QAR	2020	2019
Due from related parties	54,527	14,289,579
As a percentage of net profit	0.2%	51.0%
Due to related parties	-	582,335
As a percentage of net profit	0.0%	2.1%
Transactions with related parties	0	384,625
As a percentage of revenue	0%	0.2%

Source: Combined financial statements for the year ended December 31, 2020.

14. The Qatar Stock Exchange (QSE)

The Doha Securities Market (DSM) was established in 1995 and started operations in 1997. The DSM was renamed to Qatar Stock Exchange (QSE) in 2009. In June 2009, Qatar Holding, the strategic investment arm of Qatar Investment Authority (QIA), signed agreements with NYSE Euronext Securities to establish a strategic partnership making the Stock Exchange as a global market. In October 2013, NYSE Euronext Securities Exchange exited the Qatar Stock Exchange (QSE) and Qatar Holding acquired 100% of QSE.

The primary aim of the Qatar Stock Exchange is to support Qatar's economy by providing a venue for capital raising for Qatari companies as part of their corporate strategy and giving investors a platform through which they can trade in a variety of products in a transparent and efficient manner. The Qatar Stock Exchange also provides the public with access to market information and ensures correct disclosure of information. Moreover, the QSE was upgraded by Morgan Stanley Capital International (MSCI) from a semi-emerging market to an emerging market. This clearly reflects the positive steps taken by the QSE over the years to fulfill the requirements for developing the market infrastructure and implementing a number of key projects and initiatives. It was welcomed by international financial and investment institutions.

Additionally, in an attempt to expand the access to the public stock market, the QSE launched QSE Second Market in 2015. The Second Market was established for small and medium-sized enterprises (6) that aim to benefit from their market listing but do not meet the financial requirements of the Primary Market.

6 Source: Listing Requirements on QSE Second Market, the QSE

15. Qatar Central Securities Depository Company

Qatar Central Securities Depository Company was established in 2014 as a private Qatari Shareholding Company, and it is owned by both Qatar Central Bank and Qatar Stock Exchange to provide services related to custody, clearing and settlement of securities and other financial tools listed on the Qatar Stock Exchange, and it is the only company licensed by the authority to provide deposit services and similar services in Qatar.

The Qatar Stock Exchange systems have been linked with the Qatar Central Depository Company's systems to implement ownership transfers between sellers and buyers of the shares of companies listed on the Qatar Stock Exchange. It also has all ownership transfers that take place outside the hall from legacy or legal transfers, in addition to foreclosure and decommissioning operations, mortgage on shares and other operations.

MEKDAM
HOLDING GROUP

16. Qatar Financial Markets Authority (QFMA)

The QFMA is the capital markets authority in the State of Qatar. It was established as an independent regulatory and supervisory authority pursuant to Law No. 33 of 2005 and subsequently replaced by Law No. 8 of 2012. The primary mission of the QFMA is to implement a robust regulatory framework for the securities markets in addition to conducting effective and responsible market monitoring and supervision.

In accordance with its mandate, the QFMA is the licensing authority for the securities industry and relevant associated activities. The QFMA is also the listing authority in charge of overseeing and monitoring the issuance of securities and the licensing of the listing process on the QSE. The QFMA also has the responsibility of ensuring market integrity and transparency by enforcing market rules and regulations on market participants and by conducting necessary control and supervision activities

MEKDAM
HOLDING GROUP

17. Taxation

The following information is general in nature and is based on the current applicable tax system in the State of Qatar, which is comprised of Law No. 24 of 2018 promulgating the Income Tax Law (referred to as "Income Tax Law") and the current practice of the Qatar authorities as at the date of this document and the Cabinet Resolution No. 39 of 2019 on issuing the Executive Regulations of the Income Tax Law and the current practices that have been adopted and applied by the General Tax Authority (GTA) as of the date of preparing this Information Memorandum.

In addition to the tax liabilities stated in the Income Tax Law, Law No. 13 of 2008 regarding the contribution of shareholding companies to support social and sports activities makes it necessary for the companies listed on the QSE to contribute an amount equal to 2.5% of its net profit. This amount is allocated to support sports, cultural, social and charitable activities. This contribution shall be transferred to the Social and Sport Activities Support Fund (DAAM), established by virtue of Amiri Decree No. 44 of 2010.

The information included in this section shall not be regarded as advice on the tax position of any shareholder or of any person acquiring, selling, or otherwise dealing with the shares of the Company or on any tax implications arising from the acquisition, sale, or other dealings in respect of the shares.

This is only a summary and it is not intended to provide a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of relevant shares and it is not intended to deal with consequences that apply to all categories of investors, which may differ from one investor to another. Every investor should consult their own tax advisors concerning the application of the Income Tax Law to their particular situation, as well as any consequences of the purchase, ownership and disposition of relevant shares arising under the laws of any other jurisdiction.

Income taxes for Qatari Nationals

Qatari nationals or corporate entities residing in Qatar and wholly owned by Qatari nationals are exempt from income tax (including dividend income) and capital gains arising from the disposal of shares. Such corporate entities shall keep accounting records in line with the accounting standards applicable in Qatar.

A corporate person shall be deemed as resident in Qatar, if they meet any of the following requirements:

- A- Incorporated under Qatari legislations
- B- Its head office is situated in the Qatar
- C- Its main or actual management office is situated in Qatar

A person shall be deemed a natural resident of Qatar, if they meet any of the following requirements:

- A- Has a permanent place of residence in Qatar
- B- Resided in Qatar for more than one hundred and eighty-three (183) consecutive or nonconsecutive days during a twelve-month (12) period

Has vital interests in Qatar.

Income tax issues for GCC Nationals

The same exemptions shall apply to the citizens of the Gulf Cooperation Council (GCC) states in accordance with the regulations applicable to Qatar nationals by virtue of Article No. 4 of the Income Tax Law.

Income tax issues for Non-Qatari Nationals

The company whose shareholders are non-Qatari nationals shall be subject to tax in Qatar in respect of profit of those non-Qatari shareholders. Notwithstanding, the Income Tax Law stated that the income generated from the share of non-Qatari investors in the profit of the QSE-listed companies shall be exempt from income tax. Such exemption shall not apply to the share of the non-Qatari investor in the profits of the companies owned by the Company that will go public in the financial market.

Investors and shareholders that are nationals or residents in jurisdictions outside Qatar (both corporate and individual) should consult their own tax advisors as to the taxation or tax implications of inclusion and income from profits under the local laws applicable in those jurisdictions.

Income tax rate

According to Article No. 9 of the Income Tax Law, the income tax rate shall be at ten percent (10%) of the taxable income of a taxpayer during the tax year.

VAT

As part of the Ministry of Finance's 2018 budget, which was announced in December 2018, it was announced that no value-added tax (VAT) will be imposed in 2019 and its impacts are still under assessment. The introduction of VAT may also have some implications for both the Company and Investors. While it is too early to assess any impact VAT may have on the Company, Investors should consult their tax advisors regarding any effects VAT may have on them.

18. Dividend Policy

Shareholders are entitled to receive dividends declared for the financial years following when the stock listing took place. The Company plans to announce and distribute the annual dividends with the aim of maximizing the stock price in line with the Company's current needs as in terms of financing and capital needs. Based on the Articles of Association and applicable laws, any decision to distribute profits, the size and form of profits, is taken on the recommendation of the Company's Board of Directors for approval in the General Assembly.

The dividend amount may vary from one year to another. The Company's ability to pay dividends depends on some factors, including but not limited to, the availability of distributable revenue, regulatory capital and reserve requirements, capital expenditure plans, liquidity requirements as well as other cash requirements. However, there is no guarantee that the Company will distribute the disclosed dividends, and there are no current or previous agreements on a waiver of future dividends, whether the dividends are in cash or in kind (7).

7 Source: Management information

19. Articles of Association

Following is a summary of the Company's Articles of Association. Photocopies of the Company's Memorandum of Association and Articles of Association will be provided with this Information Memorandum through the Company's website in a sufficient time ahead of the listing date:

Capital

The Company's issued capital on the date of this Information Memorandum is an amount of QAR 50,000,000 distributed over the number of shares all of which are nominal shares, with a nominal value of QAR 1 per share

Shareholders' rights

All Shares are of equal value and enjoy equal voting and other inherent rights granted to shareholders, which in accordance with the Companies Law, include:

- 1) The right to receive dividends approved by the General Assembly; dividends are paid to shareholders at a date and place determined by the Board within 30 days from the date of the General Assembly's decision to approve the distribution of profits. A priority for subscription in any new shares
- 2) The right to share in the distribution of the proceeds of the Company's assets on liquidation
- 3) The right to be invited to attend the General Assembly and to vote on the resolutions in such meetings. A shareholder's number of votes are equal to the number of shares held thereby in the Company. Voting in the General Assembly meetings shall be in the manner defined by the Board of Directors. Voting shall be by way of secret ballot if the resolution is related to the election of the Board of Directors or filing a liability lawsuit against the members, or if the Board Chairman or a number of shareholders representing one tenth of the votes attending the meeting at least
- 4) The right to discuss the agenda items of the general meeting and to ask questions to the Board of Directors. The Board Members shall abide by answering the questions in a manner that does not hurt the interest of the Company
- 5) In addition to the law requirements, no shareholder can be a member of the Board of Directors unless such shareholder owns at least **[0.167%]** of the Company's issued capital

Board of Directors election

The General Assembly shall elect the Board of Directors by way of secret ballot. When voting on the election of the Board of Directors, each share shall have one vote given by the shareholder in favor of such candidates as he or she chooses. A shareholder may divide his voting shares between more than one candidate, but an individual share may not vote for more than one candidate.

In the event that the term of the Board of Directors ends before the General Assembly approves the Company's financial reports, the term of the Board will be extended until the Ordinary General Assembly convenes.

Board of Directors authorities

When considering the authorities of the general meeting provided in the Commercial Companies Law, the Board of Directors has extensive authorities to carry out the works required to fulfill the purpose of the Company. In addition, the Board may delegate, within the limits of its authorities, one of its members to perform one or more works or to supervise one aspect of the Company's activities. Chairman, Vice Chairman, and Managing Director/s, collectively or individually, have the right to sign on behalf of the Company, as per the decision issued by the Board of Directors in this regard. The Board of Directors may also appoint one or more managers and delegate them to sign on behalf of the Company individually or collectively.

Board of Directors meetings

The meetings of the Board of Directors shall be convened by an invitation from the Chairman. The Chairman shall call for a meeting by invitation upon request by any two or more members. A meeting will be valid only if at least half of the number of members are present, on condition that the number of the members present is no less than three.

Board meetings shall be held at least six (6) times per financial year. Attendants can participate in the Board of Directors meeting using any safe advanced medium that allows them to listen to and actively participate in during the meeting.

The Board of Directors shall meet at least once every three months. An absent member may authorize another member to be his proxy to attend and vote on his or her behalf, it is not permissible for one member to represent more than one member.

The Board of Director's resolutions shall be issued by the majority of present votes and representatives in the meeting. In case of equal votes, the Chairman's vote will prevail. Any member that does not approve any resolution taken by the Board of Directors may claim his/her objection in the meeting minutes.

The Board of Directors may, in case of necessity and for reasons of urgency, issue its decisions by passing, provided that all board members agree in writing to those decisions, and that they are presented at the next board meeting to be included in the minutes of meeting.

Ownership restrictions

With the exception of the shareholders of the Company before listing (as stated in Section [11.3] in this Information Memorandum), no shareholders may own, whether directly or indirectly, more than a five percent (5%) of the Company's capital. Furthermore, non-Qatari shareholders may not own more than 49% of the Company's capital.

Preparation of balance sheet and reports for shareholders

The Board of Directors will prepare by the end of every financial year the balance sheet, profit/loss statement, cash flow statement and clarifications compared to the previous financial year, all certified by the Company's auditors.

The Board of Directors will also prepare a report on the Company's activities and financial position in the last financial year and the plans for the next financial year.

The Board of Directors will prepare this information within three months from the end of the Company's financial year, to be discussed at the General Assembly Meeting which is held within a maximum period of four months from the end of the Company's financial year.

The Board of Directors will submit for the shareholders' consideration at least one week ahead of the Ordinary General Assembly, a detailed statement that will include the following information:

- 1) All of the amounts obtained by the Chairman of the Board and each member of the board during the financial year, such as salaries, wages, allowances, and attendance fees, expenditures, and any other amounts
- 2) The benefits in kind and in cash enjoyed by the Chairman or any member of the board for the financial year
- 3) The remuneration that the Board proposes to distribute to Board Members
- 4) The amounts allocated for each current Board Member
- 5) Operations in which one of the Board members or managers has an interest conflicting with the Company's interests
- 6) The amounts spent on advertising in any form with details for each amount
- 7) Any donations together with information on the beneficiary parties, reasons, and details of each donation

Shareholders' liabilities

Shareholders shall only be liable for the nominal value of their share and their liability shall not go beyond this limit. These obligations may not be increased.

The Company's share shall be indivisible with respect to the company. In case the share is owned by multiple persons, such persons shall be collectively liable for the obligations arising from the share ownership. Moreover, liabilities of the persons who own one share or common ownership shares shall be joint liabilities as well.

Dividend policy

The decision to pay dividends is due to the Company's Ordinary General Assembly based on the proposal of the Board of Directors.

The Company's dividend policy is aimed at striking a balance between the interests of Shareholders and the Company's business needs. Accordingly, there are a number of factors that have an impact on the decision to pay a dividend and determine the amount and form of any dividend.

Transfer of shares

Transfer of the shares of the listed Company shall be in accordance with the regulations applicable by the QFMA and the QSE.

Share pledge

A shareholder may pledge his shares by signing the stock records with Qatar Central Securities Depository Company (QCSD). Ownership of any valid number of shares may be transferred and disposed of freely and in any way, as per the Company's Articles of Association and in accordance with the rules of the Trading and Listing Regulations of the QFMA and the Regulations of Qatar Stock Exchange, as well as their relevant amendments and / or those of any other regulated exchange in which the Company may be listed from time to time.

Capital increase

As per Provisions of Articles (190-200) of the Commercial Companies Law, the Extraordinary General Assembly Meeting (EGM) may decide to increase capital and set the stock offer price, after obtaining the approval of the Companies Affairs Department. In addition, shareholders may delegate the Board of Directors to set the time of capital increase, within one year from the decision date. The capital may be increased through the following methods:

- 1- Issuing new shares
- 2- Capitalizing the reserve or part of it, or profits
- 3- Converting the bonds into shares
- 4- Issuing new shares in exchange for in kind shares or evaluated rights

Capital reduction

As per the Provisions of Articles (201-204) of the Commercial Companies Law, the capital may not be reduced except after obtaining the approvals of the Extraordinary General Meeting, the Auditor's report, and Companies Control Department, in one of the following cases:

- 1- Capital increase is in excess of the Company's needs
- 2- The Company incurs losses

The capital is reduced through one of the following methods:

- 1- Decreasing the number of shares, through cancelling some of them, equivalent to the value to be reduced
- 2- Reducing the number of shares, equivalent to the loss incurred by the Company
- 3- Purchasing some shares, equivalent to the amount to be reduced or cancelled
- 4- Reducing the nominal value of the share

Deductions, voluntary and legal reserves

The Company deducts (10%) of its net profits, which is allocated for the legal reserve. The General Assembly may stop this deduction if the reserve reaches 50% of the paid capital. The legal reserve may not be distributed to shareholders, except for what exceeds 50% of the paid-up capital that may be used in paying dividends of up to (5%) to shareholders in the years during which the Company does not achieve net profits sufficient to distribute this percentage.

The General Assembly, based on the Board of Director's recommendation, may decide annually to deduct a portion of the net profits for the voluntary reserve account. The voluntary reserve shall be used in the aspects decided by the General Assembly. .

Moreover, the Company may annually deduct a percentage of the gross profit to be determined by the Board of Directors for the depreciation or impairment of assets. These funds are used in repairing or purchasing the necessary materials and machinery necessary for the Company, and these may not be distributed to shareholders.

The General Assembly must decide to deduct a portion of the profits to meet the Company's obligations as per the Labor Laws.

The Ordinary General Meeting (OGM)

The Board of Directors will extend an invitation to all shareholders to attend the Ordinary General Meeting (OGM) within four months of the end of the financial year. The OGM will be responsible for:

- 1) To consider and approve the report of the Board of Directors and the Auditor's Report on the Company's activities and financial position during the year
- 2) Discuss and approve the Company's budget and the profit and loss account
- 3) Discuss and approve the corporate governance report
- 4) Considering the Board's proposals with regard to the approval and distribution of profits
- 5) Considering the discharge and release of Board Members from any obligation and determining their remuneration
- 6) Considering the appointment or re-appointment of the auditors and setting their fees
- 7) Electing Board members, when necessary.

The Board of Directors invites all shareholders to attend the General Assembly meeting by registered mail and announces it in two local newspapers, at least one of which is issued in Arabic, and on the website of the QSE and the Company, if any, at least (15) fifteen days before the date of the meeting (8). The invitation may also be delivered by hand to the shareholder, provided that the shareholders signs it upon receipt.

Invitations shall be attached to the agenda and all data and documents pertaining to the matters to be discussed in the meeting. When calling for a meeting of the OGM, the Chairman shall publish the invitation along with the balance sheet, profit and loss statement, an adequate summary of the board's report and the full text of the auditors' report in two newspapers one of which at least is issued in the Arabic language and on the Company's website, if any. A copy of all the above documents shall be sent to the Ministry of Commerce and Industry (MOCI) at the same time as they are sent to shareholders (9).

8 Source: Article No. 44 of the Company's Articles of Association

9 Source: Article No. 52 of the Company's Articles of Association

A shareholder may appoint in writing another shareholder to be his proxy to attend and vote on his, or her behalf at the General Assembly meeting but a shareholder may not appoint a Board member as his proxy and the number of shares detained by the attorney should not exceed 5% of the Company's entire issued share capital.

The OGM shall not be valid unless attended by a number of shareholders representing at least half of the entire issued share capital of the Company. If such quorum is not met, an invitation shall be sent for a second meeting to be held within fifteen days following the first meeting by way of publication in two daily local newspapers. At least one such publication should be in Arabic language and on the website of the Company, if any. The second meeting shall be considered valid regardless of the number of shares represented.

The resolutions of the OGM shall be passed by absolute majority of the votes represented at such meeting. Each Shareholder receives a number of votes equal to the number of shares he owns, however, it is not permissible for any shareholder - except for legal persons - to have a number of votes exceeding 25% of the number of votes represented in the meeting, whether on his own behalf or on behalf of others.

The Extraordinary General Assembly Meeting (EGM)

The Extraordinary General Assembly Meeting (EGM) convenes to decide on the following issues:

- 1) Amending the Company's Articles of Association
- 2) The increase or decrease of the Company's share capital
- 3) The extension of the Company's term
- 4) The Company's dissolution, liquidation, conversion, merger or acquisition with another company or the acquisition of a company
- 5) Selling the entire project for which the company was established or disposing of it in any other way

However, the EGM may not make amendments to the Articles of Association that would increase the burdens of shareholders or amend the basic purpose of the company or its identity or transfer its headquarters from Qatar to any other country, and any decision otherwise is null and irrelevant.

According to the provisions of Article No. 138 of the Companies Law, the Board shall call for an EGM whenever necessary or upon a written request by any number of shareholders representing at least 25% of the Company's share capital and within 15 days from the submission of the request. Otherwise, the MOCI will, upon request of those shareholders, invite for an EGM on behalf of the Company within 15 days from receiving the request.

The EGM will not be valid unless the meeting is attended by shareholders and proxies representing at least 75% of the Company's share capital. If such quorum is not met, an invitation shall be sent for a second meeting to be held within 30 days following the first meeting. The second meeting shall be considered valid if attended by a number of shareholders representing 50% of the Company's issued share capital. If such quorum is not met, an invitation shall be sent for a third meeting to be held within 30 days following the second meeting. The third meeting shall be considered valid regardless of the number of shareholders present.

If the matter is related to the dissolution of the Company, its liquidation, its transformation or its merger or the sale of the project which the Company was set up for, or disposing of the project in any other manner, the meeting will be considered valid only if it is attended by a number of shareholders representing at least 75% of the Company's share capital.

Dissolution and liquidation

The Company shall be dissolved for any of the following reasons:

- 1) Expiry of the Company's term, unless such term is extended pursuant to the Articles of Association
- 2) The purpose for which the company was founded has ended or has become impossible to achieve
- 3) Transfer of all shares to a number of shareholders less than the minimum legal limit
- 4) Loss of all or most of the Company's capital so that the remaining shares cannot be effectively invested
- 5) Unanimous approval of the shareholders to dissolve the company before the end of its term unless the Articles of Association restrict its dissolution by a certain majority
- 6) Merger of the Company with another company
- 7) Issuance of a judicial order to dissolve the company or declare it bankrupt.

If the Company's losses reached half of its capital, the Board of Directors shall call for an EGM to consider the continuity of the company or its dissolution before the end of the term specified by the Articles of Association. If the Board of Directors fail to call for an EGM or if taking a resolution was impossible in this regard, each stakeholder may request the competent court to dissolve the Company.

Upon dissolution, the Company shall be under liquidation and during the period of liquidation it maintains the corporate personality to the extent necessary for the liquidation to work. The phrase "under liquidation" must be added to the name of the company during that period, written in a clear manner.

The Company shall be liquidated according to the provisions from Articles No. 304 -321 of the Commercial Companies Law.

The Company is obligated to comply with the liquidation regulations in force in the companies listed on the stock exchange.

Access to information

The Company's accounting books will be kept at its head offices. The Board of Directors is obliged to provide the auditors with all required information in order to prepare their reports within two months of the end of the Company's financial year. The auditors shall have full access to the Company's books and records. The auditors shall provide a report on the Company's accounts within ninety (90) days of each financial year end.

The Shareholders shall also have the right to access, without any cost, the Company's shareholders registration and the Company's Articles of Incorporation and Articles of Association at the Company's head offices during its regular working hours unless otherwise determined by the Company's internal regulations.

20. General Information

20.1 Listing

The Company submitted an application to the QFMA and the QSE to list and accept 100% of its shares for trading on the QSE Second Market in accordance with the QFMA Listing Rules and the QSE Rule Book. Shares will be traded electronically through the e-trading system used by Qatar Stock Exchange. The listing is expected to take place during the first week of August 2021.

20.2 Authorizations

The Company has obtained all consents, approvals, and authorizations regarding listing its shares on the QSE.

20.3 Documents Available for Inspection

Copies of this Information Memorandum and the Company's Memorandum of Association and Articles of Association and its financial statement will be available for review, free of charge at the Company's registered head offices during its regular working hours and on the Company's website and the QSE website as of the date on which this Information Memorandum is issued.

20.4 Trading Symbol

The symbol for trading shares on the QSE is [MKDM]

20.5 Benchmark Trading Price:

The par value is QAR 1 per share and a premium of QAR 4.5. There is no guarantee that trading will start or continue or remain at this price.

20.6 Significant Change

As of December 31, 2020, there are no significant changes in the financial or commercial position of the Company since the start date of the latest financial period for which the financial information was reviewed.

20.7 Working Capital

The working capital available is sufficient to meet all obligations due over the next 12 months from the date of the QFMA's approval for this Information Memorandum.

20.8 Litigation

The Company has not, since its establishment, been involved in any governmental, legal or arbitration proceedings. The Company is not aware of any such proceedings pending or threatening to be filed against the Company or the Subsidiaries which may have, or have had in the recent past, or it was a party to and that would materially affect the Company's activities as well as create a significant effect on the financial position or profitability of the Company.

20.9 Material Contracts

Mekdam Holding Group is a party to several material contracts that are recognizable by communications and information technology companies, to which the Company's daily business activities are subject (for example, agreements with clients, suppliers etc.). The Company will remain subject to many agreements after converting into a Public Shareholding Company.

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21. Company Pledges

The company undertakes to notify the Qatar Financial Markets Authority (QFMA) and the Qatar Stock Exchange (QSE) immediately of any material information that may affect the company's share price in the Second Market at the QSE. The company also pledges to provide the QSE with all information and periodic reports issued by the company in the future, and pledges to comply with any requirements issued by the Qatar Financial Markets Authority and Qatar Stock Exchange.

The company and the Board of Directors, collectively and separately, confirm that the information contained in this Information Memorandum is true and accurate, and that no facts have been overlooked from this information so that any statement in this Information Memorandum becomes misleading.

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22. Legal Counsel Report

Office Dr.
Hussain Bin Ali H.A. Al-Dosari
Lawyers & Legal Consultant



مكتب الدكتور
حسين بن علي الهواشلة الدوسري
للمحاماة والاستشارات القانونية

Legal Confirmation

We, Dr. Hussain Ali Al Dosari Law Firm and Legal Consultations, confirm and certify that the process of listing the shares of Mekdam Holding Group (Q.P.S.C.) is in accordance with QFMA's Board Chairman Decision No. 2 of 2011 concerning the Issuance of Offering & Listing of Securities Rulebook "Second Market" and its amendments, and that the acceptance of its trading was made in accordance with the rules of dealing in the Qatar Stock Exchange and the company's memorandum of association and articles of association.

We further confirm that all procedures undertaken in this respect are in accordance with applicable laws, rules, and regulations.

Yours sincerely,,,

Dr. Hussain Ali Al-Dosari
Lawyer

Doha, Qatar

Dated [05/07/2021]







23. Definitions:

Mekdam Holding Group or the Company	Mekdam Holding Group, a limited liability company in the process of converting into a Qatari Public Shareholding Company in accordance with the provisions of the Commercial Companies Law
Advisors	The legal advisor, listing advisor, independent valuation advisor, auditor and tax advisor
Minister of Commerce and Industry resolution	The resolution issued by the Minister of Commerce and Industry approving the Company's conversion from a limited liability company to a Qatari Public Shareholding Company
Articles of Association	The Company's Articles of Association as amended from time to time
Audit Committee	The Board's Audit Committee
Remuneration and Nomination Committee	The Board's Remuneration and Nomination Committee
Board of Directors or Board	The Company's Board of Directors
The Company's Financial Information	The Company's audited financial statements for the financial year ending on December 31, 2020
Chairman of the Board	The Chairman of the Company's Board
Commercial Law	Commercial Law No. 27 of 2006 and its amendments
Companies Law	Companies Law No. 11 of 2015 and its amendments
Articles and Memorandum of Association	The Articles of Association and Memorandum of Association of the Company
Senior Management	Senior Managers of the company, whose names are listed in Part [11] of this Information Memorandum
Founders	Founding shareholders
Founder shares	The Number of [50,000,000] shares in the Company, equal to [100%] of its issued capital, owned by founders.
Board Member	A member of the board
Independent Board Director	The board member that fulfills the requirements of independent board member
Non-Executive Members	The non-executive Board Members of the Company, are Board Members who are not employed by the Company or its Subsidiaries on a full-time basis to perform executive duties
Non-Independent Board Member	Board Members that do not meet the criteria of an Independent Board Member
OGM	The Ordinary General Assembly Meeting
EGM	The Extraordinary General Assembly Meeting
Foreign Investment Law	Law no. (1) of 2019 regulating Non-Qatari Capital Investment in Economic Activity
Cooperation Council	The Gulf Cooperation Council (often referred to as GCC). The member countries are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.
Government	Government of Qatar
Income Tax Law	The Income Tax Law No. 24 of 2018

Information Memorandum	This document, including any annex or amendment thereto
Investor	Any natural or legal person trading shares in the QSE
Listing	Listing 100% of the Company's shares in the QSE Second Market, based on the EGM resolution after obtaining the necessary regulatory approvals
MOCI	Ministry of Commerce and Industry in Qatar
PSA	The Planning and Statistics Authority
MENA	Middle East and North Africa
Ministry of Finance	The Ministry of Finance in Qatar
Ministry of Public Health	The Ministry of Public Health in Qatar
Ministry of Interior	The Ministry of Interior in Qatar
QSE Trading rules	Trading rules and regulations for dealing in the QSE, March 2020 edition
QAR or Qatari Riyal	The official currency of the State of Qatar
Qatar or the State	The State of Qatar
QCB	Qatar Central Bank
QSE	Qatar Stock Exchange
QSE Second Market	The Second Market dedicated for trading shares of small and medium-sized enterprises (SMEs) in QSE.
QFMA	Qatar Financial Market Authority
Offering and Listing System	The system for Offering and Listing securities in the Secondary Market, approved by the QFMA, issued pursuant to the QFMA Board of Director's resolution No. (2) of 2011 and its amendments
Corporate Governance	The Corporate Governance for companies listed in QSE Second Market issued by QFMA
Information Memorandum	This document
Vision 2030	The Qatari Vision 2030
Shares	Shares 50,000,000 share with a par value of QAR 1
Shareholders	Company Shareholders from time to time
Subsidiaries	The Subsidiaries of the Company which are: Mekdam CAMS, Mekdam Technology, and Mekdam Technical Services
United States	The United States of America, its territories and possessions (including Puerto Rico, Virgin Islands, Guam, American Samoa, Wake Island, Swains Island and the Commonwealth of the Northern Mariana Islands (CNMI), Minor Outlying Islands, any state of the United States, the District of Columbia, and other areas under the jurisdiction of the United States
Dollar or US dollar	The official currency of the United States of America

24. Company Advisors

Listing Advisor	
<p>PKF</p> <p>Alfardan Towers, 15th floor</p> <p>Hotel Street, West Bay</p> <p>Doha, Qatar</p>	 <p>Accountants & business advisers</p>
Independent Evaluation Consultant	
<p>Rödl and Patner</p> <p>Level 2, Building 49</p> <p>Street 250, District 45, Fourth Ring Road</p> <p>Doha, Qatar</p> <p>Registration number with the Qatar Financial Markets Authority: 220151</p>	
Legal Advisor	
<p>Dr. Hussain Bin Ali H. A. Al-Dosari Lawyers and Legal Consultant</p> <p>Area 23 Bin Mahmoud - Street 231 Suhaim Bin Hamad</p> <p>Building 40 Al Mana Commercial Tower - Floor 15</p> <p>Doha, Qatar</p>	
The Company's Auditor and Tax Advisor	
<p>Russell Bedford</p> <p>First office, 10th floor, Al Kaabi Building</p> <p>Alia Street, Old Salata</p> <p>Registration number with the Qatar Financial Markets Authority: 1202013</p>	

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