

**ESTITHMAR HOLDING Q.P.S.C.
DOHA – STATE OF QATAR**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2025
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

ESTITHMAR HOLDING Q.P.S.C.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

TABLE OF CONTENTS

Independent Auditor's Report	--
	<u>Page(s)</u>
Consolidated Statement of Financial Position	01
Consolidated Statement of Profit or Loss and Other Comprehensive Income	02
Consolidated Statement of Changes in Equity	03
Consolidated Statement of Cash Flows	04
Notes to the Consolidated Financial Statements	05-54

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

**TO THE SHAREHOLDERS
ESTITHMAR HOLDING Q.P.S.C.**

Opinion

We have audited the consolidated financial statements of Estithmar Holding Q.P.S.C. (the "Company" or "legal parent") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended and the notes to the consolidated financial statements, including material accounting information.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 (IESBA Code)* together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements as implemented in the State of Qatar, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

We draw attention to followings:

1. Note 41(c) to the consolidated financial statements, which describes the Group's recognition of total goodwill amounting to QAR 3,240,035,090, including an internally generated goodwill of QAR 1,259,277,500. The note explains the rationale for departing from certain requirements of IFRS 3 "*Business Combinations*" in accordance with IAS 1 "*Presentation of Financial Statements*" (paragraphs 19–20), as well as related other considerations.
2. Note 23(g) to the consolidated financial statements, which describes that a subsidiary of the Group, Korean Medical Center W.L.L., breached certain financial covenants under its loan agreement with a local commercial bank as of December 31, 2025. The Company received a formal written waiver or confirmation from the bank dated after the reporting date; therefore the entire outstanding loan balance related to the breached facilities has been classified as current.

Our audit opinion is not modified in respect of these matters.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

Key audit matters are those matters, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Impairment assessment of goodwill As at December 31, 2025, goodwill amounted to QAR 3,240 million, representing approximately 23% of the Group's total assets as at that date.</p> <p>Annual impairment assessment of goodwill was a key audit matter due to:</p> <ul style="list-style-type: none"> • IAS 36 <i>Impairment of Assets</i> requires goodwill to be tested for impairment at least annually, and whenever there is an indication of impairment. • The estimation of the recoverable amount of each CGU involves complex and subjective management estimates, including significant judgments regarding key assumptions and variables. • The application of valuation techniques in accordance with IFRS 13 <i>Fair Value Measurement</i> and the value-in-use guidance under IAS 36. • Initial share capital amounting to QAR 3,404 Mn., based on the valuation for the Company and its subsidiaries and the related assumptions and consequent approvals on January 27, 2022 and March 15, 2022, H.E. the Minister of Commerce and Industry and QFMA respectively on the share capital of the reverse acquisition transaction. • The use of significant management judgment in performing the impairment assessment of goodwill, as disclosed in Note 41 to the consolidated financial statements. 	<p>Our audit procedures focused on the impairment assessment of goodwill, amongst others, included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of management's impairment assessment process and the appropriateness of management's identification of the Group's CGUs. • Evaluating the consultant's competence, independence, capabilities and objectivity. • Assessing the competence and capabilities of the management team who performed the impairment evaluation of the goodwill and evaluating the competence and objectivity of management's experts who assisted in the valuation. • Evaluating the appropriateness of the methodology used by the management to assess impairment of goodwill. • Evaluating key inputs and assumptions in cash flow projections used by the management in comparison to externally derived data as well as our own assessments of investee specific circumstances. • Assessing the reliability of cash flow forecasts through a review of actual past performance, comparison to previous forecasts and checking the mathematical accuracy. • Performing sensitivity analysis over management's key assumptions. • Considering the adequacy of the Group disclosures in note 41 to the consolidated financial statements in respect of impairment testing.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (Continued)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Valuation of investment properties As at December 31, 2025, investment properties measured at fair value amounted to QAR 996 million, representing 7% of the total assets as at that date.</p> <p>Valuation of investment properties was a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of these properties to the Group's total assets and because the fair value measurement is inherently subjective and requires significant management judgment and estimation. • The investment properties, the relevant accounting policies, and the judgments and assumptions applied by management are disclosed in Note 7. 	<p>Our audit procedures focused on the following key areas, among others:</p> <ul style="list-style-type: none"> • Performing walkthrough procedures and obtained an understanding of the controls relating to the valuation of investment properties, including the valuation methodologies, assumptions and estimates applied in determining fair values. • Assessing the external valuer's competence, independence, capabilities and objectivity, including a review of the terms of engagement and scope of work agreed with management. • We Involved internal valuation specialists to evaluate: <ul style="list-style-type: none"> - Whether the valuation approaches and methodologies used by management are consistent with generally accepted valuation standards and industry practices; and - The appropriateness of key assumptions and data used in the valuations, such as rental rates, operating costs, terminal values, growth rates, weighted average cost of capital, occupancy rates and market comparable prices, where applicable. • Checking the arithmetical accuracy of valuation calculations on a sample basis. • Testing, the accounting entries recorded in relation to changes in the fair value of investment properties. • Assessing the adequacy of the related disclosures in the consolidated financial statements, including the disclosure of key assumptions and significant judgements.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (Continued)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Recognition and measurement of group revenue The major components of the Group's revenue comprise of revenue from construction contracting and industries amounting to QAR 2,809 million for the year ended December 31, 2025, as disclosed in notes 25 and 42 to the consolidated financial statements.</p> <p>Revenue was a key audit matter due to the following:</p> <ul style="list-style-type: none"> • Construction contracting and industries revenue is recognized overtime by reference to the Group's progress toward completing the contracts. Management judgement is required to estimate the total contracting costs, variations or claims recognized as contract revenue, and provision for liquidated damages that will affect the measure of progress and revenue and profit margins recognized from specialized contracting contracts. • Revenue recognition is inherently subjective and requires significant management judgement and errors in the recognition of revenue could have a material impact on the Group's profit for the year. 	<p>We identified specialized contracting and industries segment with significant revenue streams and performed procedures including the following to address specific risks identified in relation to revenue.</p> <ul style="list-style-type: none"> • Obtaining and understanding of and assessing the design, implementation and operating effectiveness of the management's key internal controls over revenue recognition. • Discussing with the Group management and project managers the performance of the major contracts in progress during the year and comparing the contract revenue recognized for a sample of contracts in progress during the year with certifications from quantity surveyors appointed by the customers or payment applications from the in-house surveyor. • On a sample basis, inspecting project contract agreements with customers and subcontractors to identify key terms and conditions, including contracting parties, contract period, contract sum, scope of the work and evaluating whether these key terms and conditions had been appropriately reflected in the total estimated revenue and cost to complete under the forecasts of contracts.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (Continued)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Impairment allowance for accounts receivable The Group accounts receivable are stated in the consolidated statement of financial position at their carrying amount less any provision for impairment. As at December 31, 2025, the net of accounts and notes receivable was QAR 1,424 million, after provisions for impairment of QAR 150 million, as disclosed in note 15 to the consolidated financial statements</p> <p>The impairment allowance for accounts receivable of the Group was a significant risk due to the following:</p> <ul style="list-style-type: none"> • There are inherent risks relating to customer's credit risk profile which varies due to the size of each customer and the industries that the customers operate in. The risk is whether the accounts receivable is recoverable and determining an appropriate provision for potentially impaired accounts receivable requires significant management judgement. • Impairment allowances represent management's best estimate of the losses expected within receivables as at the reporting date. Management has assessed the receivable balances individually based on the age of debts to identify any objective evidence of impairment. • Given the level of subjectivity nature of significant management judgements involved and transition adjustments are likely to be subject to scrutiny from investors/regulators resulted in impairment of accounts receivable. 	<p>Our audit procedures focused on assessing the reasonableness of key assumptions used by management in conducting the impairment allowance for accounts receivable.</p> <ul style="list-style-type: none"> • Understanding and evaluating the design, implementation and operating effectiveness of management's key internal controls in respect of the valuation of trade debtors, which included credit control procedures and the application of the Group's doubtful debt provisioning policy. • On sample basis circularized trade receivables confirmations to verify existence and tested the reconciliation where discrepancies were identified and testing the subsequent collections for outstanding trade receivables, where applicable. • Assessing, on a sample basis, whether items in the trade debtors' ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with underlying documentation, which included sales invoices and goods delivery notes. • Assessing the adequacy of consolidated financial statements disclosure as per the required accounting standards.

Other information

The Board of Directors are responsible for the other information. The other information comprises the information included in the Group annual report for the year 2025 but does not include the consolidated financial statements and our auditor's report thereon. The Group's annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon .

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, Board of Directors are 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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the companies or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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


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

Report on other legal and regulatory requirements

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

- We have obtained all the information and explanations we considered necessary for the purposes of our audit, except for the matters described in the emphasis of matters section of our report.
- The Group has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
- The report of the Board of Directors is expected to be made available to us after the date of this auditors' report.
- Furthermore, the physical count of the Group's inventories was carried out in accordance with established principles.
- Except of matters section described in the emphasis of matters section of our report, we are not aware of any violations of the applicable provisions of the amended QCCL, or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Group's consolidated financial position or performance as at and for the year ended December 31, 2025.

**For Russell Bedford and Partners
Certified Public Accountants**



Hani Mukhaimer
License No. (275)
QFMA License No. (1202013)

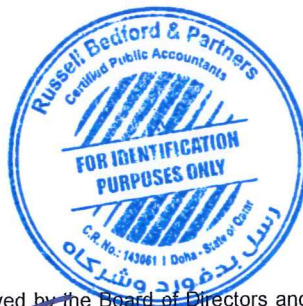


**Doha, State of Qatar
March 10, 2026**

ESTITHMAR HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Notes	December 31,	
		2025	2024
		QAR	QAR
ASSETS:			
Non-current assets:			
Property, plant and equipment	6	2,557,256,573	2,182,156,388
Investment properties	7	996,230,820	807,219,615
Investment property under development		13,610,850	-
Intangible assets	8	30,326,403	38,521,684
Goodwill	41	3,240,035,090	3,240,035,090
Right-of-use assets	9 a	403,379,251	268,327,899
Investments in equity accounted investees	10	70,123,176	41,691,966
Retention receivables	11 a	95,768,855	125,560,740
Financial assets at fair value through profit or loss	12	31,125,837	31,063,777
Total non-current assets		7,437,856,855	6,734,577,159
Current assets:			
Inventories	13	383,492,754	310,184,385
Retention receivables	11 a	136,068,004	78,332,935
Contract assets	14 a	935,375,398	1,128,248,696
Trade and other receivables	15	2,564,495,202	2,087,511,263
Due from related parties	16 a	1,938,091,381	530,962,092
Cash and bank balances	17	463,568,222	434,206,221
Total current assets		6,421,090,961	4,569,445,592
TOTAL ASSETS		13,858,947,816	11,304,022,751
EQUITY AND LIABILITIES:			
Equity:			
Share capital	18	3,744,441,250	3,404,037,500
Legal reserve	19	89,521,261	56,870,749
Revaluation reserve	20	2,822,397	2,822,397
Foreign currency translation reserve		(108,294)	-
Retained earnings		2,328,707,817	1,736,710,224
Total equity attributable to owners' of the company		6,165,384,431	5,200,440,870
Non-controlling interests		(23,708,325)	35,341,128
Total equity		6,141,676,106	5,235,781,998
Non-current liabilities:			
Lease liabilities	9 c	384,668,766	262,612,969
Loan from a related party	16 d	-	9,870,002
Employees' end of service benefits	21	137,245,757	112,889,099
Sukuk financing	22 b	795,888,495	645,891,393
Loans and borrowings	23 a	1,840,535,061	1,281,059,705
Retention payable		21,379,736	4,013,674
Total non-current liabilities		3,179,717,815	2,316,336,842
Current liabilities:			
Lease liabilities	9 c	35,153,240	9,639,749
Contract liabilities	14 a	86,144,422	36,998,987
Due to related parties	16 c	32,358,590	170,930,194
Sukuk financing	22 b	22,759,306	19,225,809
Loans and borrowings	23 a	1,864,996,032	1,491,076,717
Trade and other payables	24	2,427,093,787	2,015,841,952
Tax liability	30	69,048,518	8,190,503
Total current liabilities		4,537,553,895	3,751,903,911
Total liabilities		7,717,271,710	6,068,240,753
TOTAL EQUITY AND LIABILITIES		13,858,947,816	11,304,022,751



These consolidated financial statements were approved by the Board of Directors and signed on their behalf by the following on March 10, 2026:

Ramez Mohamed Ruslan Al Khayyat
Vice Chairman and President

Juan Leon
Holding Chief Executive Officer

The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

ESTITHMAR HOLDING Q.P.S.C.

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

	Notes	Year ended December 31,	
		2025 QAR	2024 QAR
Revenue	25	6,490,932,455	4,216,345,260
Cost of operations	26	(4,346,635,339)	(3,201,049,837)
Gross profit		2,144,297,116	1,015,295,423
Other income	27	109,246,661	96,141,541
Fair value gain in investment properties	7 d	154,574,175	613,788
General and administrative expenses	28	(954,142,067)	(525,574,612)
Provision for impairment of financial assets	29	(180,976,004)	(11,525,834)
Management fees		-	(265,103)
Share of results of equity accounted investee (net of tax)	10 c	18,012,710	11,699,282
Operating profit		1,291,012,591	586,384,485
Finance costs	30	(284,179,919)	(156,354,553)
Profit for the year before tax		1,006,832,672	430,029,932
Provision for income tax expenses	31	(68,549,870)	(7,788,720)
Net profit for the year		938,282,802	422,241,212
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>			
- Exchange differences on translation of foreign operations		498,337	-
<i>Other comprehensive income not be reclassified to profit or loss in subsequent periods:</i>			
- Revaluation of property and equipment		-	2,822,397
Total comprehensive income for the year		938,781,139	425,063,609
Net profit attributable to:			
Equity holders of the parent		989,796,774	404,323,269
Non-controlling interests		(51,513,972)	17,917,943
Net profit for the year		938,282,802	422,241,212
Total comprehensive income attributable to:			
Equity holders of the parent		989,688,480	407,145,666
Non-controlling interests		(50,907,341)	17,917,943
Total comprehensive income for the year		938,781,139	425,063,609
Restated basic and diluted earnings per share (Attributable to the owners' of the Company)	32	0.264	0.108



The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

ESTITHMAR HOLDING Q.P.S.C.

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

	Equity attributable to owners' of the company								Total equity QAR	
	Share capital QAR	Legal reserve QAR	Other reserve QAR	Revaluation reserve QAR	Reserve for renewal of furniture, fixtures and equipment QAR	Foreign currency Translation reserve QAR	Retained earnings QAR	Total QAR		Non-controlling interests QAR
Balance as at January 01, 2024	3,404,037,500	56,870,749	3,923,960	-	705,908	-	1,342,495,037	4,808,033,154	(4,454,954)	4,803,578,200
Net profit for the year	-	-	-	-	-	-	404,323,269	404,323,269	17,917,943	422,241,212
Other comprehensive Income	-	-	-	2,822,397	-	-	-	2,822,397	-	2,822,397
Acquisition and changes in noncontrolling interest	-	-	-	-	-	-	-	-	22,036,139	22,036,139
Derecognition of non controlling interest on the liquidated subsidiaries	-	-	-	-	-	-	-	-	(158,000)	(158,000)
Net movement of reserve for renewal of furniture, fixtures and equipment	-	-	-	-	(705,908)	-	-	(705,908)	-	(705,908)
Transferred to a related party	-	-	(3,923,960)	-	-	-	-	(3,923,960)	-	(3,923,960)
Transfer to social and sports fund activities (Note 34)	-	-	-	-	-	-	(10,108,082)	(10,108,082)	-	(10,108,082)
Balance as at December 31, 2024	3,404,037,500	56,870,749	-	2,822,397	-	-	1,736,710,224	5,200,440,870	35,341,128	5,235,781,998
Net profit for the year	-	-	-	-	-	-	989,796,774	989,796,774	(51,513,972)	938,282,802
Other comprehensive income	-	-	-	-	-	(108,294)	-	(108,294)	606,631	498,337
Transfer to legal reserve	-	32,650,512	-	-	-	-	(32,650,512)	-	-	-
Acquisition and changes in non controlling interest	-	-	-	-	-	-	-	-	12,610	12,610
Dividend distribution in the form of bonus shares	340,403,750	-	-	-	-	-	(340,403,750)	-	-	-
Subsidiary dividends to non-controlling interests	-	-	-	-	-	-	-	-	(8,154,722)	(8,154,722)
Transfer to social and sports fund activities (Note 34)	-	-	-	-	-	-	(24,744,919)	(24,744,919)	-	(24,744,919)
Balance as at December 31, 2025	3,744,441,250	89,521,261	-	2,822,397	-	(108,294)	2,328,707,817	6,165,384,431	(23,708,325)	6,141,676,106



The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

ESTITHMAR HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Notes	December 31,	
		2025 QAR	2024 QAR
Cash flows from operating activities:			
Net profit before tax		1,006,832,672	430,029,932
Adjustments for:			
Depreciation of property, plant and equipment	6 a	158,873,577	129,786,184
Depreciation transferred to capital work in progress	6 a	-	(5,124)
Impairment of property and equipment		3,203,015	-
Fair value changes in investment property	7 d	(154,574,175)	(613,788)
Fair value gain on financial assets measured at fair value through profit or loss	27	(62,060)	(63,777)
Gain on disposals of property plant and equipment	27	(5,529,616)	(827,542)
Gain on transfer to a related party		-	(8,326,030)
Amortization of intangible assets	8	11,562,451	9,651,641
Depreciation of right-of-use assets	9 a	41,086,011	16,352,933
Interest expenses on lease liabilities	9 c	16,764,817	9,214,951
Modification of lease contract		-	(18,261,589)
Share of results of equity accounted investees	10 a	(18,012,710)	(11,699,282)
Net effect of derecognition of lease contract		-	(1,142,302)
Provision for impairment for slow moving inventories	13 a	14,325,631	2,887,141
Provision for employees' end of service benefits	21	48,107,593	37,256,969
Provision for impairment loss on financial assets	29	180,976,004	11,525,834
Sukuk financing premium amortized		795,007	(23,770)
Interest expenses on loan and borrowings		210,977,222	147,139,602
Net movement in reserve for renewal of furniture, fixtures and equipment		-	(705,908)
Exchange loss on foreign currency loan		56,437,880	-
Acquisition through business combination		12,610	-
Operating income before changes in working capital		1,571,775,929	752,176,075
Changes in:			
Inventories		(87,634,000)	(93,011,772)
Retention receivables		(27,943,184)	(69,391,288)
Contract assets		90,993,140	(603,309,995)
Trade and other receivables		(556,079,785)	(669,770,598)
Due from related parties		(1,116,487,328)	248,155,241
Retention payable		17,366,062	2,681,407
Contract liabilities		49,145,435	20,650,842
Due to related parties		(149,030,277)	25,636,432
Trade and other payables		387,005,253	445,057,183
Cash generated from operating activities		179,111,245	58,873,527
Employees' end of service benefits paid	21	(23,564,534)	(22,991,626)
Income tax paid		(7,691,855)	(3,913,503)
Net cash generated from operating activities		147,854,856	31,968,398
Cash flows from investing activities			
Acquisition of property, plant and equipment	6	(1,050,848,869)	(817,994,649)
Acquisition of investment property	7	(11,319,633)	(131,022,261)
Investment property under development		(13,610,850)	-
Proceeds from sale of property, plant and equipment		205,442,350	1,547,842
Acquisition of intangible assets	8	(3,367,170)	(13,512,460)
Investments in equity accounted investee		(10,418,500)	(242,667)
Net cash used in investing activities		(884,122,672)	(961,224,195)
Cash flows from financing activities			
Net movement in loans and borrowings		876,956,791	684,596,204
Net movement in Sukuk financing		150,000,000	646,450,000
Net movement in bank balances restricted as collateral		(36,897,743)	(83,463,582)
Payment of lease liabilities		(45,332,892)	(21,724,515)
Interest paid		(207,839,360)	(146,744,917)
Dividends paid to non-controlling interests		(8,154,722)	-
Changes in non controlling interest		-	3,402,115
Net cash generated from in financing activities		728,732,074	1,082,515,305
Net (decrease)/ increase in cash and cash equivalents		(7,535,742)	153,259,508
Cash and cash equivalents at beginning of the year,	17 a	345,958,547	192,699,039
Cash and cash equivalents at the end of the year,	17 a	338,422,805	345,958,547



The accompanying notes 1 to 42 form an integral part of these consolidated financial statements.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION:

- 1 a) Estithmar Holding Q.P.S.C. (the “Company” or “legal parent”) was established on May 11, 2008 and registered in the State of Qatar under Commercial Registration number 39127. On May 11, 2017, the legal status of the Company was converted from Limited Liability Company to Qatari Public Shareholding Company.
- 1 b) The shareholders of the Estithmar Holding Q.P.S.C., were resolved in their Extraordinary General Meeting (EGM) was held on April 12, 2022 the acquisition of Elegancia Group W.L.L (“Elegancia Group” or “legal subsidiary”) by way of share swap (the “Transaction”) pursuant to Article 45 of the Offering & Listing of Securities on the Financial Markets Rulebook of the QFMA, Article 195 of the Companies Law, and Article 2 of the QFMA M&A Rules, increase of the authorized and paid up share capital of the Company by QAR 2,574,037,500 (from QAR 830,000,000 to QAR 3,404,037,500) and the issuance of new shares of the Company to the Elegancia Group owners in consideration for their shares in Elegancia Group on the basis of every 1 share, the Elegancia Group owners will be receive 3.10125 new shares of the Company. The acquisition of Elegancia Group by the Company is deemed to be a reverse acquisition under the provisions of IFRS 3 “Business Combinations”.
- 1 c) The Group is engaged in various types of investments in accordance with sound commercial and economic practices. The Group conducted operations both domestically and internationally. The Company’s official registered office and place of business is located at Street 303, Lusail City, P.O. Box No. 147966, Doha, State of Qatar.
- 1 d) The consolidated financial statements as at and for the year ended December 31, 2025, comprise the assets, liabilities, and results of operations of below listed subsidiaries. Unless otherwise stated, the subsidiaries as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals to the voting rights held by Group:

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
Elegancia Group W.L.L.	The Group is engaged in various types of investments inside the State of Qatar in accordance with sound commercial and economic practices.	Qatar	100%	100%
Elegancia Facilities Management W.L.L.	Provision of facility management and hospitality services, trading and installation of video and audio equipment and planning and organizing public concerts.	Qatar	100%	100%
Elegancia Arabia Limited S.P.C.	Dealing with electronics items	Kingdom of Saudi Arabia	100%	100%
Messaied Hotels Suites W.L.L.	Managing tourist resorts	Qatar	100%	100%
Elegancia Gabro Trading and Transport W.L.L.	Trading Gabro materials and transport services.	Qatar	100%	100%
Elegancia Human Resources and Contracting W.L.L.	General contracting, trading in building materials, building maintenance, electrical contracting, electronic works and manpower supply.	Qatar	100%	100%
Elegancia Catering W.L.L.	Providing catering services and ready meals supply and catering for large events and gatherings.	Qatar	100%	100%

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION (CONTINUED):

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
Yemek Doha Catering Services W.L.L.	Providing catering services and ready meals supply and catering for large events and gatherings.	Qatar	95%	95%
Elegancia Catering & Facility Management IRQ W.L.L. (Formerly Elegancia Events W.L.L.)	Catering food services, Administration of restaurants and kitchens & Facilities Management	Qatar	100%	100%
Elegancia Electromechanical Services W.L.L.	Electrical and sanitary contracting, installation of electromechanical equipment, installation, maintenance and repair of elevators, fire warning devices, air conditioning and refrigeration system	Qatar	100%	100%
Elegancia Landscape and Water Solutions W.L.L.	Investment and management of agricultural projects, agricultural consulting, parks management, landscaping, agricultural equipment and material trading, trading of plants and trading of irrigation equipment.	Qatar	100%	100%
Elegancia ELV Services WLL (Formerly Elegancia Modular Trading W.L.L.)	Trade in mechanical devises and tools	Qatar	100%	100%
Elegancia Steel Ducts Trading and Contracting W.L.L.	Manufacturing, trading and installation of air conditioning ducts.	Qatar	100%	100%
Elegancia Arabia Trading S.P.C.	Construction and maintenance services	Kingdom of Saudi Arabia	100%	100%
Elegancia Marine Offshore Services W.L.L.	Supply of services across a range of marine industries such as offshore services, marine construction, shipping and acting as a shipping agent.	Qatar	100%	100%
Elegancia Marine Agency W.L.L.	Providing agency services to vessel owners and marine mediator services.	Qatar	100%	100%
Elegancia Data Center Services W.L.L.	Website design and Data entry services	Qatar	100%	100%
Elegancia Contracting W.L.L.	Construction and general contracting, execution of internal design works, interiors design activities and building materials trade.	Qatar	100%	100%
Elegancia Joinery W.L.L.	Trading of wood and manufacture and trading of wood related products, executing interior and exterior projects including producing ceilings, walls decorations, timber decorations and producing various wooden furniture.	Qatar	100%	100%
Al Wakra Water Treatment Plant W.L.L.	Trading water pumping equipment and installation, work.	Qatar	100%	100%

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION (CONTINUED):

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
Elegancia Kitchens W.L.L. (Formerly Elegancia Kitchens for Kitchen Equipments Trading and Maintenance W.L.L.)	Trade in heating equipment, maintenance of kitchen and restaurant equipment.	Qatar	100%	100%
Elegancia Stones for Marble & Granite Trading W.L.L.	Installation and trading of granite and marble stone, granite sand, machinery and equipment related to granite, industrial and natural stone, ceramic and porcelain stone and building materials.	Qatar	100%	100%
Elegancia Stones for Marble and Gypsum Manufacturing W.L.L.	Cutting and forming marble and granite, production of gypsum boards and gypsum power production.	Qatar	100%	100%
Elegancia Structural Steel Factory W.L.L.	Marble production (bricks, interlock, and tile), cutting natural stones and marble cutting, sawing, polishing, forming, and installations	Qatar	100%	100%
Estithmar Ventures Real Estate Development W.L.L.(Formerly Elegancia Ventures Real Estate Development W.L.L.)	Real estate development, hotel and facility management	Qatar	100%	100%
Al Maha Island W.L.L.	Trading and processing games, water games, administration of restaurant services	Qatar	100%	100%
Destinations Development and Events W.L.L.	Tickets selling organizing public concerts and events	Qatar	100%	100%
Estithmar Properties W.L.L.	Real estate development, hotel management	Qatar	100%	100%
Elegancia Medicare Agency W.L.L. (Formerly Mirage Resorts W.L.L.)	Managing tourist resorts	Qatar	100%	100%
Venture Royal Resort W.L.L.	Managing tourist resorts	Qatar	100%	100%
Tilal Hotel W.L.L.	Operating a five-star hotel	Qatar	100%	100%
The Palace Hotel W.L.L.	Operating a five-star hotel	Qatar	100%	100%
Saddle House for Hospitality W.L.L.	Providing hospitality services	Qatar	100%	100%
Royal Resorts W.L.L.	Managing tourist resorts	Qatar	90%	90%
Apex Healthcare W.L.L. (Formerly Elegancia Healthcare W.L.L.)	Providing management consulting services, facility management services, management and operating of professional labour.	Qatar	100%	100%

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION (CONTINUED):

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
The View Hospital - W.L.L.	The main activities of the Company are executing specialized health centers related to health and beauty, skin diseases, single day surgery, treatment by laser, eyes diseases, nose ear and throat, urinary channels, birth and microscopic injection, diet, dermatology and a general hospital.	Qatar	100%	100%
Korean Medical Center W.L.L.	The main activities of the business consist of executing special health centers for dermatologists, nose, ear and throat, single day surgery, skin diseases, diet, medical laboratories, family medicine, Chinese acupuncture, physical therapy, internal, urinary channels, eyes diseases, treatment by laser, helping to giving birth and microscopic injection, health and beauty, diagnostic x-ray laboratory, diabetics, endocrine glands, diagnostic x- ray, pediatrics and spinal column and teeth complex.	Qatar	100%	100%
EWS Management and Consultancy and Medical Services - W.L.L.	Managing and operating the professionals, labours, and facility management.	Qatar	100%	100%
Elegancia Healthcare LIBQ Services W.L.L.	Facility managing and managing nursing services and home health consulting.	Qatar	100%	100%
Elegancia Healthcare ALQ Services W.L.L.	Facility managing and managing nursing services and home health consulting.	Qatar	100%	100%
Elegancia Galvanization Steel Manufacture Metals and Cables W.L.L.	Production and formation of metals, production of steel sections and production of cable carriers and accessories.	Qatar	100%	100%
Elegancia Steel W.L.L. (Formerly Elegancia Steel Trading W.L.L.)	Fabrication, erection and trading of steel bars which include services for the alteration in the size and shape of the steel bars.	Qatar	100%	100%
Elegancia Steel Factory W.L.L.	Importing raw materials for factory products, manufacturing trailers, production of (normal and painted aluminum sectors, raw materials templates and aluminum alloy cylinders, stainless steel handrails, doors and windows, metal structures and constructions, and stainless steel requirements for kitchens.	Qatar	100%	100%

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION (CONTINUED):

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
Elegancia Steel Doors Trading and Contracting W.L.L.	Manufacturing and installation of fabricated doors.	Qatar	100%	100%
Electro Mechanical Engineering Company W.L.L.	Installation and maintenance of electro-mechanical works.	Qatar	68.5%	68.5%
Trelco Building Materials Company W.L.L.	Trading of wood, steel, and other building materials.	Qatar	85%	85%
Trelco Limited Company W.L.L.	Trading food items, chemicals, IT services, etc.	Qatar	100%	100%
Debbas Enterprises (Qatar) W.L.L.	Trading electrical equipment, switchgear, light and instrument, electrical tools, electromechanical equipment installation and maintenance works.	Qatar	51%	51%
Consolidated Engineering Systems Company W.L.L.	Trading fire alarms, security systems and related contracting activities.	Qatar	100%	100%
Construction Development Contracting and Trading Company W.L.L.	Contracting and maintenance activities.	Qatar	100%	100%
Trelco Technical Services W.L.L.	Trading of electrical devices	Qatar	100%	100%
Elegancia Water Solutions W.L.L. (Formerly known as Watermaster Qatar W.L.L.)	Water treatment and contracting activities.	Qatar	100%	100%
Elegancia Mechanical Engineering Company	Electrical and sanitary contracting, installation of electromechanical equipment & installation.	Kingdom of Saudi Arabia	100%	100%
Elegancia Healthcare IRQ Serives W.L.L.	Management consulting, Medical services agency & facilities management	Qatar	100%	100%
Elegancia healthcare KAQ Serives W.L.L.	Management consulting, Medical services agency & facilities management	Qatar	100%	100%
Algerian Qatari Healthcare Services SPA	Management consulting, Medical services agency & facilities management	Algeria	60%	60%
Elegancia Services W.L.L.	Managing sports facilities and utility, Administration of restaurants and kitchens, Park Department & Management and operation of the celebration halls	Qatar	100%	100%
Elegancia SAQ Catering Services W.L.L.	Administration of restaurants and kitchens & Catering food services	Qatar	100%	100%
Elegancia Services Holding L.L.C.	Acting as holding company (owning and maintaining one or more Subsidiary)	Qatar	100%	100%

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION (CONTINUED):

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
Elegancia Healthcare KAQ Holding Services L.L.C.	Management consulting, Medical services agency & facilities management	Qatar	100%	100%
Modern Style Construction Co, W.L.L.	Construction and maintenance services	Kingdom of Saudi Arabia	100%	100%
Consolidated Engineering System Limited	Contracting and maintenance activities.	Kingdom of Saudi Arabia	100%	100%
Elegancia Services Kazakhstan Ltd	General service providing	Kazakhstan	100%	100%
KMC Nutrition Services W.L.L.	Management consulting, Medical services agency	Qatar	100%	100%
KMC Cosmo Trading W.L.L.	Management consulting, Medical services agency	Qatar	100%	100%
Apex Healthcare Services KAZ Ltd	Management consulting, Medical services agency	Kazakhstan	100%	100%
AHKAZ Healthcare Services L.L.P.	Management consulting, Medical services agency	Kazakhstan	100%	100%
Apex Clinics Services W.L.L.	General health Center	Qatar	100%	-
Estithmar International Properties W.L.L.	Real estate development	Qatar	100%	-
Estithmar Human Resources and Management Consulting W.L.L.	Manpower supply and consulting	Qatar	100%	-
Qatara Human Resources Management Consulting W.L.L.	Manpower supply and consulting	Egypt	100%	-
Elegancia Services L.L.P.	Construction and maintenance services	Kazakhstan	60%	-
CESCO SYR Services W.L.L	Management consulting, Contracting and maintenance activities.	Syria	100%	-
Elegancia MEP Mechanical Electrical and Plumbing Services SYR W.L.L	Management consulting, electrical and sanitary contracting and installation of electromechanical equipment.	Qatar	100%	-
Elegancia Kitchens Equipment SYR W.L.L	Management consulting, trade in heating equipment, maintenance of kitchen and restaurant equipment.	Qatar	100%	-
Elegancia Services LIBQ W.L.L	Management consulting, Construction and maintenance services.	Libya	100%	-
Elegancia Steel Trading SYR W.L. L	Management consulting, metal structures and constructions, and stainless-steel requirements for kitchens.	Qatar	100%	-
Elegancia Steel L.L.C	Management consulting, metal structures and constructions, and stainless-steel requirements for kitchens.	Syria	100%	-

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1. GENERAL INFORMATION (CONTINUED):

NAME OF THE SUBSIDIARY	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	ULTIMATE EFFECTIVE OWNERSHIP INTEREST	
			DECEMBER 31, 2025	DECEMBER 31, 2024
Elegancia MEP Services L.L.C	Management consulting, electrical and sanitary contracting and installation of electromechanical equipment.	Syria	100%	-
Elegancia Kitchens Maintenance and Services L.L.C	Management consulting, trade in heating equipment, maintenance of kitchen and restaurant equipment.	Syria	100%	-
Elegancia Arabia Contracting W.L.L.	Construction and general contracting, execution of internal design works, interiors design activities and building materials trade.	Kingdom of Saudi Arabia	100%	-
Elegancia Arabia Landscape and Water Solutions W.L.L.	Investment and management of agricultural projects, agricultural consulting, parks management, landscaping, agricultural equipment and material trading, trading of plants and trading of irrigation equipment.	Kingdom of Saudi Arabia	100%	-
Elegancia Human Resources SYR W.L.L.	Manpower supply related services.	Qatar	100%	-
Elegancia Human Resources L.L.C.	Manpower supply related services.	Syria	100%	-
Estithmar Consulting Services L.L.C.	Consulting Services	Qatar	100%	-
Estithmar Properties Delaware L.L.C.	Real estate development, hotel management	USA	100%	-
Estithmar Properties SYR W.L.L.	Real estate development, hotel management	Qatar	100%	-
Estithmar Properties SYR L.L.C.	Real estate development, hotel management	Syria	100%	-
Estithmar Asian Properties W.L.L.	Real estate development, hotel management	Qatar	100%	-

The consolidated financial statements as at and for the year ended December 31, 2025, comprise of below listed associate and joint venture companies of the Group which have been accounted for under the equity method of accounting and joint operation which accounts for share of assets and liabilities, income and expenses related to operation are:

NAME OF THE ASSOCIATES/ JOINT VENTURES	COUNTRY OF INCORPORATION
Al Bidda Switchgear W.L.L.	Qatar
CME Wakra Water W.L.L.	Qatar
Mena Facilities Management W.L.L.	Jordan
AWJ AL OULA Catering Services	Kingdom of Saudi Arabia
Elegancia Imar Lavajet JV	Qatar
Power Motors Limited L.L.C.	Qatar

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

2. BASIS OF PREPARATION:

Subsequent to the EGM held on April 11, 2022, the Company acquired the 100% of the issued share capital of Elegancia Group by issuing 2,574,037,500 new shares to the owners of the Elegancia Group, satisfied through a share-for-share swap and became the legal parent of Elegancia Group. The acquisition of Elegancia Group by the Company is deemed to be a reverse acquisition under the provisions of IFRS 3 "*Business Combinations*".

The consolidated financial statements for the year ended December 31, 2025, have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and have been presented in Qatari Riyals which is the functional and presentation currency of the Group.

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

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new and amended standards effective as noted below.

3 a) New Standards, amendments and interpretations:

The accounting policies used in the preparation of the consolidated financial statements are based on the IFRS and interpretations including the adoption of new and amended standards and interpretations effective as at January 01, 2025 as noted below:

TOPIC	EFFECTIVE DATE
Amendments to IAS 21 " <i>Lack of Exchangeability</i> "	January 01, 2025

The adoption of the above amendments and interpretations to the standards did not result in any changes in the previously reported net profit or equity of the Group, but they may result in additional disclosures at the year-end.

3 b) New and amended standards not yet effective, but available for early adoption:

A number of new standards and amendments are effective for annual periods beginning on or after January 01, 2026. However, the Group has not applied the following new or amended standards in preparing these consolidated financial statements:

TOPIC	EFFECTIVE DATE
Amendments to IFRS 9 and IFRS 7 " <i>Classification and Measurement of Financial Instruments</i> "	January 01, 2026
Amendments to IFRS 9 and IFRS 7 " <i>Power Purchase Agreements</i> "	January 01, 2026
Annual Improvements to IFRS Standards Volume 11 " <i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7</i> "	January 01, 2026
Amendments to IFRS 18 " <i>Presentation and disclosures in financial statements</i> "	January 01, 2027
Amendments to IFRS 19 " <i>Subsidiaries without Public Accountability: Disclosures</i> "	January 01, 2027
Amendments to IFRS 10 " <i>Consolidated Financial Statements</i> " and IAS 28 " <i>Investment in Associates and Joint Ventures</i> " on sale or contribution of assets between an investor and its associate or joint venture.	Deferred indefinitely

4. MATERIAL ACCOUNTING POLICIES:

4 a) Basis of accounting:

These consolidated financial statements have been prepared on historical cost basis except for goodwill, investment properties and financial assets fair value through profit or loss which are stated at fair value and lease liabilities which are measured at the present value of the lease payments discounted using the Group's incremental borrowing rate. The entity's consolidated 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.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 b) Statement of compliance:

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB) and applicable requirements of the Qatar Commercial Companies Law No. 11 of 2015 whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL").

4 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 prevailing at the date and the resultant gains or losses are included in the statement of profit or loss.

4 d) Basis of consolidation:

The consolidated financial statements incorporate the consolidated financial statements of the Company and entities controlled by the Company made up to December 31 each year. Control is achieved where the Company has:

- power over the investee;
- is exposed or has rights to variable returns from its involvement with the investee; and
- has ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Group has less than a majority of the voting or similar rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other voted holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests in the net assets of the consolidated subsidiaries is identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Where necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies in line with those used by the Group.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to the transactions between the members of the Group are eliminated on consolidation. The consolidated financial statements provide comparative information in respect of the previous year.

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 d) Basis of consolidation (Continued):

Changes in the Group's ownership interests in certain subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in those subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the shareholders of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets, and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRSs).

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments: Recognition and Measurement or, when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

4 e) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

In case the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent the Group has an obligation to the equity accounted investee or has made payments to third parties on behalf of the equity accounted investee.

4 f) Property, plant and equipment:

i) Recognition and measurement

Items of property, plant 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, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified accordingly. Any gain arising on this re-measurement is recognized in profit or loss to the extent that it reverses a previous impairing loss on the specific property, with any remaining gain recognized in other comprehensive income and presented in the revaluation reserve. Any loss is recognized in profit or loss.

iii) Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Profit or losses on disposals of items of property, plant and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts and is included in profit and loss account.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 f) Property, plant and equipment (Continued):

iv) 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.

v) Depreciation

Depreciation is calculated to write-off the cost of items of property, plant 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. The estimated useful lives of property, plant and equipment are as follows:

Building improvements	5 - 50 years
Furniture and fixtures	3 - 5 years
Machinery and equipment	3 - 7 years
Office equipment	3 - 5 years
Medical equipment and tools	2 - 3 years
Motor vehicles	3 - 5 years
Scaffolding	2 - 5 years
Fleet crafts	10 - 25 years
Crafts small boats	5 - 7 years
Computer equipment	2 - 4 years
Vessel equipment	3 - 5 years
Dry docking	2 - 3 years
Plant	3 - 5 years
Tents and shades	5 years
IT equipment	3 - 5 years
Electric equipment	3 - 5 years
Leasehold improvements	5 -10 years

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

4 g) Capital work in progress:

All expenditures and costs incurred in the development during construction phase are capitalized and are initially recorded as capital work in progress. These costs will be transferred to property, plant and equipment when the assets are ready for their intended use.

4 h) Intangible assets and goodwill:

i) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit and loss as incurred.

iii) Amortization

Amortization is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated lives and is generally recognized in profit or loss. Goodwill is not amortized.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 h) Intangible assets and goodwill (Continued):

iii) *Amortization (Continued)*

The estimated useful lives are as follows:

Franchise right	5 years
Manufacturing license	3 - 5 years
IT Software	5 years

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

4 i) Investment properties:

Investment property is initially measured at cost, including transaction costs. After initial recognition, investment property is measured at fair value, with changes in fair value recognized in profit or loss in the period in which they arise. No depreciation is provided on investment property measured at fair value. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the property) is recognized in profit or loss. When investment property that was previously classified as property, plant, and equipment is reclassified and subsequently measured at fair value, any related amount previously recognized in the revaluation reserve is transferred to retained earnings.

4 j) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) *Initial recognition and measurement*

Financial assets and financial liabilities are initially measured at fair value. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

The Group initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognized on the trade date.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 j) Financial instruments (Continued):

ii) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified by the Group as follows:

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Group's financial assets at amortized cost includes accounts receivable and certain accounts of other debit balances, contract assets, due from related parties and retention receivables.

Financial assets at fair value through other comprehensive income

Financial assets classified as fair value through other comprehensive income (FVTOCI) are subsequently measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (OCI) and accumulated in the fair value reserve.

- For equity instruments measured at FVTOCI, the cumulative gain or loss previously recognized in OCI is not reclassified to profit or loss upon disposal. Instead, it is transferred directly to retained earnings. Dividends received on these equity instruments are recognized in profit or loss unless they clearly represent a recovery of part of the cost of the investment.
- For debt instruments measured at FVTOCI, interest income, foreign exchange gains or losses, and impairment losses are recognized in profit or loss in the same manner as for assets measured at amortised cost. Upon disposal of a debt instrument, the cumulative gain or loss previously recognized in OCI is reclassified (recycled) to profit or loss.

Financial assets at fair value through profit or loss

The Group's investment in unquoted equity instrument cannot be classified as an instrument within a cash flow and business model to hold to collect solely payments of principal and interest nor held to collect solely payments of principal and interest and sell. Accordingly, as permitted by IFRS 9, the Group has measured the instrument at fair value through profit or loss (FVTPL). Management of the Group used earnings-based valuation methods for valuing its unlisted equity shares and the fair value gains/ losses from this valuation has been recognized directly in the statement of profit or loss.

iii) Impairment of financial instruments

The Group recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost. The Group considers a financial asset to be in default in case of:

- a) Default or delinquency by a debtor;
- b) Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- c) Indications that a debtor will enter bankruptcy; or
- d) Observable data indicating that there is measurable decrease in expected cash flows from a Group of financial assets.

Financial assets measured at amortized cost

The financial assets at amortized cost comprise of trade receivables and cash at bank 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 certain financial assets at an amount equal to lifetime ECLs. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 j) Financial instruments (Continued):

iii) *Impairment of financial instruments (Continued)*

Financial assets measured at amortized cost (Continued)

In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 180 days in average past due, unless the Group has reasonable and supportable information that demonstrates otherwise. Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term.
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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 of the financial asset.

Presentation of impairment

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 j) Financial instruments (Continued):

iv) Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. Financial liabilities that are not designated as FVTPL, are measured subsequently at amortized cost using the effective interest rate method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

v) Derecognition of financial assets and liabilities

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability. The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

4 k) Non-financial assets

At each reporting date, the management reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ("CGU"). Goodwill arising from business combinations is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the CGU.

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

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

4 l) Inventories:

Inventories are measured at the lower of cost and net realisable value, after providing for slow-moving or obsolete items. Cost comprises purchase price, import duties, non-refundable taxes, transportation and handling costs, and other directly attributable costs. Cost is determined using the weighted average method. Net realisable value is the estimated selling price less costs of completion and costs to sell.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 m) Construction contracts in progress:

Construction contracts in progress represent the gross amount expected to be collected from customers for contract work performed up to the reporting date. Revenue from construction contracts is recognised over time as performance obligations are satisfied. Contract balances are presented as:

- **Contract assets:** When costs incurred plus recognised profits exceed progress billings and recognised losses.
- **Contract liabilities:** When progress billings and recognised losses exceed costs incurred plus recognised profits, including advances from customers.

Expected contract losses are recognised immediately in profit or loss.

4 n) 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.

Currently, the Group is also subject to the global minimum top-up tax under the OECD Pillar Two framework, as introduced in Qatar Tax Law No. (22) of 2024. Under this regime, multinational enterprises within the scope of Pillar Two are liable to pay a top-up tax in jurisdictions where the applicable corporate income tax rate is below 15%. The resulting top-up tax exposure relates to the Group's operations in the State of Qatar and in overseas jurisdictions where such obligations arise. In addition, corporate tax is applicable on foreign subsidiaries / branches operating outside the State of Qatar.

4 o) Leases:

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

The Group as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease 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. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in, in-substance fixed payments.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 o) Leases (Continued):

The Group as a lessee (Continued)

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The Group as a lessor

The Group's accounting policy under IFRS 16 has not changed from the comparative year. As a lessor the Group classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not. Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

4 p) Payables and accruals:

Payables and accruals are recognised when the Group has a present obligation to pay for goods or services received, whether billed or not. They are measured at the consideration expected to be paid, which is generally their nominal or fair value.

4 q) Provisions:

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of 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. Where the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

4 r) Related parties:

The Group enters into transactions with parties that meet the definition of related parties under IAS 24, including key management personnel, parent companies, subsidiaries, and associates. Transactions are conducted on terms agreed between the Group and the related parties. Related party balances and transactions are disclosed in accordance with IAS 24, including the nature of the relationship and amounts involved.

4 s) 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 No. 14 of 2004.

4 t) Contract balances:

Contract assets and contract liabilities

The Group has determined that contract assets and liabilities are to be recognized at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 u) Current vs. non-current classification:

Assets and liabilities are classified as current or non-current. An asset is current if it is expected to be realised, sold, or consumed in the normal operating cycle, held primarily for trading, expected to be realised within twelve months after the reporting period, or is cash/ cash equivalent not restricted for at least twelve months. A liability is current if it is expected to be settled in the normal operating cycle, held for trading, due within twelve months, or there is no unconditional right to defer settlement for at least twelve months. All other assets and liabilities are classified as non-current.

4 v) Revenue recognition:

Revenue from contracts with customers

The Group is in the business of contracting, specialized contracting, maintenance service, sale of goods, chemicals, security equipment (fire alarm, CCTV), electrical material, building material, installation, real estate property renting and providing project management services, hotel operations, entertainment, and healthcare services. Revenue from these sources is recognized in the consolidated statement of profit or loss and other comprehensive income by the Group as follows:

TYPE OF SERVICE	NATURE, TIMING AND SATISFACTION OF PERFORMANCE OBLIGATIONS	REVENUE RECOGNITION
Construction contracts	The Group builds civil construction and electro-mechanical works for customers based on the design on their premises. Each project commences on receipt of advances from a customer and its length depends on the complexity of the design.	Revenue is recognized over time using an input method usually percentage of completion to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances a customer-controlled asset.
Revenue from sale of goods	These are arising from sale of electrical materials, building materials, food items and trading goods.	Revenue is recognized when control over the goods is transferred to the buyer.
Sales of security equipment	These are revenue from sale of and installation of security equipment which are completed over time.	Revenue is recognized over time, using an input method to measure progress towards complete satisfaction of the service.
Installation services	The Group provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. The Group allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services.	The Group recognizes revenue from installation services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.
Rendering of services	These are revenue from rendering of services. Since the customer consumes the benefits as and when services are rendered by the Group. Invoices are usually issued upon completion of the job as agreed in the specific contract.	Revenue is recognized over time as the services are provided. The stage of completion for determining the amount of revenue is assessed based on the input method. The related costs are recognized in the statement of profit or loss when they are incurred.
Investment property rental income	These are revenue arising from renting investment property.	Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognized as other income.

4 w) Expenses recognition:

Expenses are recognised in profit or loss when there is a decrease in future economic benefits in the form of a reduction of an asset or an increase in a liability, and the amount can be measured reliably. Expenditure that does not generate future economic benefits, or when such benefits no longer qualify as an asset, is recognised immediately in profit or loss. This includes, for example, asset impairments, write-offs, and other costs that do not meet the criteria for recognition as an asset.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

4. MATERIAL ACCOUNTING POLICIES (CONTINUED):

4 x) Finance income and finance costs :

Finance income and finance costs include interest income and expense, dividend income, dividends on preference shares classified as financial liabilities, net gains or losses on disposal of financial assets measured at fair value through other comprehensive income, net gains or losses on financial assets at fair value through profit or loss, and foreign currency gains or losses on financial assets and liabilities. Interest income and expense are recognised using the effective interest method. Dividend income is recognised in profit or loss when the Group's right to receive payment is established.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

In applying the Group's accounting policies in Note 4, management makes judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates are based on historical experience, current conditions, and other relevant factors. Actual results may differ. Estimates and assumptions are reviewed at each reporting date, and revisions are recognised prospectively if they affect 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 December 31, 2024. 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 consolidated financial statements continue to be prepared on a going concern basis.

Useful lives, residual values and related depreciation charges of property, plant and equipment

Management determines the estimated useful lives and residual values of its property, plant and equipment to calculate the depreciation. This estimate is determined after considering the expected usage of the asset and intangibles, physical wear and tear. Management reviews the residual value and useful lives annually. Future depreciation charge would be adjusted where management believes the useful lives differ from previous estimates.

Useful lives of intangible assets

Management determines the estimated useful lives of its intangible assets for calculating amortization. This estimate is determined based on the expected pattern of consumption of future economic benefits embodied in the assets.

Lease period

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option: or not exercise a termination option. Extension options are only included in lease term if the lease is reasonably certain to be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the leases. During the year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognized lease liabilities and right-of-use assets.

Determining the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its Incremental Borrowing Rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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.

**5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
(CONTINUED):**

Fair value of investment property

The fair value of investment property is determined by valuation from an external professional real estate valuer using recognized valuation technique and the principals of IFRS 13 "*Fair Value Measurement*". These valuations entail significant estimates and assumptions about the future.

Goodwill

Management tests annually whether goodwill has endured any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in use calculations. These calculations required the use of estimates.

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 IAS 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 the development of significant assumptions and estimates relating to the consequences of such future events.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

6. PROPERTY, PLANT AND EQUIPMENT:

	Building improvements	Furniture and fixtures	Machinery and equipment	Office equipment	Medical equipment and Tools	Motor vehicles	Scaffolding	Fleet crafts	Crafts Small boats	Computer equipment	Vessel equipment	Dry docking	Plant	Tents and shades	IT equipment	Electric equipment	Leasehold improvements	Capital work in progress	Total	
	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	
Cost:																				
Balance as at January 01, 2025	889,375,671	43,877,108	383,283,702	17,232,818	14,997,626	150,936,534	393,249	156,071,054	375,000	57,957,943	693,038	24,042,268	24,497,791	3,014,822	5,419,885	3,802,639	491,617,802	761,636,852	3,029,225,802	
Additions during the year	31,122	6,107,785	39,022,877	1,167,027	-	20,305,027	-	43,840,130	-	13,082,168	-	9,739,960	-	28,600	727,380	307,923	97,756,450	818,722,420	1,050,848,869	
Transfer	(445,429,130)	102,087	(94,283,027)	-	94,283,027	37,328	-	-	-	-	-	-	-	-	-	-	445,289,715	-	-	
Transfer to related party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(290,641,961)	
Transfer to investment property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(23,117,397)	
Disposals/ write off during the year	-	(33,365)	(924,173)	-	-	(22,949,464)	-	(38,639,010)	-	(2,885,605)	(21,700)	(5,717,193)	-	-	-	-	(64,379,010)	-	(116,614,774)	
Balance as at December 31, 2025	443,977,663	50,053,615	327,099,379	18,399,845	109,280,653	146,329,425	393,249	161,272,174	375,000	68,164,606	671,338	28,065,035	24,497,791	3,043,422	6,147,265	4,110,562	970,284,957	1,149,985,140	3,514,151,119	
Accumulated depreciation:																				
Balance as at January 01, 2025	368,745,914	26,483,947	120,969,410	12,503,957	13,902,046	113,527,227	393,249	66,630,247	375,000	32,710,716	536,600	22,408,749	22,614,410	2,905,803	4,274,340	3,623,932	23,830,870	-	836,436,417	
Charge during the year (Note 6 a)	8,478,515	4,805,412	35,124,686	740,945	-	14,755,491	-	5,224,065	-	17,383,603	41,475	2,947,671	858,724	79,599	257,567	272,614	67,903,210	-	158,873,577	
Transfer	(107,301,607)	-	7,562,069	-	(7,562,069)	-	-	-	-	-	-	-	-	-	-	-	107,301,607	-	-	
Related to disposals/ write off during the year	-	(32,887)	(847,505)	-	-	(22,835,062)	-	(16,832,642)	-	(756,514)	(21,700)	(5,307,065)	-	-	-	-	(3,899,440)	-	(50,532,815)	
Balance as at December 31, 2025	269,922,822	31,256,472	162,808,660	13,244,902	6,339,977	105,447,656	393,249	55,021,670	375,000	49,337,805	556,375	20,049,355	23,473,134	2,985,402	4,531,907	3,896,546	195,136,247	-	944,777,179	
Impairment:																				
Balance as at January 01, 2025	-	-	-	-	-	-	-	10,632,997	-	-	-	-	-	-	-	-	-	-	-	10,632,997
Impairment made during the year	3,203,015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,203,015
Related to disposals/ write off during the year	-	-	-	-	-	-	-	(1,718,645)	-	-	-	-	-	-	-	-	-	-	-	(1,718,645)
Balance as at December 31, 2025	3,203,015	-	-	-	-	-	-	8,914,352	-	-	-	-	-	-	-	-	-	-	-	12,117,367
Net book value:																				
Balance as at December 31, 2025	170,851,826	18,797,143	164,290,719	5,154,943	102,940,676	42,881,769	-	97,336,152	-	18,826,801	114,963	8,015,680	1,024,657	58,020	1,615,358	214,016	775,148,710	1,149,985,140	2,557,256,573	

	Building improvements	Furniture and fixtures	Machinery and equipment	Office equipment	Medical equipment and Tools	Motor vehicles	Scaffolding	Fleet craft	Crafts Small boats	Computer equipment	Vessel equipment	Dry docking	Plant	Tents and shades	IT equipment	Electric equipment	Leasehold improvements	Capital work in progress	Total	
	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	QAR	
Cost:																				
Balance as at January 01, 2024	909,247,957	41,160,345	276,419,053	16,749,568	14,997,626	140,088,768	393,249	165,577,483	375,000	48,693,794	786,727	25,126,183	25,321,951	3,029,322	4,828,817	3,562,015	545,197,478	389,352,392	2,610,907,728	
Additions during the year	262,418	11,730,195	107,039,530	483,250	-	18,433,186	-	-	-	10,184,902	-	-	20,500	-	591,068	240,624	18,415,068	657,040,920	824,441,661	
Revaluation surplus	-	43,521	-	-	-	4,521	-	-	-	-	-	-	-	-	-	-	2,774,355	-	2,822,397	
Transfer to investment property	-	(7,667,130)	-	-	-	(807,220)	-	-	-	-	-	-	-	-	-	-	(350,938,983)	(7,382,268)	(366,795,601)	
Transfer from capital work in progress	1,204,308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	276,169,884	(277,374,192)	-	
Transfer to a related party	(21,339,012)	(662,169)	(174,881)	-	-	(529,000)	-	-	-	(914,678)	-	-	-	-	-	-	-	-	(23,619,740)	
Disposals/ write off during the year	-	(727,654)	-	-	-	(6,253,721)	-	(9,506,429)	-	(6,075)	(93,689)	(1,083,915)	(844,660)	(14,500)	-	-	-	-	(18,530,643)	
Balance as at December 31, 2024	889,375,671	43,877,108	383,283,702	17,232,818	14,997,626	150,936,534	393,249	156,071,054	375,000	57,957,943	693,038	24,042,268	24,497,791	3,014,822	5,419,885	3,802,639	491,617,802	761,636,852	3,029,225,802	
Accumulated depreciation:																				
Balance as at January 01, 2024	330,958,085	25,517,935	99,185,708	11,534,362	12,141,680	111,422,557	393,249	72,609,657	375,000	21,536,519	588,813	20,671,911	22,028,903	2,808,106	4,035,663	3,041,044	7,660,125	-	746,509,317	
Charge during the year	46,036,052	3,494,623	21,958,583	969,595	1,764,238	9,068,103	-	3,181,596	-	12,441,814	41,473	2,671,562	1,430,167	112,197	238,677	582,888	25,794,616	-	129,786,184	
Transfer to investment property	-	(1,715,312)	-	-	-	(180,607)	-	-	-	-	-	-	-	-	-	-	(9,623,871)	-	(11,519,790)	
Transfer to a related party	(8,248,223)	(662,169)	(174,881)	-	-	(529,000)	-	-	-	(914,678)	-	-	-	-	-	-	-	-	(10,528,951)	
Related to disposals/ write off and adjustments	-	(151,130)	-	-	(3,872)	(6,253,826)	-	(9,161,006)	-	(352,939)	(93,686)	(934,724)	(844,660)	(14,500)	-	-	-	-	(17,810,343)	
Balance as at December 31, 2024	368,745,914	26,483,947	120,969,410	12,503,957	13,902,046	113,527,227	393,249	66,630,247	375,000	32,710,716	536,600	22,408,749	22,614,410	2,905,803	4,274,340	3,623,932	23,830,870	-	836,436,417	
Impairment:																				
Impairment of property, plant and equipment	-	-	-	-	-	-	-	10,632,997	-	-	-	-	-	-	-	-	-	-	-	10,632,997
Balance as at December 31, 2024	-	-	-	-	-	-	-	10,632,997	-	-	-	-	-	-	-	-	-	-	-	10,632,997
Net book value:																				
At December 31, 2024	520,629,757	17,393,161	262,314,292	4,728,861	1,095,580	37,409,307	-	78,807,810	-	25,247,227	156,438	1,633,519	1,883,381	109,019	1,145,545	178,707	467,786,932	761,636,852	2,182,156,388	
Depreciation rates	2% - 20%	20% - 33.33%	15% - 33.33%	20% - 33.33%	33.33 - 50%	20% - 33.33%	20% - 50%	4% - 10%	15% - 20%	25% - 50%	20% - 33.33%	33.33% - 50%	20% - 33.33%	20%	20% - 33.33%	20% - 33.33%	10% - 20%			

6 a) Depreciation charge for the year was presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Cost of operations (Note 26)	125,181,255	106,068,982
General and administrative expenses (Note 28)	33,692,322	23,712,078
Transfer to capital work in progress	-	5,124
Total	158,873,577	129,786,184

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

7. INVESTMENT PROPERTIES:

	<u>2025</u> QAR	<u>2024</u> QAR
Cost:		
Balance at the beginning of the year	807,219,615	320,307,755
Transfer from property, plant and equipment	23,117,397	355,275,811
Addition during the year	11,319,633	131,022,261
Fair value changes in investment property	154,574,175	613,788
Balance at the end of the year	<u>996,230,820</u>	<u>807,219,615</u>

7 a) The fair value of the Group's investment properties was determined by an independent qualified valuer in accordance with RICS Valuation – Global Standards and IFRS 13 "Fair Value Measurement".

The income approach using a Discounted Cash Flow ("DCF") model was applied to all properties except the land.

For the hotel assets (Maysan LXR Hotel and Katara Hills Hotel), the valuation is based on projected operating cash flows over a defined forecast period and a terminal value. Significant assumptions include occupancy rates, Average Daily Rate ("ADR"), food and beverage and ancillary revenues, operating costs, terminal growth rate, and asset-specific discount rates.

For the retail assets at Al Maha Island, projected rental income forms the basis of valuation. Key inputs include market rental values, vacancy assumptions, operating expenses, terminal growth rate, capitalization rate, and market-based discount rates

As the valuation relies on significant unobservable inputs, the measurements are classified within Level 3 of the fair value hierarchy. The assessment reflects the fair value of the underlying real estate assets as at the reporting date.

Entity	Description	Fair value QAR
Al Maha Island W.L.L.	High-end and casual restaurants located in Al Maha	482,670,000
The Palace Hotel W.L.L.	Maysan Doha Hotel and Resorts located in Aspire,	339,374,000
The Tilal Hotel W.L.L.	Katara Hills Doha Hotel located in Katara Cultural	172,074,000
Estithmar Holding Q.P.S.C.	Vacant land with a small dilapidated structure located in	2,112,820
Total investment properties		<u>996,230,820</u>

The above mentioned high end and casual dining restaurants located on Al Maha Island have been constructed on land granted by Qatari Diar Real Estate Investment Company QPSC. In addition, the Group's hotel properties have been developed on land obtained under long-term lease arrangements from Cultural Village Foundation and Sports City Enterprises W.L.L. respectively.

7 b) Change in valuation technique

During the year ended December 31, 2025, the Group changed the valuation technique applied in determining the fair value of its investment properties from the Depreciated Replacement Cost ("DRC") method (a market approach) to the income approach using DCF model.

Management, in consultation with the independent external valuer, determined that the income approach provides a more appropriate and representative measure of fair value for income generating properties, reflecting the assets' expected future economic benefits and prevailing market yield assumptions.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

7. INVESTMENT PROPERTY (CONTINUED):

7 b) Change in valuation technique (Continued)

In accordance with IFRS 13 "Fair Value Measurement", a change in valuation technique is appropriate where it results in a measurement that is equally or more representative of fair value in the circumstances. The change represents a revision in valuation technique within the fair value measurement framework and does not constitute a change in accounting policy under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and comparative information has not been restated..

7 c) Description of valuation techniques used by the Company and key inputs to valuation of the investment properties are as follows:

Type of properties	Property name	Valuation technique	Key observable/ unobservable inputs	Quantitative disclosures
Commercial properties	Al Maha Island	DCF method (Level 3)	Estimated rental revenue per annum Operating cost rate Occupancy rate Discount rate Terminal yield rate	Gross revenue: 62,697,804 (Year 1) 2.5% annual growth (Year 2 to 10) 20% of gross revenue per annum Year 1: 90%. Year 2: 90%, Year 3: 85%..... 10.5% Cap Rate: 8%
Commercial properties	Maysan Doha Hotel and Resorts	DCF method (Level 3)	Estimated rental revenue per annum Operating cost rate Occupancy rate Discount rate Terminal yield rate	Gross revenue: 50,534,250 (Year 1) 2.5% annual growth (Year 2 to 10) 44.6% of gross revenue per annum Year 1: 65%. Year 2: 65%, Year 3: 70%..... 10.5% Cap Rate: 8%
Commercial properties	Katara Hills Hotel	DCF method (Level 3)	Estimated rental revenue per Operating cost rate Occupancy rate Discount rate Terminal yield rate	Gross revenue: 38,079,720 (Year 1) 2.5% annual growth (Year 2 to 10) 53% of gross revenue per annum 85% (Stabilized) 10.5% Cap Rate: 8%
Land	Jordan	Market comparable method (Level 2)	Estimated value per square meter	Land rate: 25 JOD per sqm Building rate: 250 JOD per sqm

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

7. INVESTMENT PROPERTY (CONTINUED):

7 d) Amounts included in the consolidated statement of profit or loss and other comprehensive income in respect of this property is as follows:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Rent income (Note 25)	81,521,769	68,426,956
Fair value gain on investment property (Note 27)	154,574,175	613,788

8. INTANGIBLE ASSETS:

	Franchise right QAR	License QAR	IT software QAR	Total QAR
Cost:				
Balance at January 01, 2024	34,439,120	5,137,532	9,727,730	49,304,382
Addition during the year	9,878,770	-	3,633,690	13,512,460
Transfer to a related party	-	(1,361,199)	(138,128)	(1,499,327)
Balance at December 31, 2024	44,317,890	3,776,333	13,223,292	61,317,515
Addition during the year	-	-	3,367,170	3,367,170
Balance at December 31, 2025	44,317,890	3,776,333	16,590,462	64,684,685
	Franchise right QAR	License QAR	IT software QAR	Total QAR
Accumulated amortization:				
Balance at January 01, 2024	7,506,055	1,436,773	5,580,919	14,523,747
Amortization during the year (Note 8 a)	6,927,608	325,898	2,398,135	9,651,641
Transfer to a related party	-	(1,241,429)	(138,128)	(1,379,557)
Balance at December 31, 2024	14,433,663	521,242	7,840,926	22,795,831
Amortization during the year (Note 8 a)	7,895,014	-	3,667,437	11,562,451
Balance at December 31, 2025	22,328,677	521,242	11,508,363	34,358,282
Carrying amounts:				
At December 31, 2024	29,884,227	3,255,091	5,382,366	38,521,684
At December 31, 2025	21,989,213	3,255,091	5,082,099	30,326,403

8 a) Amortization expenses for the year was presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Cost of operations (Note 26)	7,869,768	6,972,698
General and administrative expenses (Note 28)	3,692,683	2,678,943
Total	11,562,451	9,651,641

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

9. LEASES:

9 a) Right-of-use assets

	<u>2025</u>	<u>2024</u>
	QAR	QAR
Balance at the beginning of the year	268,327,899	257,023,902
Additions during the year	176,776,318	35,130,136
Modification of lease contract	(638,955)	8,407,278
Depreciation of right-of-use assets (Note 9 b)	(41,086,011)	(16,352,933)
Depreciation expenses transferred	-	(74,561)
Depreciation expenses transferred to a capital work in progress	-	(2,977,557)
Derecognition due to early termination of the lease contract	-	(10,883,617)
Transfer to a related party	-	(1,944,749)
Balance at the end of the year	<u>403,379,251</u>	<u>268,327,899</u>

9 b) Depreciation of right-of-use assets for the year was presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	<u>Year ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
	QAR	QAR
Cost of operations (Note 26)	735,044	869,881
General and administrative expenses (Note 28)	40,350,967	15,483,052
Total	<u>41,086,011</u>	<u>16,352,933</u>

9 c) Lease liabilities

	<u>2025</u>	<u>2024</u>
	QAR	QAR
Balance at the beginning of the year	272,252,718	270,205,519
Additions during the year	176,776,318	35,130,136
Modification of lease contract	(638,955)	(9,854,311)
Interest expense for the year (Note 9 d)	16,764,817	9,214,951
Interest expenses transferred	-	53,933
Interest expenses transferred to a capital work in progress	-	3,464,331
Payments during the year	(45,332,892)	(21,728,225)
Derecognition due to early termination of the lease contract	-	(12,025,919)
Transfer to a related party	-	(2,207,697)
Balance at the end of the year	<u>419,822,006</u>	<u>272,252,718</u>

The lease liabilities are presented as follows:

Non-current	384,668,766	262,612,969
Current	35,153,240	9,639,749
Total	<u>419,822,006</u>	<u>272,252,718</u>

9 d) Interest expense on finance lease arrangements

	<u>Year ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
	QAR	QAR
Finance expense for the year (Note 30)	<u>16,764,817</u>	<u>9,214,951</u>

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

9. LEASES (CONTINUED):

9 e) Group entered into lease contracts with various landlords for lease of varies premises. These lease liabilities are repayable by rental obligations which varies based on the terms of contracts with the various landlords, and usually for a period between 2 to 25 years, bears an implicit interest rate of 5% to 6.5% per annum, and is effectively secured as the rights to the leased assets revert to the lessor in the event of default.

10. INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES:

10 a) Investment in equity accounted investees movement during the year are as follows:

	<u>2025</u>	<u>2024</u>
	<u>QAR</u>	<u>QAR</u>
Balance at the beginning of the year	41,691,966	29,750,017
Investment acquisitions during the year	10,418,500	242,667
Share of results of equity accounted investees (net of tax) (Note 10 c)	18,012,710	11,699,282
Balance at the end of the year (Note 10 b)	<u>70,123,176</u>	<u>41,691,966</u>

10 b) Investment in equity accounted investees comprise investment in joint ventures and an associate. The details of the investment in equity account investees as at December 31, 2025 are as follows:

<u>Name of Company</u>	<u>Place of incorporation</u>	<u>Participating interest %</u>	<u>December 31,</u>	
			<u>2025</u>	<u>2024</u>
			<u>QAR</u>	<u>QAR</u>
Al Bidda Industries and Services W.L.L.	Qatar	50%	28,675,060	26,014,180
CME Wakra Water W.L.L.	Qatar	40%	29,563,225	14,978,282
Power Motors Limited L.L.C.	Qatar	25%	11,426,071	-
Mena Facilities Management W.L.L.	Jordan	50%	458,820	456,837
AWJ AL OULA Catering Services LL	KSA	50%	-	242,667
Total			<u>70,123,176</u>	<u>41,691,966</u>

10 c) The details of the share of results of equity accounted investees (net of tax) for the year ended December 31, 2025 are as follows:

<u>Name of Company</u>	<u>Place of incorporation</u>	<u>Participating interest %</u>	<u>Year ended December 31,</u>	
			<u>2025</u>	<u>2024</u>
			<u>QAR</u>	<u>QAR</u>
Al Bidda Industries and Services W.L.L.	Qatar	50%	2,660,880	(1,606,146)
CME Wakra Water W.L.L.	Qatar	40%	14,584,943	13,220,502
Power Motors Limited L.L.C.	Qatar	25%	1,007,571	-
Mena Facilities Management W.L.L.	Jordan	50%	1,983	84,926
AWJ AL OULA Catering Services LL	KSA	50%	(242,667)	-
Share of results of equity accounted investees (net of tax)			<u>18,012,710</u>	<u>11,699,282</u>

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

10. INVESTMENTS IN EQUITY ACCOUNTED INVESTEES (CONTINUED):

10 d) The financial information of the investment in associate companies as at for the year ended December 31, 2025 are as follows:

	Al Bidda Industries QAR	CME Wakra Water W.L.L QAR	Power Motors Limited L.L.C. QAR	Mena Facilities Management QAR	AWJ AL OULA Catering Services QAR
Total assets	78,104,396	339,058,903	45,734,282	5,312,819	12,547,267
Total liabilities	79,618,185	265,205,843	30,000	4,407,057	14,950,038
Net assets	(1,513,789)	73,853,060	45,704,282	905,762	(2,402,771)
Net profit/ (loss)	5,321,759	36,462,357	4,030,282	3,966	(2,902,771)

11. RETENTION RECEIVABLES:

	December 31,	
	2025	2024
	QAR	QAR
Retention receivables	235,872,120	208,041,100
Less: impairment of retention receivables (Note 11 c)	(4,035,261)	(4,147,425)
Net value of retention receivables	231,836,859	203,893,675

11 a) For the presentation purposes, the retention receivable is disclosed as follows:

	December 31,	
	2025	2024
	QAR	QAR
Non-current	95,768,855	125,560,740
Current	136,068,004	78,332,935
Total	231,836,859	203,893,675

11 b) Retentions receivable represent amounts withheld by the customers in accordance with contract terms and conditions. These amounts are to be released upon fulfilment of contractual obligations.

11 c) Movement in impairment of retention receivables is presented as follows:

	December 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	4,147,425	3,525,139
Provision/ (reversal) for impairment of retention during the year (Note 29)	193,270	(89,413)
Transfer	-	711,699
Written off during the year	(305,434)	-
Balance at the end of the year	4,035,261	4,147,425

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:

	<u>2025</u> QAR	<u>2024</u> QAR
Balance at the beginning of the year	31,063,777	31,000,000
Fair value gain (Note 27)	62,060	63,777
Balance at the end of the year	<u>31,125,837</u>	<u>31,063,777</u>

12 a) The Company holds an unquoted 2.5% equity interest in Doha Cables Qatar W.L.L., classified as a financial asset measured at fair value through profit or loss in accordance with IFRS 9 "Financial Instruments". In the absence of quoted market data, fair value is determined using market approach, based on the investee's earnings and market multiples of comparable companies, applying a terminal multiple of 12.55x and an illiquidity discount of 26%.

12 b) Management's assessment of its fair value as at December 31, 2025, is QAR 31,125,837. The fair value changes amounting to QAR 62,060, has been recognized to the statement of profit or loss and other comprehensive income during the year ended December 31, 2025.

13. INVENTORIES:

	<u>December 31,</u>	
	<u>2025</u> QAR	<u>2024</u> QAR
Supplies and consumables	110,805,403	38,262,998
Electrical and electronic materials	105,125,993	41,167,694
Pharmaceutical and other medical inventories	78,745,230	40,256,595
Raw materials	65,884,202	150,935,341
Finished goods	50,621,018	51,977,958
Spare parts	4,224,647	1,650,206
Steel bars	1,525,299	5,245,244
Other materials	6,457,227	6,578,935
	<u>423,389,019</u>	<u>336,074,971</u>
Less: provision for slow moving inventories (Note 13 a)	(39,896,265)	(25,890,586)
Total	<u>383,492,754</u>	<u>310,184,385</u>

13 a) Movement in provision for slow moving inventories is presented as follows:

	<u>2025</u> QAR	<u>2024</u> QAR
Balance at the beginning of the year	25,890,586	26,280,978
Provision for slow moving inventories (Note 28)	14,325,631	2,887,141
Written off during the year	(319,952)	(3,277,533)
Balance at the end of the year	<u>39,896,265</u>	<u>25,890,586</u>

14. CONTRACT ASSETS AND LIABILITIES:

	<u>December 31,</u>	
	<u>2025</u> QAR	<u>2024</u> QAR
Contracts valued at cost plus attributable profit	9,160,073,248	6,663,772,425
Less: Progress billings	(8,208,962,114)	(5,572,522,716)
Less: Provision for impairment of contract assets (Note 29)	(101,880,158)	-
Total	<u>849,230,976</u>	<u>1,091,249,709</u>

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

14. CONTRACT ASSETS AND LIABILITIES:

14 a) The contract assets and liabilities have been presented in the consolidated statement of financial position as follows:

	December 31,	
	2025	2024
	QAR	QAR
Contract assets	935,375,398	1,128,248,696
Contract liabilities	(86,144,422)	(36,998,987)
Total	849,230,976	1,091,249,709

15. TRADE AND OTHER RECEIVABLES:

	December 31,	
	2025	2024
	QAR	QAR
Accounts receivable	1,544,447,335	1,247,247,821
Notes receivables	29,024,956	70,131,589
Total accounts and notes receivables	1,573,472,291	1,317,379,410
Less: allowance for impairment of accounts and notes receivables (Note 15 b)	(149,951,613)	(115,621,314)
Net accounts and notes receivables	1,423,520,678	1,201,758,096
Advances paid to suppliers (Note 15 c)	616,068,932	336,353,288
Accrued revenue	171,584,514	242,415,920
Prepayments	101,678,186	100,989,921
Refundable deposits	10,767,609	4,743,998
Due from staff	3,081,166	7,073,092
Other receivables (Note 15 d)	237,794,117	194,176,948
Total	2,564,495,202	2,087,511,263

15 a) The aging of the receivable is as follows:

	December 31,	
	2025	2024
	QAR	QAR
i) Aging of neither past due nor impaired Up to 90 days	894,768,334	557,546,691
ii) Aging of past due but not impaired 91 - 180 days	402,361,837	491,804,879
Above 180 days	126,390,507	152,406,526
	528,752,344	644,211,405
iii) Aging of past due impaired Above 180 days	149,951,613	115,621,314
Total	1,573,472,291	1,317,379,410

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

15. TRADE AND OTHER RECEIVABLES (CONTINUED):

15 b) Movement in allowance for impairment of accounts and notes receivables is presented as follows:

	December 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	115,621,314	110,840,817
Provision for impairment of accounts receivables (Note 29)	54,444,946	12,065,941
Transfers from/ (to) related parties	59,306	(852,831)
Written off during the year	(20,173,953)	(6,432,613)
Balance at the end of the year	149,951,613	115,621,314

15 c) Advances paid to suppliers are presented as follows:

	December 31,	
	2025	2024
	QAR	QAR
Advances paid to suppliers	618,400,297	337,532,146
Less: provision for impairment of advance paid to suppliers	(2,331,365)	(1,178,858)
Net advance paid to suppliers	616,068,932	336,353,288

15 d) Other receivables are presented as follows:

	December 31,	
	2025	2024
	QAR	QAR
Other receivables	255,960,526	203,122,231
Less: provision for impairment of other receivables	(18,166,409)	(8,945,283)
Net other receivables	237,794,117	194,176,948

15 e) In determining the recoverability of accounts receivable, the Group 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 impairment debts.

16. RELATED PARTIES TRANSACTIONS AND BALANCES:

These represent transactions with related parties, i.e. major shareholders, joint ventures, directors and senior management of the group of the companies, and the companies in which they are principal owners. Pricing policies and terms of these transactions are approved by the respective management.

16 a) Due from related parties

	December 31,	
	2025	2024
	QAR	QAR
Shareholders		
Urbacon Trading and Contracting W.L.L.	760,742,450	90,307,054
Affiliates		
Llanuras Trading & Contracting W.L.L.	325,682,267	-
Assets Real Estate Development W.L.L.	297,977,014	-
Aura Hospitality W.L.L.	99,675,231	43,603,441
REE Asyad JV	88,238,524	103,439,154
Stark Securities Company W.L.L.	86,291,867	61,561,214
Aura International – W.L.L.	36,733,386	17,762,372
Power International Holding Co. W.L.L.	32,338,969	22,708,945
Subtotal carried to the next page	1,727,679,708	339,382,180

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

16. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED):

16 a) Due from related parties (Continued)

	December 31,	
	2025	2024
	QAR	QAR
<i>Affiliates (Continued)</i>		
Subtotal brought from the previous page	1,727,679,708	339,382,180
Al Bidda Switchgear W.L.L.	28,082,527	11,209,581
Pentagram Design Trading and Contracting W.L.L.	24,154,923	11,607,827
Aura Entertainment Services W.L.L.	22,031,557	8,680,331
Urbacon Workshop Department	20,818,273	241,635
Assets Properties Management W.L.L.	14,828,828	4,712,823
Assets Hotels and Resort Management	14,564,344	15,739,542
Golden Bay Contracting and trading W.L.L.	13,257,287	11,770,065
Infraroad Trading and Contracting Co. W.L.L.	12,410,766	31,451,676
Yemek Istanbul Catering Services Hizmetleri Sanayi	11,871,723	-
Servicom - W.L.L.	10,123,770	10,123,770
UCC-SACYR	8,233,640	-
Urbacon Plant, Machinery and Vehicle	6,795,093	2,697,873
AWJ Al OULA Catering Services	6,755,433	-
Al-Khayyat Trading and Contracting Co. W.L.L.	5,279,471	5,279,481
UCC-Bahadir-Tedeschia Joint Venture	4,094,642	3,903,592
Premiere Events	3,200,394	959,182
Promotors-JO	3,045,846	-
Mina Facilities Management (Jordan)	2,483,990	2,483,244
Arab Builders Company W.L.L.	2,416,278	2,022,518
Mega Steel Tech Trading and Contracting	1,882,608	1,516,887
Joury Tours and Travels W.L.L.	1,581,772	6,086,361
Prolines - W.L.L.	1,412,411	1,412,411
Elegancia Imar Lavajet JVL	1,395,624	660,176
Al Bawani and Urbacon Joint Venture	750,876	-
Urbacon Holding W.L.L.	699,642	401,893
Trelco Security Equipment Services W.L.L.	530,968	1,136,562
Lusail Queen Yacht	447,540	2,927,434
Urbacon Saudi Company	436,346	184,224
Snathe Qatar - W.L.L.	308,651	308,651
The Eight Hotel W.L.L.	301,077	304,629
Dimension Group - W.L.L.	291,624	291,624
Orient Pearl Restaurant W.L.L.	221,372	171,038
UCC Promar Marine Contracting W.L.L.	207,450	-
Moka Caffè	105,955	43,280
Em Sherif by the Sea - Al Maha	103,539	110,739
United Foods Services W.L.L.	88,005	71,505
Union Iron and Steel Company L.L.C	47,591	47,591
Debbas Enterprise (Lebanon)	31,031	31,031
Levant Restaurants W.L.L.	26,550	-
Gemini Hospitality W.L.L.	23,707	23,707
Highness Holding Co W.L.L.	23,368	19,584
Zuma Al Maha Island	19,500	19,500
Basta Restaurant W.L.L.	17,950	17,950
UCC Promar JV	14,502	19,401,215
Palma Group W.L.L.	14,326	826
Subtotal carried to the next page	1,953,112,478	497,454,138

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

16. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED):

16 a) Due from related parties (Continued)

	December 31,	
	2025	2024
	QAR	QAR
<i>Affiliates (Continued)</i>		
Subtotal brought from the previous page	1,953,112,478	497,454,138
Neftestroiservice LTD	12,610	-
Damasca One Restaurant W.L.L.	3,886	3,886
Loyalty for Business Development and Investment Holding W.L.L.	1,300	1,300
The Algeria National Investment Fund	-	16,439,366
UCC Infraroad Limak JV	-	5,998,964
UCC Acciona JV	-	4,692,959
Baladna Food Industries W.L.L.	-	2,660,927
Al Hodaifi Group W.L.L.	-	2,097,120
Syrian American Medical Centre	-	2,019,087
ETA – PCS Switchgear L.L.C.	-	292,856
Ithaafushi Investment (Private) Limited	-	152,475
Aura Lifestyle - W.L.L.	-	97,002
Building Development Technology Company W.L.L.	-	59,306
Urbacon And Infraroad Joint Venture	-	6,908
Total	1,953,130,274	531,976,294
Less: allowance for impairment of due from related parties (Note 16 b)	(15,038,893)	(1,014,202)
Net due from related parties	1,938,091,381	530,962,092

16 b) Movement in allowance for impairment of due from related parties is presented as follows:

	December 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	1,014,202	954,896
Transferred to related party	(59,306)	-
Provision for impairment of due form related party (Note 29)	14,083,997	59,306
Balance at the end of the year	15,038,893	1,014,202

16 c) Due to related parties

	December 31,	
	2025	2024
	QAR	QAR
UCC Infraroad Limak JV	9,438,389	-
International Design & Consultant Company W.L.L.	4,505,340	52,293
Credo Trading Co. W.L.L.	3,518,696	3,636,994
Imar trading and Contracting Co . W.L.L.	2,992,224	-
Cesar Debbas and Fils W.L.L.	2,662,686	2,662,686
CME Wakra Water	2,443,050	109,458,630
Baladna Food Industries W.L.L.	1,986,238	-
Debbas Holding Co	1,507,294	1,507,961
Elife Detergent Factory W.L.L.	1,039,304	91,404
Printshop For Printing Services W.L.L.	432,588	338,820
Aura Lifestyle - W.L.L.	424,969	-
Subtotal carried to the next page	30,950,778	117,748,788

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

16. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED):

16 c) Due to related parties (Continued)

	December 31,	
	2025	2024
	QAR	QAR
<i>Affiliates (Continued)</i>		
Subtotal brought from the previous page	30,950,778	117,748,788
Syrian American Medical Centre	147,656	-
Ithaafushi Investment (Private) Limited	309,683	-
Forad SARL	308,824	308,824
Consolidated Security Services Co. W.L.L.	293,228	456,877
The Canteen W.L.L.	155,838	-
Joury Logistic Company W.L.L.	110,401	151,111
Elan London W.L.L.	82,182	82,182
Assets Real Estate Development W.L.L.	-	30,443,382
Llanuras Trading & Contracting W.L.L.	-	12,843,739
Baladna for Animal Production W.L.L.	-	4,489,916
Gilifushi Maldives	-	1,982,016
Lacasa - W.L.L.	-	1,283,666
UCC-SACYR	-	461,447
AWJ Al OULA Catering Services	-	242,667
Gymkhana - W.L.L.	-	230,793
Eleganica Canteen	-	155,838
Global Tourist & Travels W.L.L.	-	44,730
Qatar Duct	-	4,218
Total	32,358,590	170,930,194

16 d) Loan from a related party

The Group has obtained a loan from Credo Trading W.L.L. as a part of the Group's restructuring plan. The loan carries an interest rate of 2% plus Qatar Central Bank money market lending rate subject to a minimum of 4.5% per annum. Movement of the loan from a related party as follows:

	December 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	9,870,002	29,521,473
Finance cost for the year (Note 30)	402,270	394,685
Settled during the year	(10,272,272)	(20,046,156)
Balance at the end of the year	-	9,870,002

16 e) Transactions with related parties

	Year ended December 31,	
	2025	2024
	QAR	QAR
Revenue	1,690,673,702	834,891,557
Expenses	244,206,433	166,959,038

16 f) 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 Company 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:

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

16. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED):

16 f) Compensation of key management personnel (Continued)

	Year ended December 31,	
	2025	2024
	QAR	QAR
Short term benefits	39,978,372	22,436,586
Post employment benefits	2,449,045	700,373
Total	42,427,417	23,136,959

17. CASH AND BANK BALANCES:

	December 31,	
	2025	2024
	QAR	QAR
Cash in hand	363,150	1,009,900
Cash at bank - current and deposit accounts	338,059,655	344,948,647
- cash margin held against letter of guarantees	125,145,417	88,247,674
Total	463,568,222	434,206,221

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

	December 31,	
	2025	2024
	QAR	QAR
Total cash and cash equivalents	463,568,222	434,206,221
Restricted cash (cash margin held against letter of guarantees)	(125,145,417)	(88,247,674)
Net cash and cash equivalents	338,422,805	345,958,547

18. SHARE CAPITAL:

	December 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	3,404,037,500	3,404,037,500
Issuance of bonus shares during the year	340,403,750	-
Balance at the end of the year	3,744,441,250	3,404,037,500

18 a) As of the reporting date, the Company's issued and fully paid-up share capital amounts to 3,744,441,250 ordinary shares of QAR 1 per share, following the issuance of bonus shares.

18 b) On March 12, 2025, the General Assembly of Estithmar Holding Q.P.S.C., approved the distribution of dividends for the financial year ended December 31, 2024. The dividends were distributed in the form of bonus shares, at a rate of 1 bonus share for every 10 shares held, representing a 10% increase in the Company's paid-up capital.

18 c) The bonus shares were issued to existing shareholders as of the reporting date and fractional shares resulting from this distribution were consolidated and allocated to Estithmar Holding Q.P.S.C., in line with the resolution passed by the General Assembly.

19. LEGAL RESERVE:

In accordance with amended QCCL and the Company's Articles of Association, 10% of net income of the Company for the year is required to be transferred to the legal reserve, the Company may discontinue such transfer if the legal reserve reached 50% of the paid capital. This reserve is not available for distribution except in circumstances stipulated in the amended QCCL.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

20. REVALUATION RESERVE:

The revaluation surplus relates to the revaluation of property, plant and equipment immediately before its transferred as investment property (Note 7).

21. EMPLOYEES' END OF SERVICE BENEFITS:

	<u>2025</u>	<u>2024</u>
	QAR	QAR
Balance at the beginning of the year	112,889,099	98,623,756
Provision for the year	48,107,593	37,256,969
Transferred to related parties	(186,401)	-
Payments made during the year	(23,564,534)	(22,991,626)
Balance at the end of the year	<u>137,245,757</u>	<u>112,889,099</u>

22. SUKUK FINANCING:

According to the Offering Circular dated January 20, 2024, the Company accessed the London Stock Exchange through Estithmar Sukuk Limited L.L.C., to raise QAR 3.4 billion by issuing trust certificates (sukuk financing) to support the expansion of its business operations.

	<u>2025</u>	<u>2024</u>
	QAR	QAR
Balance at the beginning of the year	665,117,202	-
Issuance during the year (Note 22 a)	150,000,000	645,000,000
Unamortized premium movement year	795,007	1,426,230
Profit paid during the year	(56,437,500)	-
Profit expenses for the year (Note 30)	59,173,092	18,690,972
Balance at the end of the year	<u>818,647,801</u>	<u>665,117,202</u>

<u>Type</u>	<u>Profit Rate</u>	<u>Tenor</u>	<u>Number of Certificates</u>	<u>Value of Issued QAR</u>	<u>Value as at December 31, 2025 QAR</u>
Tranche 1	8.75%	3 Years	50,000	500,000,000	514,461,806
Tranche 2	8.75%	3 Years	14,500	145,000,000	150,085,317
Tranche 3	8.75%	2 Years	15,000	150,000,000	154,100,677
				<u>795,000,000</u>	<u>818,647,801</u>

22 a) On December 16, 2024, the Company issued its second series of trust certificates (Tranche 2) amounting to QAR 145,000,000 with a three-year term and an annual profit rate of 8.75%, payable semi-annually in arrear on each periodic distribution date. This issuance will be consolidated with the first series (Tranche 1) of QAR 500,000,000 due in 2027, issued on September 2, 2024. The total consideration received from the issuance of Tranche 2 was QAR 150,115,278, which includes a 1% premium (QAR 1,450,000) and accrued distribution of QAR 3,665,278 for the period from September 2, 2024, to the issue date.

On 15 October 2025, the Company issued its third series of trust certificates (Tranche 3) amounting to QAR 150,000,000 with a three-year term and an annual profit rate of 8.75%, payable semi-annually in arrears on each periodic distribution date. This issuance was also consolidated with the combined first and second series (Tranches 1 and 2) of QAR 645,000,000 under the same Sukuk programme due in 2027, issued on September 2, 2024. The total consideration received from the issuance of Tranche 3 was QAR 153,067,708, comprising a 1% premium (QAR 1,500,000) and accrued profit of QAR 1,567,708 for the period from 2 September 2024 to the issue date.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

22. SUKUK FINANCING (CONTINUED):

22 b) The sukuk financing is presented in the consolidated statement of financial position as follows:

	December 31,	
	2025	2024
	QAR	QAR
Non-current	795,888,495	645,891,393
Current	22,759,306	19,225,809
Total	818,647,801	665,117,202

22 c) In accordance with the Offering Circular dated January 20, 2024, the Group is required to maintain the following financial covenants:

- The Finance Costs Coverage Ratio is equal to or higher than 2.75:1; and
- Debt-to-Equity Ratio: Must be equal to or less than 0.75:1

As of the financial statement date, the Group has complied with these covenants, maintaining the required ratios.

23. LOANS AND BORROWINGS:

	December 31,	
	2025	2024
	QAR	QAR
Term loans (Note 23 b)	2,384,403,758	1,632,534,095
Bills discounting facilities (Note 23 c)	492,922,154	472,168,325
Projects finance (Note 23 d)	308,436,770	148,521,427
Murabaha (Note 23 e)	11,742,503	30,678,097
Short term financing facilities (Note 23 f)	508,025,908	488,234,478
Total loan and borrowings	3,705,531,093	2,772,136,422

23 a) The interest-bearing borrowings are presented in the consolidated statement of financial position as follows:

	December 31,	
	2025	2024
	QAR	QAR
Non-current	1,840,535,061	1,281,059,705
Current	1,864,996,032	1,491,076,717
Total	3,705,531,093	2,772,136,422

23 b) Term loans

Term loans comprise of various loan facilities obtained from local and foreign banks for multiple financing purposes. These loans are secured by corporate guarantees, while certain older facilities are backed by personal guarantees. The loans have different maturity dates. Interest rates on local bank facilities range from QMRL+0% to QMRL+1.5% with minimum rates falling between 4% and 7% per annum. The foreign bank facilities bear interest rates of EURIBOR + 1.05%, TR+0.25%, 10%, 10.5% and 10.9% per annum.

23 c) Bill discounting facilities

The Group has entered into credit facility agreements with local banks. Under the facilities, the Group discounts its invoices for a maximum of 90-150 days by transferring the approved customer's invoice payment to local bank. Maximum loan amount is 75% - 80% of the invoice value. The bills discounted are against corporate guarantees. Further, the credit facilities are also secured by certain guarantee cheques and letters of assignment agreements. These facilities bear interest rates of QMRL+ 0.25%, QMRL+ 0.5% and 5.5% per annum.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

23. LOANS AND BORROWINGS (CONTINUED):

23 d) Projects finance

The Group obtained facilities from local and foreign banks to finance its existing project from the progress payments to be paid by customers for those projects. The facilities are secured by corporate guarantees and by the assignment of contract payments from the customer to route all contract proceeds with the bank. Local banks facilities' minimum interest rates are ranged from 5.1% to 5.5% per annum while foreign banks facilities' interest rates are ranged from SAIBOR+1.25% to SAIBOR+2.5% per annum.

23 e) Murabaha

Murabaha represent facilities obtained from a local Islamic bank for the purchase of materials and issuing letters of credit to suppliers. These loans bear profit rate of QMRL+1% with minimum rates falling between 5.5%-6.5% p.a.

23 f) Short term financing facility

The Group has entered into in multiple credit facility agreements with local and foreign banks to fulfil their day-to-day working capital needs. Local bank facilities bear interest rates ranging from QMRL + 0.25% to QMRL + 0.50% per annum. The minimum rates of these facilities range from 5.1% to 6% per annum, while certain facilities carry a fixed interest rate of 4.5% per annum. The foreign banks facilities bear interest rates of SAIBOR+2.5% per annum. Interest is accrued daily and compounded monthly.

23 g) Financial covenants – Korean Medical Center WLL

As at December 31, 2025, one of the Group's subsidiaries, Korean Medical Center W.L.L., was not in compliance with certain covenants under its loan agreement with a local commercial bank as at the reporting date. Consequently, the subsidiary did not have an unconditional right to defer settlement of the related borrowing for a period of at least twelve months after the reporting date. Accordingly, in line with IAS 1 (Amendments relating to Non-current Liabilities with Covenants), the outstanding balance of QAR 269,224,456 has been presented as a current liability in the consolidated statement of financial position.

Subsequent to the reporting date, on February 26, 2026, the Company received written confirmation from the lending bank indicating that the monitoring of financial covenants is deferred. As this confirmation was obtained after the reporting date, it does not affect the classification of the related borrowing as a current liability as at December 31, 2025 in accordance with IAS 1.

24. TRADE AND OTHER PAYABLES:

	December 31,	
	2025	2024
	QAR	QAR
Accounts payable	882,157,164	477,351,858
Accrued expenses	377,829,625	539,953,539
Advances from customers	656,200,961	617,092,710
Provisions for leave salary, air ticket and others	120,572,608	89,009,845
Provision for maintenance cost	7,031,919	49,811,776
Retentions payables	26,458,118	23,722,224
Notes payable	55,085,466	11,869,542
Social and sport funds contribution	24,744,919	10,108,082
Due to staff	188,791	712,496
Other payables	276,824,216	196,209,880
Total	2,427,093,787	2,015,841,952

25. REVENUE:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Revenue from contract with customer	6,409,410,686	4,147,918,304
Rental income from investment property (Note 7 d)	81,521,769	68,426,956
Total	6,490,932,455	4,216,345,260

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

25. REVENUE (CONTINUED):

25 a) Following sub notes illustrates the disaggregation of disclosure by timing of revenue recognitions, type of customers and primary geographical markets of the Groups revenue:

	Year ended December 31,	
	2025	2024
	QAR	QAR
i) Timing of revenue recognitions		
Recognized at a point in time	1,237,126,201	2,731,667,534
Recognized over the time	5,253,806,254	1,484,677,726
Total revenue	6,490,932,455	4,216,345,260
ii) Type of customers		
External parties	4,800,258,753	3,381,453,703
Related parties	1,690,673,702	834,891,557
Total revenue	6,490,932,455	4,216,345,260
iii) Revenue by primary geographical markets		
Local operations	4,518,231,822	3,222,522,659
Foreign operations	1,972,700,633	993,822,601
Total revenue	6,490,932,455	4,216,345,260

26. COST OF OPERATIONS:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Salaries and other benefits to employees	1,525,538,290	1,195,120,596
Direct materials	1,188,441,125	870,974,710
Subcontractor costs	607,801,722	320,490,535
Cost of services	300,771,539	211,151,475
Site overhead costs	164,068,273	183,344,296
Depreciation of property, plant and equipment (Note 6 a)	125,181,255	106,068,982
Repairs and maintenance expenses	87,792,922	66,309,920
Rent expenses	82,254,953	102,223,090
Transportation chargers	61,654,724	34,568,342
Professional fees	15,136,928	43,422,009
Government expenses	9,346,527	8,266,495
Amortization of intangible assets (Note 8 a)	7,869,768	6,972,698
Depreciation of right-to-use assets (Note 9 b)	735,044	869,881
Machinery hiring chargers	381,942	1,359,877
Other direct costs	169,660,327	49,906,931
Total	4,346,635,339	3,201,049,837

27. OTHER INCOME:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Government grants	40,000,000	40,000,000
Gain on disposals of property plant and equipment	5,529,616	417,610
Exchange gain	5,208,961	193,362
Dividend income	3,456,996	-
Fair value gain on financial assets measured at fair value through profit or loss (Note 12)	62,060	63,777
Miscellaneous income	54,989,028	55,466,792
Total	109,246,661	96,141,541

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

28. GENERAL AND ADMINISTRATIVE EXPENSES:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Salaries and other benefits to employees	286,708,269	202,171,262
Professional fees expenses	121,549,159	52,024,654
Facility services expenses	92,141,284	61,365,283
Financial assets write off	76,462,693	-
Depreciation of right-of-use assets (Note 9 b)	40,350,967	15,483,052
Repair and maintenance expenses	35,629,912	19,621,608
Depreciation of property, plant and equipment (Note 6 a)	33,692,322	23,712,078
Marketing and development expenses	32,613,516	11,175,758
Rent expenses	32,560,882	11,785,812
IT expenses	31,318,827	13,569,648
Group shared expenses	27,063,042	16,848,463
Property management expenses	22,063,115	-
Provision for slow moving inventories (Note 13 a)	14,325,631	2,887,141
Utilities expenses	18,397,900	31,138,588
Communication expenses	8,067,299	2,476,298
Bank commission and charges	4,508,419	1,282,266
Amortization of intangible assets (Note 8 a)	3,692,683	2,678,943
Property, plant and equipment write off and impairment	3,225,850	-
Miscellaneous expenses	69,770,297	57,353,758
Total	954,142,067	525,574,612

29. PROVISION/ (REVERSAL) FOR IMPAIRMENT OF FINANCIAL ASSETS:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Provision for impairment of contract assets (Note 14)	101,880,158	-
Provision for impairment of accounts receivables (Note 15 b)	54,444,946	12,065,941
Provision for impairment of due from related parties (Note 16 b)	14,083,997	59,306
Provision for impairment of other receivables	9,221,126	-
Provision/ (reversal) for impairment for advance paid to suppliers	1,152,507	(510,000)
Provision/ (reversal) for impairment of retention receivable (Note 11 c)	193,270	(89,413)
Total	180,976,004	11,525,834

30. FINANCE COST:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Finance cost on loans and borrowings	151,401,860	128,053,945
Profit expenses for the sukuk financing (Note 22)	59,173,092	18,690,972
Exchange loss on foreign currency loan	56,437,880	-
Finance cost on leases (Note 9 d)	16,764,817	9,214,951
Finance cost on loans from a related party (Note 16 d)	402,270	394,685
Total	284,179,919	156,354,553

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

31. PROVISION FOR INCOME TAX

Income tax expense comprises of the following:

	Year ended December 31,	
	2025	2024
	QAR	QAR
Income tax expense		
Corporate income tax	31,925,888	7,788,720
Global minimum top-up tax	36,623,982	-
Total Current income tax	68,549,870	7,788,720
	2025	2024
	QAR	QAR
Income tax payables		
Balance at the beginning of the year	8,190,503	4,315,286
Current income tax charges	31,925,888	7,788,720
Adjustments for prior year income tax	498,648	401,783
Tax paid during the year	(8,190,503)	(4,315,286)
Balance at the end of the year	32,424,536	8,190,503
	2025	2024
	QAR	QAR
Global minimum top-up tax payables	36,623,982	-
Total tax payables at the end of the year	69,048,518	8,190,503

Global minimum tax

The Organization for Economic Co-operation and Development ("OECD") Global Anti-Base Erosion Pillar Two Model Rules ('GloBE rules') apply to Multinational Enterprises ("MNEs") groups with total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years. Power International Holding W.L.L. is the Ultimate Parent Entity of the Group and is domiciled and operates in the State of Qatar. The Ultimate Parent Entity has assessed that it is in scope of the GloBE rules. The Group mainly operates in the State of Qatar, Saudi Arabia, Iraq, Egypt, Libiya and Algeria.

On March 27, 2025, the State of Qatar published in the Official Gazette, Law No. 22 of 2024 amending specific provisions of the Income Tax Law promulgated under Law No. 24 of 2018 by introducing Domestic Minimum Top-up Tax (DMTT) and Income Inclusion Rule (IIR) with a minimum effective tax rate of 15 percent. The amendments are effective from January 01, 2025. The related regulations on implementation were issued by the General Tax Authority on February 12, 2026. The detailed regulations with respect to compliance and administrative provisions are still awaited.

The Group has recognised a current tax expense of QAR 36.6 million related to the top-up tax for the year ended December 31, 2025 (December 31, 2024: Nil). The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 "Income Taxes" issued in May 2023.

32. BASIC AND DILUTED EARNINGS PER SHARE:

Basic and diluted earnings per share are calculated by dividing the profit attributable to shareholders of the Parent Company by the restated weighted average number of ordinary shares outstanding during the year. The weighted average number of shares has been adjusted retrospectively to reflect the effect of the bonus shares issued approved by the General Assembly during the period (Note 18).

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

32. BASIC AND DILUTED EARNINGS PER SHARE (CONTINUED):

	Year ended December 31,	
	2025	2024
	QAR	QAR
Profit for the period attributable to shareholders of the parent (QAR)	989,796,774	404,323,269
Restated weighted average number of shares after the bonus shares issued	3,744,441,250	3,744,441,250
Restated basic and diluted earnings per share (Qatari Riyals per share)	0.264	0.108

33. COMMITMENTS AND CONTINGENCIES:

There are no material commitments and contingencies existing as of the reporting date, except for the following:

	December 31,	
	2025	2024
	QAR	QAR
Performance bonds	856,645,884	871,678,823
Advance payment guarantees	814,920,450	1,052,508,468
Retention bonds	650,000	650,000
Tender bonds	61,094,742	37,364,951
Letter of credits	584,032,018	367,344,753
Post dates cheques payables	18,730,671	8,749,814
Guarantee cheque	1,065,150	1,686,724
Corporate guarantees	87,000,000	98,350,664

34. SOCIAL AND SPORTS FUND CONTRIBUTION

According to Qatari Law No. 13 of 2008 and the related clarifications issued in January 2010, the Group is required to contribute 2.5% of its consolidated net profit attributable to the shareholders of the Company to the Social and Sport Activities Support Fund ("DAAM") of Qatar. The Group transferred from its retained earnings and accrued as at December 31, 2025 an amount of QAR 24,744,919. (2024: QAR 10,108,082)

35. FINANCIAL RISK MANAGEMENT:

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

- 35 a) Credit risk
- 35 b) Liquidity risk
- 35 c) Market risk
- 35 d) Interest rate risk

35 a) Credit risk

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

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The carrying amount of financial assets represents the maximum credit exposure.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

35. FINANCIAL RISK MANAGEMENT (CONTINUED):

35 a) Credit risk (Continued)

The tables below detail the gross maximum exposure to credit risk of the Group's financial assets:

	December 31,	
	2025	2024
	QAR	QAR
Trade and other receivables (except non-financial assets)	1,843,666,918	1,643,094,962
Due from related parties (Note 16 a)	1,938,091,381	530,962,092
Contract assets (Note 14 a)	935,375,398	1,128,248,696
Retention receivables (Note 11)	231,836,859	203,893,675
Financial assets at fair value through profit or loss (Note 12)	31,125,837	31,063,777
Cash at banks	463,205,072	433,196,321
Total	5,443,301,465	3,970,459,523

The Group limits its exposure to credit risk from trade receivables by:

- i) Evaluating the creditworthiness of each counter-party prior to entering into contracts;
- ii) Establishing sale limits for each customer, which are reviewed regularly;
- iii) Establishing maximum payment periods for each customer, which are reviewed regularly; and
- iv) Periodically reviewing the collectability of its trade receivables for identification of any impaired amounts.

Measurement of ECLs

The table in note 15 a) to the consolidated financial statements provides information about exposure to credit risk and ECL for trade and other debit balances as at December 31, 2025 and December 31, 2024.

Cash at banks

The Group's cash at bank is held with banks that are independently rated by credit rating agencies.

	December 31,	
	2025	2024
	QAR	QAR
Cash at banks	463,205,072	433,196,321

35 b) Liquidity risk

The Group's bank deposits are held with credit worthy and reputable banks with high credit ratings. As a result, management believes that credit risk in respect of these balances is immaterial. Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management'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 table below summarizes the contractual maturities of the Group's financial liabilities at the reporting date.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

35. FINANCIAL RISK MANAGEMENT (CONTINUED):

35 b) Liquidity risk (Continued)

December 31, 2025

	Contractual cash flows		
	Carrying amount	Within one year	Above 1 year
	QAR	QAR	QAR
Non-derivative financial liabilities			
Loans and borrowings (Note 23 a)	3,705,531,093	1,864,996,032	1,840,535,061
Sukuk financing (Note 22 b)	818,647,801	22,759,306	795,888,495
Lease liabilities (Note 9 c)	419,822,006	35,153,240	384,668,766
Due to related parties (Note 16 c)	32,358,590	32,358,590	-
Retention payables	47,837,854	26,458,118	21,379,736
Trade and other payables	1,616,830,181	1,616,830,181	-
Total	6,641,027,525	3,598,555,467	3,042,472,058

December 31, 2024

	Contractual cash flows		
	Carrying amount	Within one year	Above 1 year
	QAR	QAR	QAR
Non-derivative financial liabilities			
Loans and borrowings (Note 23 a)	2,772,136,422	1,491,076,717	1,281,059,705
Sukuk financing (Note 22 b)	665,117,202	19,225,809	645,891,393
Lease liabilities (Note 9 c)	272,252,718	9,639,749	262,612,969
Loan from a related party (Note 16 d)	9,870,002	-	9,870,002
Due to related parties (Nonte 16 c)	170,930,194	170,930,194	-
Retention payables	27,735,898	23,722,224	4,013,674
Trade and other payables	1,236,205,397	1,236,205,397	-
Total	5,154,247,833	2,950,800,090	2,203,447,743

35 c) Market risk

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

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to a change in foreign exchange rates. The Group is exposed to foreign currency risk on its imports and transactions with foreign subsidiaries.

35 d) Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity analysis

The Group is exposed to interest rate risk mainly on bank borrowing and overdrafts. A 1% increase or decrease is used when reporting interest rate risk to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

35. FINANCIAL RISK MANAGEMENT (CONTINUED):

35 d) Interest rate risk (Continued)

Interest rate sensitivity analysis (Continued)

If the interest rates had been 1% higher/lower and all other variables were held constant, the Group's net income would be impacted as follows:

	December 31,	
	2025	2024
	QAR	QAR
Term loans (Note 23 b)	2,384,403,758	1,632,534,095
Factor finance (Note 23 c)	492,922,154	472,168,325
Projects finance (Note 23 d)	308,436,770	148,521,427
Murabaha loans (Note 23 e)	11,742,503	30,678,097
Short term financing facilities (Note 23 f)	508,025,908	488,234,478
Total bank exposure subject to interest rate risk	3,705,531,093	2,772,136,422
1% increase/ decrease effect on net income	37,055,311	27,721,364

36. 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 share capital, reserves and retained earnings.

37. EVENTS AFTER THE REPORTING PERIOD:

There have been no material events subsequent to the reporting date that would require adjustment to, or disclosure in, these consolidated financial statements, other than those disclosed below.

37.1) On August 31, 2025, the Ordinary General Assembly of Estithmar Holding Q.P.S.C. approved the acquisition by its subsidiary, The View Hospital W.L.L., of property title deed No. (96053), including the related building and medical equipment, from Llanuras Trading & Contracting W.L.L. (a related party), for a total consideration of QAR 2,060,000,000.

The consideration will be settled through (i) QAR 1,442,000,000 financed by a long-term loan facility from Qatar National Bank and (ii) QAR 618,000,000 funded from the Group's working capital. The property will be registered in the name of The View Hospital W.L.L. and mortgaged in favor of Qatar National Bank as security for the facilities granted.

The transaction is expected to be completed during 2026. As this represents a non-adjusting event after the reporting period, no adjustment has been made in these consolidated financial statements.

37.2) Subsequent to the reporting date, on February 26, 2026, the Company received written confirmation from the lending bank deferring the monitoring of financial covenants. As this confirmation was received after the reporting date, it does not affect the classification of the related borrowing as a current liability as at December 31, 2025, as further described in Note 23(g), in accordance with IAS 1 *Presentation of Financial Statements*.

38. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of financial assets at fair value through profit or loss, amounts due from related parties, retention receivables, contract assets, bank balances and cash, trade receivable and other debit balances. Financial liabilities consist of amounts due to related parties, trade payable and other credit balances, retention payables, lease liabilities, income tax payable, sukuk financing and loans and borrowings.

The Company measures financial instruments in accordance with its accounting policies under IFRS 9 *Financial Instruments*. Financial instruments measured at amortised cost are initially recognised at fair value and subsequently measured using the effective interest method.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

38. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED):

The carrying amounts of financial assets and liabilities measured at amortised cost approximate their fair values, primarily due to their short-term nature or because they bear interest at market rates. For financial instruments measured at fair value, the Company applies the guidance in IFRS 13. Fair values are categorised into the following hierarchy based on the inputs used in valuation techniques:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices that are observable, either directly or indirectly.
Level 3	Inputs for the asset or liability that are not based on the observable market data (Unobservable inputs).

Inputs other than quoted prices that are observable, either directly or indirectly

Financial instruments	Classification	December 31, 2025		
		Carrying value QAR	Fair value QAR	Fair Value Hierarchy
Unquoted investments	FVTPL	31,063,777	31,125,837	Level 3

Financial instruments	Classification	December 31, 2024		
		Carrying value QAR	Fair value QAR	Fair Value Hierarchy
Unquoted investments	FVTPL	31,000,000	31,063,777	Level 3

There were no transfers between Levels 1, 2, and 3 during the year.

Page 51

39. COMPARATIVE FIGURES:

Certain amounts in the comparative figures of the consolidated financial statements and the related notes have been reclassified to conform to the current year's presentation. Management believes that these reclassifications resulted in a more appropriate presentation and did not have a material impact on the prior year's net income or equity.

40. LEGAL CASES:

40.1. Debbas – ETA JV vs. Midmac – Six Construct JV

One of the Group's subsidiaries, Debbas Enterprises Qatar W.L.L. ("Debbas") has entered into a Joint Venture with ETA Star Engineering and Contracting W.L.L. (Under liquidation) ("EDJV") in February 2011 to carry out the electromechanical works of Doha Exhibition and Convention Center for the main contractor Midmac Contracting/ Six Construct JV ("SMJV"), with a total contract value of QAR 430,000,000 to be executed within 22 months.

- A. EEDJV has obtained a credit facility from Al Ahli Bank Q.P.S.C. ("Al Ahli Bank") in 2011 to finance this project and the total outstanding balance including accrued interest as of December 31, 2020 amounted to QAR 152,696,565 (2019: QAR 148,463,224).
- B. Al Ahli Bank filed a lawsuit No. 2926/2018 against EDJV and other, requesting to pay an amount of QAR 178,529,133 plus accrued interest to cover the outstanding loan balance that was obtained from Al Ahli Bank to finance the project construction works.
- C. Accordingly, the EDJV filed a lawsuit No. 568/2018 against SMJV and Qatari Diar "(the client)" requesting them to pay an amount of QAR 625,861,657 being the remaining costs of the original contract, the additional works carried out based on the site instructions, extensions of time, and compensation for the opportunity costs.

Page 49

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

40. LEGAL CASES (CONTINUED):

40.1. Debbas – ETA JV vs. Midmac – Six Construct JV (Continued)

- D. On March 21, 2019, the Court of First Instance decided to combine the two cases.
- E. This case is now closed, after appeal and cassation.
- F. The final decision is for SMJV to pay QAR 142,233,882 to EEDJV. SMJV paid the amount and Debbas received its share.

40.2. Debbas - QDSBG

- A. A lawsuit has been raised by QDSBG against Debbas Enterprises (one of Estithmar subsidiaries) to demand the completion of the work of the LCP project and hand over to the project owner the spare parts and guarantees necessary to issue the accreditation certificate, in addition to 69,498,491 riyals, the value of the additional amounts paid in excess to Debbas Company, in addition to delay fines. QDSBG is claiming Debbas to pay an amount of 109,508,421 QAR, the value of the additional amount paid in excess to the defendant, in addition to the amount allocated to complete the work subject to the contract through subcontractors. In addition to an amount of 5,000,000 QAR compensation.
- B. A sub-suit was filed by Debbas demanding the following: - Obliging QDSBG to pay an amount of QAR 227,161,704, , as a result of the time extension. □
- C. On November 09, 2023 the court of first instance issued its judgment in favor of Debbas obliging QDSBG to pay QAR 82,000,000.
- D. Both Debbas and QDSBG appealed the court of first instance judgment.
- E. On January 30, 2025 the Court of appeal issued its judgment in favor of Debbas obliging QDSBG to pay QAR 7,688,729 and finish outstanding works.
- F. Debbas Paid the amount and is finalizing the works.

40.3. Elegancia Landscape – QDSBG

- A. There is an ongoing arbitration case that is related to a Subcontract Agreement related to landscape and irrigation along the Eastern Dukhan Road. QDSBG is claiming additional costs due to abandonment and difference in the final account and measurements of quantities. The amount of QDSBG's claim is (QAR 23,716,404).
- B. Elegancia Landscape also has a counter claim pertaining to the claims for Extension of Time due to delay events attributable to QDSBG, specifically including Prolongation from January 30, 2020, to June 30, 2022, the Covid-19 related claims and Extended maintenance period. The amount of the counter claim is (QAR 42,716,455).
- C. The arbitrators were appointed, and arbitration is ongoing .

40.4. Estithmar Holding - Qatar General insurance and reinsurance

- A. Estithmar Holding had an insurance policy with QGIR.
- B. QGIR filed case number 9778/2025 against Estithmar Holding claiming QAR 4,623,292 in unpaid premiums and invoices.
- C. Court of first instance ruled in favour of QGIR.

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

40. LEGAL CASES (CONTINUED):

40.4. Estithmar Holding - Qatar General insurance and reinsurance (Continued)

- D. Estithmar Holding filed and appeal and case is ongoing.
- E. Case is ongoing.

40.5. Estithmar Holding - Atom Hajj

- A. EMEC W.L.L. was established as a Qatari Limited Liability Company owned by Estithmar Holding (68.5%) and Atom Hajj (31.5%).
- B. EMEC suffered losses and Estithmar Holding covered all these losses and paid it fully.
- C. Estithmar Holding filed case number 10406/2025 against Atom Hajj to claim QAR 122,500,000 representing his share of the losses.
- D. Case is ongoing.

41. BUSINESS COMBINATION:

41 a) On April 12, 2022, the Company completed a reverse acquisition transaction and formally notified the same to the Qatar Financial Markets Authority and the Qatar Stock Exchange.

The transaction was executed through the issuance of 2,574,037,500 newly issued shares of the Company at a nominal value of QAR 1 per share, as part of a share swap arrangement. Under the terms of the transaction, each shareholder of Elegancia Group WLL ("Accounting acquirer") received shares in the Company at an exchange ratio of 3.10125 shares for each the accounting acquirer share held. The transaction has been accounted for in accordance with the applicable requirements of IFRS accounting standards relating to reverse acquisitions, reflecting the change in control and the revised shareholding structure of the Group.

41 b) In a reverse acquisition in which the acquirer and acquiree exchange only equity interests, IFRS 3 *Business Combinations* (paragraph 33) requires that the acquisition-date fair value of the legal acquirer's equity instruments be used as the basis for measuring consideration transferred, as this represents the most reliable measurement.

Accordingly, the Group used the quoted market price of Estithmar Holding shares at the acquisition date of QAR 2.572 per share. This resulted in the recognition of total goodwill amounting to QAR 3,240,035,090, comprising:

- Goodwill arising from the reverse acquisition transaction of QAR 1,980,757,590; and
- Internally generated goodwill recognised in the consolidated financial statements amounting to QAR 1,259,277,500.

41 c) The share capital of the Company was determined to be QAR 3,404,037,500 to reflect its value as per evaluation and not as per book value of partners' equity as of reverse acquisition date, due to legal considerations represented by determining the Company's share capital at QAR 3,404,037,500 by H.E. the Minister of Commerce and Industry and consequent approvals on January 27, 2022 by the Ministry of Commerce and Industry and followed by QFMA approval on March 15, 2022 on the share capital of the reverse acquisition transaction in which the Prospectus took a similar approach. Therefore, the shareholders approved the same in their Constituent General Assembly.

As more fully described in notes 41(a), 41(b), and 41(c), the Group recognized internally generated goodwill of QAR 1,259,277,500 in its books due to the following consideration,

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

41. BUSINESS COMBINATION (CONTINUED):

i) In accordance with IAS 1 *Presentation of Financial Statements* (paragraphs 19–20), management concluded that strict compliance with the relevant IFRS requirement would be misleading and conflict with the objectives of consolidated financial statements as set out in the Conceptual Framework. Accordingly, the Group departed from that requirement as described in those paragraphs.

ii) The reverse acquisition transaction was approved by the Qatar Financial Markets Authority (QFMA) on March 15, 2022, with the approval letter attached to the Prospectus.

iii) The recognition aligns with QFMA's Board Decision No. 4 of 2018, amending certain provisions of the Offering and Listing of Securities Rulebook issued by Decision No. 3 of 2010, Article 1, to amend Article 22, point 3. The amendment states:

"The company's shareholders' equity shall not be less than the paid-up capital according to the latest audited financial statements. The memorandum of association and the articles of association of the company shall provide for the issuance of shares for a public offering, or the company shall be licensed to do so by a legally competent authority."

iv) Historical listings of an entity on the Qatar Stock Exchange in 2017 applied the same accounting treatment.

41 d) Management impairment assessment on Goodwill

In April 2022, the Group completed a reverse acquisition transaction. As a result of the transaction, goodwill amounting to QAR 3,240,035,090 was recognised.

It represents the excess of the consideration deemed to have been transferred by the accounting acquirer over the Group's interest in the fair value of the identifiable net assets of the accounting acquiree as at the acquisition date.

Impairment testing methodology

The recoverable amount of each CGU is determined as the higher of its fair value less costs of disposal and its value in use. An impairment loss is recognised if the carrying amount of the CGU, including allocated goodwill, exceeds its recoverable amount.

Value-in-use calculations are based on cash flow projections derived from financial budgets approved by management covering a five-year period. These projections reflect management's best estimates of revenue growth, operating margins, capital expenditures, and working capital requirements. Cash flows beyond the five-year forecast period are extrapolated using a terminal growth rate.

i) **Revenue – Compound Annual Growth Rate (CAGR):** Represents the expected annual revenue growth over the five-year forecast period. Management determined the CAGR based on historical performance and market expectations.

ii) **Terminal growth rate (TGR):** 1.8%, based on the average long-term inflation rate in the State of Qatar as estimated by the International Monetary Fund (IMF) at the valuation date. This does not exceed the long-term average growth rate for the CGUs' respective industries and is consistent with industry forecasts.

iii) **Discount rate:** Represents the current market assessment of the time value of money and the risks specific to each CGU. Low and high ranges have been applied to reflect uncertainties in key assumptions, including revenue growth, operating margins, and other CGU-specific risks. These ranges provide transparency on the sensitivity of the recoverable amounts to changes in assumptions and reflect the Group's operating segments' specific circumstances, including weighted average cost of capital considerations.

Based on the impairment testing performed, management concluded that no impairment of goodwill was required as at December 31, 2025 (2024: no impairment identified).

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

42. OPERATING SEGMENTS:

Information reported for the purpose of resource allocation and assessment of segment performance focuses on the types of services being provided. The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require separate business strategies. For each of the strategic business units, the Group reviews internal management reports on a regular basis. The Group's have recognized five reportable segments which are corporate, contracting and industries, services, healthcare and ventures.

Management monitors the operating results of the operating segments to make decision about resource allocation and performance measurements. Segment performance is evaluated based on operating profit or loss and measured consistently with operating profit or loss in the consolidated financial statements.

The following table summarizes the performance of the operating segments in the Group for the period ended December 31, 2025 and 2024:

December 31, 2025	Corporate QAR	Contracting and industries QAR	Services QAR	Healthcare QAR	Ventures QAR	Eliminations and adjustments QAR	Total QAR
Revenue							
External customers	-	1,411,956,684	996,419,204	2,196,352,277	195,530,588	-	4,800,258,753
Inter-segment	3,167,235	1,396,601,952	761,410,808	-	80,741,544	(551,247,837)	1,690,673,702
Total revenue	3,167,235	2,808,558,636	1,757,830,012	2,196,352,277	276,272,132	(551,247,837)	6,490,932,455
Segment profit/ (loss)	326,786,998	32,588,738	273,344,541	591,899,081	178,185,792	(464,522,348)	938,282,802
Income/ (expenses)							
Other income	629,235,697	28,316,618	14,832,888	24,014,212	196,667,143	(629,245,722)	263,820,836
Cost of operations	(2,859,343)	(2,418,985,914)	(1,359,737,158)	(887,964,846)	(228,335,915)	551,247,837	(4,346,635,339)
General and administrative expenses (including impairment provision)	(152,684,340)	(345,454,016)	(105,422,641)	(666,662,177)	(29,618,271)	164,723,374	(1,135,118,071)
Total assets	6,787,104,158	3,874,389,822	2,387,121,214	2,633,000,518	3,185,221,666	(5,007,889,562)	13,858,947,816
Total liabilities	2,879,374,258	3,252,526,491	1,079,813,439	1,774,031,626	1,131,595,233	(2,400,069,337)	7,717,271,710

ESTITHMAR HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

42. OPERATING SEGMENTS (CONTINUED):

December 31, 2024	Corporate QAR	Contracting and industries QAR	Services QAR	Healthcare QAR	Ventures QAR	Eliminations and adjustments QAR	Total QAR
Revenue							
External customers	-	1,287,390,252	1,075,578,865	949,219,688	69,264,898	-	3,381,453,703
Inter-segment	-	663,534,918	543,844,232	826,343	69,469,932	(442,783,868)	834,891,557
Total revenue	-	1,950,925,170	1,619,423,097	950,046,031	138,734,830	(442,783,868)	4,216,345,260
Segment profit	(28,107,482)	155,734,148	298,468,135	33,750,044	(37,603,633)	-	422,241,212
Income/ (expenses)							
Other income	121,410,436	31,784,695	5,626,949	8,425,082	42,568,205	(113,060,038)	96,755,329
Cost of operations	-	(1,681,736,610)	(1,232,839,288)	(582,568,620)	(148,097,324)	444,192,005	(3,201,049,837)
General and administrative expenses (including impairment provision)	(119,734,252)	(127,887,717)	(62,133,703)	(311,617,013)	(27,379,662)	111,651,901	(537,100,446)
Total assets	7,080,014,131	3,350,600,620	2,501,706,408	1,652,450,935	1,881,128,184	(5,161,877,527)	11,304,022,751
Total liabilities	3,474,522,373	2,317,495,740	1,121,984,922	1,429,279,789	681,145,509	(2,956,187,580)	6,068,240,753