Aamal Company Q.P.S.C.

Consolidated Financial Statements

31 December 2024

Aamal Company Q.P.S.C.

Consolidated Financial Statements
As at and for the year ended 31 December 2024

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Independent auditor's report

To the Shareholders of Aamal Company Q.P.S.C.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aamal Company Q.P.S.C. (the 'Company') and its subsidiaries (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

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

Key Audit Matter

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

Independent auditor's report (continued)

Aamal Company Q.P.S.C.

Key Audit Matter (Continued)

Valuation of Investment Properties	
See Note 4 and Note 31 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
We focused on this area because of the following reasons: ▪ Carrying value of investment properties at the reporting date represents 76.3% of the Group's total assets, hence a material portion of the statement of financial position as at 31 December 2024. (2023: 79.9%). ▪ Valuation of investment properties involves the use of significant judgements and estimates. ▪ Sensitivity of valuations to key assumptions.	Our audit procedures in this area included, among other things: ▪ Evaluating the external valuer's competence, capabilities and objectivity; ▪ Inspecting the valuation reports and assessing whether any matters identified in them have a potential impact on the amounts recorded and / or the disclosures in the consolidated financial statements; ▪ Agreeing the property information in the valuation reports to the underlying property records held by the Group; ▪ Involving our own valuation specialist to assist us in the following matters: - assessing the consistency of the valuation basis and appropriateness of the methodology used, based on generally accepted valuation practices; - evaluating the appropriateness of key assumptions (i.e. economic life of the asset, rebuild cost and the comparable market rate for the land value); - review the appropriateness of the valuation outcomes. ▪ Evaluating the adequacy of the financial statement disclosures including disclosures of key assumptions, judgements and sensitivities. ▪ Evaluating design, implementation and operating effectiveness of key controls over the methods, assumptions and data used in estimation of the fair value of the investment properties.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. Prior to the date of this auditors' report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above 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 on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board of Directors for the Consolidated Financial Statements

The Board of Directors is 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Independent auditor's report (continued)

Aamal Company Q.P.S.C.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 auditors' 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 auditors' 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

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, actions taken to eliminate threats or safeguards applied.

Independent auditor's report (continued)

Aamal Company Q.P.S.C.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure 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:

i) We have obtained all the information and explanations we considered necessary for the purposes of our audit.

ii) The Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith.

iii) We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Company.

iv) Furthermore, the physical count of the Company's inventories was carried out in accordance with established principles.

v) 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 Company's consolidated financial position or performance as at and for the year ended 31 December 2024.

25 February 2025
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
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Consolidated statement of financial position
As at 31 December 2024 In Qatari Riyals

	Notes	2024	2023
Assets			
Non-current assets			
Property, plant and equipment	3	**405,342,070**	247,952,116
Investment properties	4	**7,135,738,978**	7,115,577,748
Right-of-use assets	5.1	**35,048,556**	33,600,635
Equity-accounted investees	6	**491,927,424**	400,213,361
Retention receivables	7	**1,057,980**	2,078,693
Total non-current assets		**8,069,115,008**	7,799,422,553
Current assets			
Inventories	8	**243,148,347**	165,969,758
Investments at fair value through profit or loss	9	**8,228,943**	11,728,608
Trade and other receivables	7	**680,081,739**	683,748,767
Amounts due from related parties	10	**143,113,128**	60,115,051
Cash and cash equivalents	11	**202,960,953**	189,406,112
Total current assets		**1,277,533,110**	1,110,968,296
Total assets		**9,346,648,118**	8,910,390,849
Equity and liabilities			
Equity			
Share capital	12	**6,300,000,000**	6,300,000,000
Legal reserve	13	**763,750,936**	731,812,949
Retained earnings		**1,286,204,826**	886,897,567
Equity attributable to owners of the Company		**8,349,955,762**	7,918,710,516
Non-controlling interests	12.1	**7,891**	42,582,165
Total equity		**8,349,963,653**	7,961,292,681
Liabilities			
Non-current liabilities			
Borrowings	14	**210,871,068**	189,393,773
Lease liabilities	5.2	**24,437,919**	24,426,981
Deposits from tenants		**10,528,939**	7,442,397
Employees' end of service benefits	15	**33,056,777**	29,728,689
Total non-current liabilities		**278,894,703**	250,991,840
Current liabilities			
Borrowings	14	**167,182,748**	156,125,328
Lease liabilities	5.2	**16,447,971**	15,197,560
Trade and other payables	16	**484,364,354**	426,169,345
Amounts due to related parties	17	**49,794,689**	100,614,095
Total current liabilities		**717,789,762**	698,106,328
Total liabilities		**996,684,465**	949,098,168
Total equity and liabilities		**9,346,648,118**	8,910,390,849

The consolidated financial statements were authorised for issue by the Board of Directors on 25 February 2025 and were signed on its behalf by:

Sheikh Mohamed Bin Faisal Al Thani
Vice Chairman and Managing Director

Rashid Bin Ali Al Mansoori
Chief Executive Officer

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2024 In Qatari Riyals

	Notes	2024	2023
Revenue	18	**2,100,838,220**	2,077,193,412
Cost of sales	19	**(1,585,434,088)**	(1,577,628,496)
Gross profit		**515,404,132**	499,564,916
Other income - net	20	**47,196,102**	17,240,832
Marketing and promotion expenses		**(9,647,104)**	(10,905,032)
General and administrative expenses	21	**(162,698,009)**	(150,827,140)
Reversal of / (allowance for) impairment of financial assets	7,10	**1,888,304**	(24,212,163)
Operating profit for the year		**392,143,425**	330,861,413
Finance income	22	**2,497,668**	2,393,900
Finance costs	22	**(34,317,194)**	(28,817,159)
Finance costs - net		**(31,819,526)**	(26,423,259)
Share of profit of equity-accounted investees		**71,684,526**	61,938,039
Profit before tax		**432,008,425**	366,376,193
Income tax expense		**(523,760)**	(627,802)
Profit for the year		**431,484,665**	365,748,391
Other comprehensive income		**-**	-
Total comprehensive income for the year		**431,484,665**	365,748,391
Profit for the year attributable to:			
Owners of the Company		**432,547,738**	367,498,231
Non-controlling interests		**(1,063,073)**	(1,749,840)
		431,484,665	365,748,391
Total comprehensive income for the year attributable to:			
Owners of the Company		**432,547,738**	367,498,231
Non-controlling interests		**(1,063,073)**	(1,749,840)
		431,484,665	365,748,391
Basic and diluted earnings per share			
(attributable to owners of the Company)			
(expressed in QR per share)	23	**0.07**	0.06

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
For the year ended 31 December 2024

In Qatari Riyals

	Attributable to owners of the Company					
	Share capital	**Legal reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2023	6,300,000,000	706,257,279	875,030,360	7,881,287,639	44,332,005	7,925,619,644
Profit for the year	-	-	367,498,231	367,498,231	(1,749,840)	365,748,391
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	367,498,231	367,498,231	(1,749,840)	365,748,391
Business acquisition			(5,887,898)	(5,887,898)		(5,887,898)
Transfer to legal reserve	-	25,555,670	(25,555,670)	-	-	-
Contribution to social and sports fund (Note 28)	-	-	(9,187,456)	(9,187,456)	-	(9,187,456)
	-	25,555,670	(40,631,024)	(15,075,354)	-	(15,075,354)
					-	
Transactions with owners in their capacity as owners						
Dividends (Note 27)	-	-	(315,000,000)	(315,000,000)	-	(315,000,000)
Total transactions with owners	-	-	(315,000,000)	(315,000,000)	-	(315,000,000)
Balance at 31 December 2023	6,300,000,000	731,812,949	886,897,567	7,918,710,516	42,582,165	7,961,292,681
Balance at 1 January 2024	**6,300,000,000**	**731,812,949**	**886,897,567**	**7,918,710,516**	**42,582,165**	**7,961,292,681**
Profit / (loss) for the year	**-**	**-**	**432,547,738**	**432,547,738**	**(1,063,073)**	**431,484,665**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**-**	**432,547,738**	**432,547,738**	**(1,063,073)**	**431,484,665**
Acquisition of non-controlling interest (Note 33)	**-**	**-**	**9,511,201**	**9,511,201**	**(41,511,201)**	**(32,000,000)**
Transfer to legal reserve	**-**	**31,937,987**	**(31,937,987)**	**-**	**-**	**-**
Contribution to social and sports fund (Note 28)	**-**	**-**	**(10,813,693)**	**(10,813,693)**	**-**	**(10,813,693)**
	-	**31,937,987**	**(33,240,479)**	**(1,302,492)**	**(41,511,201)**	**(42,813,693)**
Balance at 31 December 2024	**6,300,000,000**	**763,750,936**	**1,286,204,826**	**8,349,955,762**	**7,891**	**8,349,963,653**

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
For the year ended 31 December 2024 In Qatari Riyals

	Notes	2024	2023
Cash flows from operating activities			
Profit for the year		**431,484,665**	365,748,391
Adjustments for:			
Depreciation on property, plant and equipment	3	**27,898,130**	27,493,127
Amortisation on right-of-use assets	5.1	**15,009,332**	14,045,541
Share of profit of equity-accounted investees		**(71,684,526)**	(61,938,039)
(Reversal of) / allowance for impairment of financial assets	7,10	**(1,888,304)**	24,212,163
Loss on acquisition	20	**10,827,156**	-
Provision for obsolete and slow-moving inventories	8	**510,666**	1,488,979
Provision for employees' end of service benefits	15	**4,803,657**	3,931,069
Gain on derecognition of right-of-use assets	20	**(75,630)**	-
Gain on disposal of property, plant and equipment	20	**(8,525,228)**	(383,311)
Income tax expense		**523,760**	627,802
Finance costs, net	22	**31,819,526**	26,423,259
Operating profit before working capital changes		**440,703,204**	401,648,981
Changes in:			
- Trade and other receivables		**12,839,804**	(61,031,110)
- Inventories		**(68,198,354)**	101,930,814
- Trade and other payables		**42,327,892**	(100,979,055)
- Amounts due from and due to related parties		**(174,317,511)**	(79,036,619)
Cash generated from operations		**253,355,035**	262,533,011
Payment made for employees' end of service benefits	15	**(2,887,304)**	(3,057,390)
Finance costs paid	14	**(20,990,373)**	(28,817,159)
Income taxes paid		**(633,116)**	(838,185)
Net cash generated from operating activities		**228,844,242**	229,820,277
Cash flows from investing activities			
Additions to property, plant and equipment	3	**(19,369,541)**	(13,616,378)
Proceeds from disposal of property, plant and equipment	3	**42,934,149**	753,000
Proceeds from disposal of investment properties		**-**	100,000,000
Additions to investment properties	4	**(20,161,230)**	(22,077,143)
Interest received		**2,497,668**	125,337
Dividends received from equity-accounted investees		**27,720,463**	13,828,011
Acquisition of subsidiary, net of cash acquired		**265,230**	(16,378,861)
Additional investment on an associate		**(47,750,000)**	-
Acquisition of non-controlling interest		**(32,000,000)**	-
Acquisition of investments at fair value through profit or loss		**-**	(16,490)
Net cash (used in) / from investing activities		**(45,863,261)**	62,617,476
Cash flows from financing activities			
Payment of lease liabilities	14	**(15,713,449)**	(13,712,655)
Repayments of borrowings	14	**(188,764,490)**	(265,299,021)
Proceeds from borrowings	14	**35,051,799**	247,435,826
Dividends paid	27	**-**	(315,000,000)
Net cash (used in) financing activities		**(169,426,140)**	(346,575,850)
Net increase / (decrease) in cash and cash equivalents		**13,554,841**	(54,138,097)
Cash and cash equivalents at beginning of year		**189,406,112**	243,544,209
Cash and cash equivalents at end of year	11	**202,960,953**	189,406,112

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The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

1. Basis of preparation

1.1. Reporting entity

Aamal Company was formed on 13 January 2001 as a private shareholding company under the Commercial Registration Number 23245 in the State of Qatar. On 12 July 2007, the shareholders resolved to transform Aamal into a Qatari Public Shareholding Company (Q.P.S.C.) (the "Company" or "Parent Company"). Accordingly, the Company was listed on Qatari Stock Exchange on 5 December 2007. The Company's registered office is at P.O. Box 22477, Doha, State of Qatar.

The consolidated financial statements comprise the financial statements of Aamal Company Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group").

The principal business activities of the Group are disclosed in note 2.2.4 of the consolidated financial statements and the Group's principal activities, which remains unchanged since the previous year, are Industrial manufacturing, Trading and distribution, Managed services and Property management and development.

The ultimate parent and controlling shareholder of the Company is Al Faisal Holding Company W.L.L. (the "Ultimate parent"), which is controlled by Sheikh Faisal Bin Qassim Al Thani.

1.2. Basis of accounting

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

The consolidated financial statements were authorised for issue by the representatives of the Board of Directors of Aamal Company Q.P.S.C. on 25 February 2025.

1.3. Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Qatari Riyal which is the Parent Company, all subsidiaries, and all equity accounted investees' functional and presentation currency.

1.4. Use of judgements and estimates

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to consolidated financial statements are disclosed in Note 32.

1.5. New standards or amendments for 2024 and forthcoming requirements

New standards or amendments for 2024

The below table lists the recent changes to the IFRS Accounting Standards that are effective for annual periods beginning on 1 January 2024.

Effective date	New standards or amendments
1 January 2024	• *Non -current Liabilities with Covenants – Amendments to IAS 1 and Classification of Liabilities as Current or Non-current – Amendments to IAS 1* • *Lease liability in a Sale and Leaseback – Amendments to IFRS 16* • *Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7*

The adoption of above amendments had no significant impact on the Group's consolidated financial statements.

1. Basis of preparation (continued)

1.5. New standards or amendments for 2024 and forthcoming requirements (continued)

Forthcoming requirements

The below table lists the recent changes to the IFRS Accounting Standards that are required to be applied for an annual period beginning after 1 January 2024 and that are available for early adoption in annual reporting periods beginning on 1 January 2024.

Effective date	New standards or amendments
1 January 2025	• *Lack of Exchangeability – Amendments to IAS 21*
1 January 2026	• *Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7* • *Annual improvements to IFRS Accounting Standards – Volume 11*
1 January 2027	• *IFRS 18 Presentation and Disclosure in Financial Statements* • *IFRS 19 Subsidiaries without Public Accountability: Disclosures*
Available for optional adoption / effective date deferred indefinitely	• *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)*

Management does not expect that the adoption of the above new and amended standards will have a significant impact on the Group's consolidated financial statements.

Global minimum top-up tax

The Group is a constituent entity of the Al Faisal Holding W.L.L. MNE (Multinational Enterprise) group headquartered in Qatar. The Group operates exclusively within Qatar. Vide Law No. 38 of 2024, Qatar's Shura Council has approved specific amendments to provisions of the Income Tax Law promulgated under Law No. 24 of 2018 on 23 December 2024 committed to introducing global minimum tax with a minimum effective tax rate of 15%. The amendments are likely to be effective from 2025 and is under final approval. Related regulations on implementation, compliance or administrative provisions are expected to be issued by the General Tax Authority in near future.

However, since Qatar has not enacted or substantively enacted the tax legislation related to the top-up tax as at the reporting date, there is no impact on the Group's consolidated financial statements as at and for the year ended 31 December 2024. The Group continues to follow Pillar Two legislative developments and is currently conducting the impact assessment.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

2. Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

2.1. Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and investments at fair value through profit or loss which have been measured at fair value.

2. Material accounting policies (continued)

2.2. Basis of consolidation

2.2.1 Business combinations

The Group accounts for business combinations using the acquisition method of accounting when control is transferred to the Group, unless the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory, in which case they are accounted using the book value accounting method.

Acquisition accounting

The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree, the equity interests issued by the Group, the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any preexisting equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised either in profit or loss or as a change to other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognized is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognized directly in the profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs or group of CGUs that is expected to benefit from the synergies of the combination. Goodwill impairment testing is undertaken annually. Any impairment is recognized immediately as an expense and is not subsequently reversed.

Book value accounting

When the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory, the Group does not restate assets and liabilities to their fair values. Instead, the Group incorporates the assets and liabilities at the amounts recorded in the books of the acquired company.

No goodwill arises in the book value accounting method and any difference between the consideration given and the aggregate carrying amounts of assets and liabilities (as of the date of the transaction) of the acquired entity are included within equity reflecting the adjustment in retained earnings.

The consolidated financial statements incorporate the acquired entity’s results as if both entities (acquirer and acquiree) had always been combined, from the date on which the transaction took place.

2. Material accounting policies (continued)

2.2. Basis of consolidation (continued)

2.2.2 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Disposal of subsidiaries

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.2.3 Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. Purchases and sales of non-controlling interests when retaining control will be adjusted to non-controlling interests as a proportionate amount of all the net assets of the subsidiary, including recognised goodwill.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

2.2.4 Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

2.2.5 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor’s share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

2. Material accounting policies (continued)

2.2 Basis of consolidation (continued)

2.2.5 Associates (continued)

On acquisition of an associate, the difference between the cost of the investment and the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill relating to the associate and is included in the carrying amount of the associate. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of associate's profit or loss in the period in which the investment is acquired.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss and share of post-acquisition movements in other comprehensive income are recognised in the consolidated statement of profit or loss and other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and charges the amount to the consolidated statement of profit or loss and other comprehensive income.

2.2.6 Joint arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures.

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 joint ventures are accounted for using the equity method. Under the equity method, the interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses, dividends and movements in other comprehensive income.

When the Group's share of losses in a joint venture equals to or exceeds its interests in the joint ventures, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The reporting dates of the equity-accounted investees and the Group are identical and the equity-accounted investees' accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

2. Material accounting policies (continued)

2.2. Basis of consolidation (continued)

2.2.7 Group companies

Set out below are the Group's subsidiaries at 31 December 2024. 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. The country of incorporation or registration is also their principal place of business.

Name of the subsidiary	Country of incorporation	Principal activities	Group effective shareholding percentage	
			2024	2023
City Center Company W.L.L.	Qatar	Leasing the facilities of a retail outlet complex in City Center Doha	**100%**	100%
Aamal Real Estate W.L.L.	Qatar	Residential and commercial real estate investment and property rental	**100%**	100%
Aamal Readymix W.L.L.	Qatar	Production and sale of readymix concrete	**100%**	100%
Ebn Sina Medical W.L.L.	Qatar	Wholesale and retail distribution of pharmaceuticals and general consumable products	**100%**	100%
Aamal Medical W.L.L.	Qatar	Wholesale distribution of medical equipment	**100%**	100%
Aamal Trading and Distribution Company W.L.L.	Qatar	Sale of tyres, lubricants, batteries and home appliances	**100%**	100%
Aamal Services W.L.L.	Qatar	Providing facilities management and cleaning services	**100%**	100%
Aamal Travel and Tourism W.L.L.	Qatar	Operating a travel agency	**100%**	100%
Foot Care Center W.L.L.	Qatar	Sale of footwear, clinical activities and general commercial trading products	**100%**	100%
Ebn Sina Pharmacy W.L.L.	Qatar	Sale of pharmaceuticals, baby care products, medicine and general consumable products	**100%**	100%
Aamal Cement Industries W.L.L.	Qatar	Development and management of factories and the production of curb stone, interlock slabs and cement bricks	**99%**	99%
IMO Qatar Company W.L.L.*	Qatar	Construction and repair of power plant, establishment and management of industrial enterprises and acting as a representative for the international companies	**100%**	100%
Ci-San Trading W.L.L.	Qatar	Holding company of Gulf Rocks. The Group controls Ci-San Trading W.L.L. by virtue of a shareholders' agreement	**100%**	50%
Gulf Rocks Company W.L.L.	Qatar	Retail distribution of aggregates	**100%**	74.5%
Aamal Maritime Transportation W.L.L.	Qatar	Purchasing and leasing of ships for transportation of goods	**100%**	74.7%
Al Farazdaq Company W.L.L.	Qatar	Trading of office supplies and providing printing and laminating services	**65%**	65%
Family Entertainment Center Company W.L.L.	Qatar	Providing family entertainment park facilities in City Center Doha Mall	**100%**	100%
Winter Wonder Land W.L.L.	Qatar	Providing entertainment facilities in City Center Doha Mall	**100%**	100%
Aamal for Industrial Projects W.L.L.*	Qatar	Industrial investments	**100%**	100%
Legend Trading and Distribution W.L.L.	Qatar	Trading of automobile products	**100%**	100%
Aamal for Car and Truck Maintenance W.L.L.*	Qatar	Trading of car spare parts	**100%**	100%

2. Material accounting policies (continued)

2.2. Basis of consolidation (continued)

2.2.7 Group companies (continued)

Name of the subsidiary	Country of incorporation	Principal activities	Group effective shareholding percentage	
			2024	2023
Innovative Lighting W.L.L. **	Qatar	Trading of Light Emitting Diode (LED) Lamps and other lighting products	**70%**	70%
Johnson Controls Qatar W.L.L.***	Qatar	Provision of facilities management services, energy services, and building maintenance and cleaning services to corporate clients	**-**	51%
Aamal Cables for Trading and Contracting W.L.L.	Qatar	Trading of cables	**100%**	100%
Tiga Information Technologies W.L.L.	Qatar	Administration Consultancy, and Various kinds of studies Electronic Programs	**51%**	51%
Maintenance and Management Solutions W.L.L.	Qatar	Provision of maintenance, indoor and outdoor cleaning works, property management and historical and archaeological	**100%**	100%
Aamal Energy W.L.L.	Qatar	Provision of oil and gas field maintenance works	**100%**	100%
Aamal Information Technology W.L.L.	Qatar	Trading of computer equipment and provision of IT consultancy and software services	**100%**	100%
Advanced Pipes and Casts W.L.L.	Qatar	Manufacturing of wide range of cement and glass reinforced pipes systems for infrastructure and pipeline projects	**100%**	-

* Inactive operations
** Under liquidation process
*** Liquidated

Details of the equity-accounted investees of the Group are as follows:

Company name	Country of incorporation	Nature of activity	Proportion of ownership and voting power held by the Group	
			2024	2023
Joint ventures				
Senyar Industries Qatar Holding W.L.L.	Qatar	Owning of patents, businesses and subletting them and provision of investment portfolio management for its subsidiaries and associates. This joint venture is the sole supplier of cables to one of the subsidiaries of the Group.	**50%**	50%
Advanced Pipes and Casts W.L.L.	Qatar	Manufacturing of wide range of cement and glass reinforced pipes systems for infrastructure and pipeline projects	**-**	50%
Aamal ECE W.L.L.*	Qatar	This entity provides property management services to a subsidiary of the group.	**51%**	51%
Ecco Gulf Company W.L.L.*	Qatar	Offers professional and business process outsourcing and call center services	**51%**	51%
Associate				
Frijns Structural Steel Middle East W.L.L.	Qatar	Steel fabrications	**40%**	20%

*Whilst the Parent Company's ownership proportion in Aamal ECE W.L.L. and Ecco Gulf Company W.L.L. is 51%, the joint venture agreements between the Company and other shareholders indicate joint control and hence, the investments are equity-accounted by the Parent Company.

2. Material accounting policies (continued)

2.3 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss and other comprehensive income. Foreign exchange gains and losses that relate to borrowings are also presented in the consolidated statement of profit or loss and other comprehensive income, within ‘finance costs – net’. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income within ‘other income’.

2.4 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from external financing sources and makes certain adjustments to reflect the terms of the lease and type of the assets leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

2. Material accounting policies (continued)

2.4 Leases (continued)

The Group as a lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option of if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as a lessor

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Under an operating lease, the asset is included in the statement of financial position as investment properties. Lease income is recognized over the term of the lease on a straight-line basis. This implies the recognition of deferred income when the contractual day rates are not constant during the initial term of the lease contract.

Leases in which a significant portion of the risk and rewards of ownership are transferred to the lessee are classified as finance leases. They are initially recognised as "Finance lease receivables" on the statement of financial position at the present value of the minimum lease payments (the net investment in the lease) receivable from the lessee over the period of the lease. Over the lease term, each lease payment made by the lessee is allocated between the "Finance lease receivables" and "Finance lease income" in profit or loss so as to achieve a constant rate on the finance lease receivable balance outstanding. The Group does not have finance lease receivables.

The Group leases out its investment properties consisting of its owned commercial and residential properties (Note 4). All leases are classified as operating leases from a lessor perspective.

The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 4 sets out information about the operating leases of investment property.

Maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date is disclosed in Note 4.

2.5 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at fair value.

After initial recognition, investment property is carried at fair value. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable.

2. Material accounting policies (continued)

2.5 Investment properties (continued)

Investment properties under construction for which the fair value cannot be determined reliably, but for which the Group expects the fair value of the property will be reliably determinable when construction is completed, are measured at cost until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- the provisions of the construction contract;
- the stage of completion;
- whether the project/property is standard (typical for the market) or non-standard;
- the level of reliability of cash inflows after completion;
- the development risk specific to the property;
- past experience with similar constructions; and
- status of construction permits.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

Changes in fair values are recognised in the consolidated statement of profit or loss and other comprehensive income. Investment properties are derecognised when they have been disposed of.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this property at the date of transfer is treated in the same way as a revaluation under IAS 16. Any resulting increase in the carrying amount of the property is recognised in consolidated statement of profit or loss and other comprehensive income to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to consolidated statement of profit or loss and other comprehensive income.

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items cost including borrowing costs that are eligible for capitalisation and excluding the costs of day-to-day servicing, less accumulated depreciation and any impairment in value. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

From time to time, the Group's vessels are required to be dry-docked for inspection and re-licensing at which time major repairs and maintenance that cannot be performed while the vessels are in operation are generally performed. The Group capitalises the costs associated with dry-docking as they occur by adding them to the cost of the vessel and amortises these costs on the straight-line basis over 3-5 years, which is generally the period until the next scheduled dry-docking.

2. Material accounting policies (continued)

2.6 Property, plant and equipment (continued)

Depreciation is provided on a straight-line basis on all property, plant and equipment. The rates of depreciation are based upon the following estimated useful lives:

Buildings	10-30 years
Leasehold improvements	2 - 15 years
Truck mixers and motor vehicles	4-15 years
Plant and machinery	8-25 years
Furniture, fixtures and office equipment	3-5 years
Vessels and related equipment	20-25 years

The Group has entered into land lease agreements with the government and government-related entities in Qatar. As of the reporting date, there is no uncertainty regarding the early termination or discontinuation/ extension of these leases. When assessing the useful life of leasehold improvements and buildings on such leased land, the Company has taken these factors into consideration.

Capital work in progress is not depreciated.

The carrying amounts are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

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

The asset's residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each financial year end. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of profit or loss and other comprehensive income.

2.7 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, unrestricted balances held with banks and short term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

2.8 Trade and other receivables

Trade and other receivables mainly consists of amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using effective interest method less loss allowance. See note 30.1(b) for a description of the Group's impairment policies.

2.9 Inventories

Raw materials, work in progress, finished goods and goods for resale are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2. Material accounting policies (continued)

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

2.11 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are derecognised from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss and other comprehensive income as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the year these are incurred. Borrowing costs consist of the interest and other costs that the Group incurs in connection with the borrowing of funds.

2.13 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Tenant deposits

Tenant deposit liabilities are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of rental income.

2.15 Financial instruments

2.15.1 Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

2. Material accounting policies (continued)

2.15 Financial instruments (continued)

2.15.2 Classification and subsequent measurement

Financial assets

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest-rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

2. Material accounting policies (continued)

2.15 Financial instruments (continued)

2.15.2 Classification and subsequent measurement (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest (continued)

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par-amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - Subsequent measurement and gains and losses

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

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

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.15.3 Derecognition

Financial assets

The Group derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
    - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
    - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its consolidated statement of financial position but retains either all or substantially all risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

2. Material accounting policies (continued)

2.15 Financial instruments (continued)

2.15.3 Derecognition (continued)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.15.4 Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.16 Impairment

2.16.1 Non-derivative financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost and contract assets. The Group measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition and are measured at 12-month ECLs.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

As a practical expedient, the Group calculates ECL on trade receivables using a provision matrix. The Group use its historical credit loss experience for trade receivables to estimate the lifetime expected credit losses. The provision matrix uses fixed provision rates depending on the number of days that a trade receivable is past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

2. Material accounting policies (continued)

2.16 Impairment (continued)

2.16.1 Non-derivative financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 365 days past due; or
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of impairment

Provision for impairment on trade receivables is deducted from gross carrying value of trade receivables in the statement of consolidated financial position and impairment losses relating to trade receivables are separately presented in the consolidated statement of profit or loss and other comprehensive income.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

2.16.2 Non-financial assets

At each reporting date, the Group 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.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). The recoverable amount of an asset or 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 discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

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

2.17 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2. Material accounting policies (continued)

2.18 Employees' end of service benefits

2.18.1 Defined benefit plan

The Group has measured its obligation for the post-employment benefits of its employees based on the provisions of the Qatar Labour Law No. 14 of 2004. The calculation of the provision is performed by the Group 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 statement of profit or loss.

2.18.2 Other short-term employees benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be measured reliably.

2.19 Revenue

(i) Sale of goods manufactured by the Group

The Group manufactures and sells ready mix concrete, curb stone, interlock slabs and cement bricks. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been delivered to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered. As there is only one performance obligation, the revenue is recognised at point in time when these goods are delivered.

(ii) Sale of goods that are not manufactured by the Group

The Group operates wholesale and retail distribution of pharmaceuticals and general consumable products, wholesale distribution of medical equipment, retail sale of tyres, lubricants, batteries, home appliances, footwear, general commercial trading products, baby care products, medicine and general consumable products, aggregates, office supplies, automobile products and car spare parts.

A receivable is recognised when the goods are delivered. As there is only one performance obligation, the revenue is recognised at point in time when these goods are delivered.

(iii) Rental income

Rental income is recognized on straight-line basis over the term of the rent contracts.

(iv) Rendering of services

The Group provides various services including installation of medical equipment, clinical activities, family entertainment park facilities, facilities management and cleaning services, business process outsourcing and call center services and printing and lamination services. The Group also operates a travel agency.

Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. For cleaning services and call center services, this is determined using the input method approach and is based on the actual labour hours spent relative to the total expected labour hours.

2. Material accounting policies (continued)

2.19 Revenue (continued)

(iv) Rendering of services (continued)

Some contracts include multiple deliverables, such as selling and installation of medical equipment. However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes an hourly fee, revenue is recognised in the amount to which the Group has a right to invoice. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

(v) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. Material accounting policies (continued)

2.20 Fair value measurement (continued)

The Group measures its investment properties at fair value at each reporting date.

The Group's management determines the policies and procedures for valuation of investment properties. External valuers are involved for the valuation of investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management discusses and reviews, the Group's external valuers, valuation techniques and assumptions used for each property (Note 4).

2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.23 Income tax

Income tax comprises the expected tax payable on the taxable profit for the year, adjusted for any corrections to the tax payable of previous years. It is calculated on the basis of the tax laws enacted (Income Tax Law No. 24 of 2018 and Ministerial Decision No. 39 of 2019) or substantively enacted at the reporting date in the State of Qatar. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

If applicable tax regulation is subject to interpretation and there is uncertainty over a treatment chosen by the Company that it is not probable that the tax authority will accept, it establishes a provision where appropriate on the basis of amounts expected to be paid to the tax authorities. Provisions made in respect of uncertain tax positions are re-assessed whenever circumstances change or there is new information that affects the previous judgements and estimates.

3. Property, plant and equipment

	Buildings and leasehold improvements	Truck mixers and motor vehicles	Plant and machinery	Furniture, fixtures and office equipment	Vessels and related equipment	Capital work in progress	Total
Cost:							
Balance at 1 January 2024	154,954,933	114,359,737	144,158,944	64,508,543	84,208,950	13,904,682	576,095,789
Acquisition of a subsidiary	109,129,542	526,297	179,426,500	2,110,659	-	-	291,192,998
Additions	1,365,970	1,641,885	5,541,264	4,967,897	-	5,852,525	19,369,541
Disposals/write-off	(311,506)	(77,750)	(1,258,427)	(2,876,436)	(51,223,007)	-	(55,747,126)
Transfer from capital work in progress	-	-	1,196,099	-	-	(1,196,099)	-
Balance at 31 December 2024	265,138,939	116,450,169	329,064,380	68,710,663	32,985,943	18,561,108	830,911,202
Accumulated depreciation:							
Balance at 1 January 2024	58,030,427	89,863,684	102,898,635	56,072,972	21,277,955	-	328,143,673
Acquisition of a subsidiary	29,129,542	516,297	59,125,694	2,094,001	-	-	90,865,534
Charge for the year (i)	6,899,120	5,579,111	8,367,684	4,164,683	2,887,532	-	27,898,130
Disposals/write-off	(311,506)	(77,748)	(1,257,172)	(2,876,381)	(16,815,398)	-	(21,338,205)
Balance at 31 December 2024	93,747,583	95,881,344	169,134,841	59,455,275	7,350,089	-	425,569,132
Net carrying amount:							
Balance at 31 December 2024	171,391,356	20,568,825	159,929,539	9,255,388	25,635,854	18,561,108	405,342,070

3. Property, plant and equipment (continued)

	Buildings and leasehold improvements	Truck mixers and motor vehicles	Plant and machinery	Furniture, fixtures and office equipment	Vessels and related equipment	Capital work in progress	Total
Cost:							
Balance at 1 January 2023	155,266,217	117,540,598	139,032,836	58,060,952	80,381,752	15,121,303	565,403,658
Acquisition of a subsidiary	-	131,150	3,451,110	5,330,244	-	-	8,912,504
Additions	906,422	964,600	4,239,861	4,725,263	-	2,780,232	13,616,378
Disposals/write-off	(1,387,361)	(4,276,611)	(2,564,863)	(3,607,916)	-	-	(11,836,751)
Transfer from capital work in progress	169,655	-	-	-	3,827,198	(3,996,853)	-
Balance at 31 December 2023	154,954,933	114,359,737	144,158,944	64,508,543	84,208,950	13,904,682	576,095,789
Accumulated depreciation:							
Balance at 1 January 2023	53,346,288	87,557,715	95,352,698	51,177,216	16,616,748	-	304,050,665
Acquisition of a subsidiary	-	121,178	3,105,172	4,840,593	-	-	8,066,943
Charge for the year (i)	6,071,500	6,092,362	7,004,991	3,663,067	4,661,207	-	27,493,127
Disposals/write-off	(1,387,361)	(3,907,571)	(2,564,226)	(3,607,904)	-	-	(11,467,062)
Balance at 31 December 2023	58,030,427	89,863,684	102,898,635	56,072,972	21,277,955	-	328,143,673
Net carrying amount:							
Balance at 31 December 2023	96,924,506	24,496,053	41,260,309	8,435,571	62,930,995	13,904,682	247,952,116

(i) Depreciation charge for the year has been presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	2024	2023
Cost of sales (Note 19)	**17,597,006**	16,640,550
General and administrative expenses (Note 21)	**10,301,124**	10,852,577
	27,898,130	27,493,127

(ii) Gain on disposal of property, plant and equipment recognised in the consolidated statement of profit or loss and other comprehensive income is derived as follows:

	2024	2023
Proceeds from disposal of property, plant and equipment	**42,934,149**	753,000
Net book value of disposed property, plant and equipment	**(34,408,921)**	(369,689)
Gain on disposal of property, plant and equipment	**8,525,228**	383,311

4. Investment properties

	2024	2023
Balance at 1 January	**7,115,577,748**	7,193,500,605
Additions during the year	**20,161,230**	22,077,143
Disposals during the year	**-**	(100,000,000)
Change in fair value	**-**	-
Balance at 31 December	**7,135,738,978**	7,115,577,748

Investment properties are located in the State of Qatar. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase investment properties or repairs, maintenance and enhancements.

The investment properties are stated at fair value, which has been determined based on valuations performed by external independent valuers as at 31 December 2024. Those valuers are accredited with recognised and relevant professional qualifications and with recent experience in the location and category of those investment properties being valued. In arriving at estimated market values, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparable. The Group's investment properties are valued based on market approach and depreciated replacement cost (DRC) approach.

Details of the Group's investment properties as at 31 December are as follows:

	2024	2023
Completed properties:		
Commercial properties	**4,499,860,364**	4,471,364,107
Residential properties	**894,812,517**	895,915,468
Mixed (residential and commercial)	**1,715,000,000**	1,715,000,000
Capital work in progress:		
Properties under construction	**26,066,097**	33,298,173
Balance at 31 December	**7,135,738,978**	7,115,577,748

Movement in properties under construction were as follows:

	2024	2023
Balance at 1 January	**33,298,173**	28,305,156
Additions during the year	**7,925,214**	10,633,603
Transfer during the year	**(15,157,290)**	(5,640,586)
Balance at 31 December	**26,066,097**	33,298,173

Minimum lease receivables on leases of investment properties are as follows:

	2024	2023
Within one year	**213,572,450**	191,548,224
Between 1 and 5 years	**411,130,160**	374,922,795
More than 5 years	**210,273,286**	231,970,270
	834,975,896	798,441,289

Amounts recognised in consolidated statement of profit or loss and other comprehensive income for investment properties are as follows:

	2024	2023
Rental income	**310,478,687**	301,657,104
Direct operating expenses from properties that generated rental income	**22,136,271**	16,651,015

4. Investment properties (continued)

Sensitivity analysis:
At 31 December 2024, if the price per square foot for land (valued using market approach) had been higher/lower by 1% with all other variables held constant, the calculated fair valuation gains (losses) on investment properties for the year would have been QR 46 million (2023: QR 46 million) higher/lower mainly as a result of higher/lower fair value gain (loss) on value of lands.

At 31 December 2024, if the depreciated replacement cost per square meter for building (valued using depreciation replacement cost) had been higher/lower by 1% with all other variables held constant, the calculated fair valuation gains (losses) on investment properties for the year would have been QR 25 million (2023: QR 25 million) higher/lower mainly as a result of higher/lower fair value gain (loss) on value of buildings.

5. Right-of-use assets / lease liabilities

5.1 Right-of-use assets

	2024	2023
Cost:		
Balance at 1 January	**108,857,641**	95,599,867
Acquisition of a subsidiary	**6,703,555**	5,151,240
Additions during the year	**14,288,037**	8,106,534
Derecognition during the year	**(928,639)**	-
Balance at 31 December	**128,920,594**	108,857,641
Accumulated amortisation:		
Balance at 1 January	**75,257,006**	56,675,922
Acquisition of a subsidiary	**3,605,700**	4,535,543
Charge for the year (i)	**15,009,332**	14,045,541
Balance at 31 December	**93,872,038**	75,257,006
Net carrying amount:		
Balance at 1 January	**33,600,635**	38,923,945
Balance at 31 December	**35,048,556**	33,600,635

(i) Amortisation charge for the year has been presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	2024	2023
Cost of sales	**2,656,352**	713,352
General and administrative expenses	**12,352,980**	13,332,189
	15,009,332	14,045,541

5.2 Lease liabilities

	2024	2023
Balance at 1 January	**39,624,541**	44,659,111
Acquisition of a subsidiary	**3,691,030**	571,552
Additions during the year	**14,288,037**	8,106,534
Derecognition during the year	**(1,004,269)**	-
Lease payments during the year	**(18,104,202)**	(16,081,500)
Interest expense	**2,390,753**	2,368,844
Balance at 31 December	**40,885,890**	39,624,541

Lease liabilities presented in the consolidated statement of financial position as follows:

Current	**16,447,971**	15,197,560
Non-current	**24,437,919**	24,426,981
	40,885,890	39,624,541

6. Equity-accounted investees

	2024	2023
Joint ventures		
Senyar Industries Qatar Holding W.L.L.	**397,422,662**	349,352,743
Other Joint Ventures	**28,514,967**	24,841,848
Associate		
Frijns Structural Steel Middle East W.L.L.	**65,989,795**	26,018,770
	491,927,424	400,213,361

Summarised financial information of equity-accounted investees:

Summarised statement of financial position

31 December 2024	**Frijns Structural Steel Middle East W.L.L.**	**Senyar Industries Qatar Holding W.L.L.**	**Other Joint Ventures**
Assets			
Cash and cash equivalents	**51,822,370**	**11,455,067**	**32,964,182**
Other current assets	**92,350,193**	**1,020,443,265**	**76,109,892**
Total current assets	**144,172,563**	**1,031,898,332**	**109,074,074**
Total non-current assets	**34,916,471**	**248,140,062**	**129,038,172**
Total assets	**179,089,034**	**1,280,038,394**	**238,112,246**
Liabilities			
Financial liabilities (excluding trade and other payables and provisions)	**(15,459,873)**	**(115,769,064)**	**(65,634,823)**
Other current liabilities	**(19,173,796)**	**(311,338,313)**	**(16,043,262)**
Total current liabilities	**(34,633,669)**	**(427,107,377)**	**(81,678,085)**
Financial liabilities	**(15,025,021)**	**(18,901,303)**	**(109,491,997)**
Other non-current liabilities	**(8,231,372)**	**(15,558,153)**	**-**
Total non-current liabilities	**(23,256,393)**	**(34,459,456)**	**(109,491,997)**
Total liabilities	**(57,890,062)**	**(461,566,833)**	**(191,170,082)**
Non-controlling interests	**-**	**(62,542,397)**	**-**
Net assets (100%)	**121,198,972**	**755,929,164**	**46,942,164**
Group share in %	**40%**	**50%**	
Net assets (Group's share)	**48,479,589**	**377,964,582**	**28,514,967**
Goodwill / Fair value adjustment	**17,510,206**	**19,458,080**	**-**
Carrying value	**65,989,795**	**397,422,662**	**28,514,967**

6. Equity-accounted investees (continued)

Summarised statement of financial position (continued)

31 December 2023	Frijns Structural Steel Middle East W.L.L.	Senyar Industries Qatar Holding W.L.L.	Other Joint Ventures
Assets			
Cash and cash equivalents	40,568,912	20,252,367	17,818,461
Other current assets	113,118,799	841,987,301	85,006,916
Total current assets	153,687,711	862,239,668	102,825,377
Non-current assets	44,919,084	286,873,270	130,397,925
Total assets	198,606,795	1,149,112,938	233,223,302
Liabilities			
Financial liabilities (excluding trade and other payables and provisions)	(12,288,007)	(247,682,247)	(66,981,026)
Other current liabilities	(32,757,881)	(164,249,655)	(16,043,262)
Total current liabilities	(45,045,888)	(411,931,902)	(83,024,288)
Financial liabilities	(23,467,059)	(6,020,882)	(110,459,042)
Other non-current liabilities	-	(14,244,338)	-
Total non-current liabilities	(23,467,059)	(20,265,220)	(110,459,042)
Total liabilities	(68,512,947)	(432,197,122)	(193,483,330)
Non-controlling interests	-	(57,126,490)	-
Net assets (100%)	130,093,848	659,789,326	39,739,972
Group share in %	20%	50%	
Net assets (Group's share)	26,018,770	329,894,663	24,841,848
Fair value adjustment	-	19,458,080	-
Carrying value	26,018,770	349,352,743	24,841,848

Summarised statement of profit or loss and other comprehensive income

31 December 2024	**Frijns Structural Steel Middle East W.L.L.**	**Senyar Industries Qatar Holding W.L.L.**	**Other Joint Ventures**
Revenue	**117,174,367**	**1,383,476,898**	**78,405,620**
Cost of sales	**(80,180,606)**	**(1,173,829,973)**	**(49,674,874)**
Direct costs - Depreciation and amortisation	**(1,065,966)**	**(12,524,299)**	**-**
Gross profit	**35,927,795**	**197,122,626**	**28,730,746**
Other income	**1,652,839**	**2,287,005**	**-**
General expenses	**(24,340,596)**	**(52,695,057)**	**(9,486,974)**
Depreciation and amortisation	**(2,564,854)**	**(1,673,306)**	**(764,319)**
Impairment losses on financial assets	**10,549,212**	**(3,315,726)**	**-**
Impairment losses on property, plant and equipment	**-**	**(1,918,835)**	**-**
Finance income	**-**	**-**	**569,378**
Finance cost	**(121,320)**	**(13,624,005)**	**(16,400)**
Net profit	**21,103,076**	**126,182,702**	**19,032,431**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive income	**21,103,076**	**126,182,702**	**19,032,431**
Total comprehensive income attributable to non-controlling interests	**-**	**(10,550,261)**	**-**
Total comprehensive income attributable to owners of equity accounted investee	**21,103,076**	**115,632,441**	**19,032,431**
Group's share of profit	**4,221,025**	**57,816,221**	**9,647,280**

6. Equity-accounted investees (continued)

Summarised statement of profit or loss and other comprehensive income (continued)

31 December 2023	Frijns Structural Steel Middle East W.L.L.	Senyar Industries Qatar Holding W.L.L.	Other Joint Ventures
Revenue	101,096,283	1,357,401,499	72,519,459
Cost of sales	(52,514,297)	(1,159,035,401)	(46,063,654)
Direct costs - Depreciation and amortisation	(1,076,038)	(11,943,264)	-
Gross profit	47,505,948	186,422,834	26,455,805
Other income	192,865	-	-
General expenses	(23,445,592)	(52,734,948)	(9,168,105)
Depreciation and amortisation	(2,717,274)	(1,498,817)	(868,353)
Impairment losses on financial assets	(6,541,132)	(6,300,039)	-
Finance income	-	-	464,930
Finance cost	(175,227)	(17,062,964)	(51,009)
Net profit	14,819,588	108,826,066	16,833,268
Other comprehensive income	-	-	-
Total comprehensive income	14,819,588	108,826,066	16,833,268
Total comprehensive income attributable to non-controlling interests	-	(7,924,676)	-
Total comprehensive income attributable to owners of the equity accounted investee	14,819,588	100,901,390	16,833,268
Group's share of profit	2,963,918	50,450,695	8,523,426

7. Trade and other receivables

	2024	2023
Trade receivables (including contract assets)	**732,786,031**	716,896,529
Less: Impairment of trade receivables	**(100,124,493)**	(89,492,790)
	632,661,538	627,403,739
Advances to suppliers and prepayments	**28,607,289**	44,196,153
Retention receivables – current portion	**4,920,805**	3,987,610
Other receivables	**13,892,107**	8,161,265
	680,081,739	683,748,767

Retention receivables presented in the consolidated statement of financial position as follows:

	2024	2023
Current	**4,920,805**	3,987,610
Non-current	**1,057,980**	2,078,693
	5,978,785	6,066,303

As at 31 December 2024, trade receivables (including contract assets) amounting to QR 100,124,493 (2023: QR 89,492,790) were impaired. The movements in the allowance for impairment of trade receivables (including contract assets) were as follows:

	2024	2023
Balance at 1 January	**89,492,790**	80,146,669
Acquisition of a subsidiary	**2,164,304**	7,640,245
Allowance for impairment of trade receivables (including contract assets)	**13,140,257**	9,416,268
Amounts written-off	**(4,672,858)**	(7,710,392)
Balance at 31 December	**100,124,493**	89,492,790

Information about the impairment on trade receivables can be found in Note 30.

8. Inventories

	2024	2023
Goods for resale	**222,582,013**	151,136,684
Raw materials and spare parts	**22,497,878**	15,672,540
Work in progress	**1,492,940**	3,271,382
	246,572,831	170,080,606
Less: Provision for obsolete and slow-moving inventories	**(3,424,484)**	(4,110,848)
	243,148,347	165,969,758

The movements in the provision for obsolete and slow-moving inventories were as follows:

	2024	2023
Balance at 1 January	**4,110,848**	2,945,852
Acquisition of a subsidiary	**-**	471,667
Charges net of reversals during the year (Note 19)	**510,666**	1,488,979
Write-off during the year	**(1,197,030)**	(795,650)
Balance at 31 December	**3,424,484**	4,110,848

9. Investments at fair value through profit or loss

As at the reporting date, the Group held listed securities for trading in Qatar stock exchange.

10. Amounts due from related parties

	2024	2023
Ultimate parent		
Al Faisal Holding Company W.L.L.	**70,229,414**	**-**
Entities controlled by Ultimate parent		
Al Rayyan Tourism Investment Company W.L.L.	**30,276,831**	13,155,680
Al Jazi Real Estate Investment Company W.L.L.	**10,622,354**	6,856,154
The Qatari Modern Maintenance Company W.L.L.	**2,190,288**	2,347,203
Other related parties	**1,937,020**	2,808,169
	45,026,493	25,167,206
Entities owned by Key Management Personnel of Ultimate parent		
Avanzcare W.L.L.	**6,976,834**	3,652,055
Optimized Holding Company W.L.L.	**3,981,706**	463,026
Derwind Trading and Contracting Company W.L.L.	**2,246,018**	1,452,912
Gettco Construction W.L.L	**1,252,083**	842,073
Other related parties	**4,931,686**	15,960,424
	19,388,327	22,370,490
Joint venture		
Advanced Pipes and Casts W.L.L.	**-**	24,704,458
ECCO Gulf Company W.L.L.	**86,241**	99,483
	86,241	24,803,941
Associate		
Frijns Steel Construction Middle East W.L.L.	**11,908,120**	7,941,207
Gross amounts due from related parties	**146,638,595**	80,282,844
Less: Allowance for impairment of amounts due from related parties	**(3,525,467)**	(20,167,793)
Net amounts due from related parties	**143,113,128**	60,115,051

The amounts due from related parties are unsecured and are repayable in cash on demand.

10. Amounts due from related parties (continued)

The movements in the allowance for impairment of amounts due from related parties were as follows:

	2024	2023
Balance at 1 January	**20,167,793**	5,000,000
Acquisition of a subsidiary	**-**	371,898
(Reversal of) / allowance for impairment of due from related parties	**(15,028,561)**	14,795,895
Write-off during the year	**(1,613,765)**	-
Balance at 31 December	**3,525,467**	20,167,793

11. Cash and cash equivalents

	2024	2023
Cash on hand	**130,006**	103,798
Cash in banks – current accounts	**136,147,232**	155,505,986
Cash in banks – call accounts	**17,683,715**	33,796,328
Short term fixed deposits (i)	**49,000,000**	-
	202,960,953	189,406,112

(i) The short-term fixed deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

(ii) Cash is held in banks with credit ratings as follows:

Credit rating	**Rating Agency**	**2024**	2023
P-1	Moody's	**88,708,417**	99,593,645
P-2	Moody's	**109,345,515**	72,031,977
Others	Moody's	**4,777,015**	17,676,692
		202,830,947	189,302,314

12. Share capital

	2024	2023
Authorised, issued and paid		
6,300,000,000 shares of QR 1 each	**6,300,000,000**	6,300,000,000

All shares are of same class and carry equal voting rights.

12.1 Non-controlling interests

On 30 May 2024, the Group fully acquired the remaining 50% non-controlling interest in Ci-San Trading W.L.L., which was a material non-controlling interest of the Group as of 31 December 2023. Details of this acquisition are disclosed in Note 33.1.

As of 31 December 2024, and for the year then ended, the non-controlling interests in other subsidiaries were immaterial. Presented below are the details of the non-controlling interests in the Group's subsidiaries as of 31 December 2023, and for the year then ended.

12. Share capital (continued)

12.1 Non-controlling interests (continued)

Summarised statement of financial position

31 December 2023

	Ci-San Trading W.L.L.	Other individually immaterial subsidiaries	Total
NCI percentage	50%		
Non-current assets	62,928,990	25,742,407	88,671,397
Current assets	107,181,894	98,583,870	205,765,764
Current liabilities	(1,958,585)	(94,117,846)	(96,076,431)
Non-current liabilities	(8,960)	(1,781,961)	(1,790,921)
Net Assets	168,143,339	28,426,470	196,569,809
Less: Net assets attributable to the direct investment	(83,395,482)	-	(83,395,482)
Net assets attributable to the equity holders and NCI	84,747,857	28,426,470	113,174,327
Net assets attributable to NCI	42,373,929	208,236	42,582,165

Summarised statement of profit or loss and other comprehensive income

31 December 2023

	Ci-San Trading W.L.L.	Other individually immaterial subsidiaries	Total
Revenue	43,730,730	143,880,744	187,611,474
Loss for the year	(1,001,578)	(7,106,119)	(8,107,697)
Other comprehensive income	-	-	-
Total comprehensive income	(1,001,578)	(7,106,119)	(8,107,697)
Less: Profit attributable to direct investments	463,265	-	463,265
Loss attributable to equity holders	(538,313)	(7,106,119)	(7,644,432)
Loss allocated to NCI	(269,156)	(1,480,684)	(1,749,840)

Summarised statement of consolidated cash flows

	Ci-San Trading W.L.L.	Other individually immaterial subsidiaries	Total
Cash flows from operating activities	23,995,680	(9,140,156)	14,855,524
Cash flows from investing activities	(1,873,143)	(351,713)	(2,224,856)
Cash flows from financing activities	-	(257,727)	(257,727)
	22,122,537	(9,749,596)	12,372,941

13. Legal reserve

In accordance with the requirements of the Qatar Commercial Companies' Law No. 11 of 2015, as amended by law number 8 of 2021, and the Company's articles of association, an amount equal to 10% of the net profit for the year, as a minimum, should be transferred to legal reserve until this reserve is equal to 50% of the paid-up share capital. The reserve is not available for distribution except in the circumstances stipulated in the above-mentioned law and the Company's articles of association.

14. Borrowings

	Notes	Maturity	2024	2023
Loan 1	(i)	September 2026	**104,061,943**	163,507,117
Loan 2	(ii)	November 2027	**85,769,133**	114,352,118
Loan 3	(iii)	June 2024	**-**	68,275,315
Loan 4	(iv)	October 2030	**124,767,538**	-
Loan 5	(v)	October 2030	**21,113,964**	-
Loan 6	(vi)	Various dates	**45,557,593**	-
			381,270,171	346,134,550
Less: Deferred financing cost			**(3,216,355)**	(615,449)
			378,053,816	345,519,101

Borrowings presented in the consolidated statement of financial position as follows:

	2024	2023
Current	**167,182,748**	156,125,328
Non-current	**210,871,068**	189,393,773
	378,053,816	345,519,101

The deferred financing costs consist of arrangement fees. The movements in the deferred financing costs were as follows:

	2024	2023
At 1 January	**615,449**	1,684,951
Acquisition of a subsidiary	**2,779,051**	-
Recognized during the year	**-**	285,250
Amortised during the year (Note 22)	**(178,145)**	(1,354,752)
Balance at 31 December	**3,216,355**	615,449

(i) Loan 1 represents the loan draw down on 9 March 2022, for the purpose of refinancing in full the existing facility. The loan is payable in 16 equal quarterly instalments of QR 14,831,253 with effect from 31 December 2022. The loan carries interest at commercial market rates.

(ii) Loan 2 represents the loan draw down on 29 May 2023, for the purpose of refinancing an existing loan facility. The loan is payable in 16 equal quarterly instalments of QR 7,131,250 with effect from 29 February 2024. The loan carries interest at commercial market rates.

(iii) Loan 3 was obtained during 2023, covering the issuance of guarantee and to facilitate the import requirements of the Company in the normal course of business. The loan carries interest at commercial market rates. This loan was fully settled during the year.

(iv) Loan 4 is an Islamic Financing Arrangement obtained for construction of a manufacturing plant and the balance as at 31 December 2024 represents partially drawn amount out of total facility of QR 182,501,000. On 1 November 2023, the loan balance was rescheduled, and the repayment commenced from July 2024.

(v) Loan 5 represents loans obtained on 5 July 2022 worth of QR 18,415,027 at a market rate for the purchase of machinery to be used in the manufacturing of a product. The loan is to be repaid starting from 05 January 2025 to 5 October 2030.

(vi) Loan 6 is obtained for the working capital requirements of the Group and are repayable within one year.

The Group has complied with the financial covenants of its borrowing facilities as of the current and previous reporting date.

14. Borrowings (continued)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Borrowing	**Lease liabilities**	**Total**
Balance at 1 January 2024	**345,519,101**	**39,624,541**	**385,143,642**
Changes from financing cash flows (liability related)			
Proceeds from borrowings	**35,051,799**	**-**	**35,051,799**
Repayment of borrowings	**(188,764,490)**	**-**	**(188,764,490)**
Acquisition of a subsidiary	**186,247,406**	**-**	**186,247,406**
Payment of lease liabilities	**-**	**(15,713,449)**	**(15,713,449)**
Total changes from financing cash flows (liability related)	**32,534,715**	**(15,713,449)**	**16,821,266**
Other changes (liability related)			
Liability-related			
New leases	**-**	**17,979,067**	**17,979,067**
Derecognition	**-**	**(1,004,269)**	**(1,004,269)**
Interest expense	**18,599,620**	**2,390,753**	**20,990,373**
Finance costs paid	**(18,599,620)**	**(2,390,753)**	**(20,990,373)**
Total liability-related other changes	**-**	**16,974,798**	**16,974,798**
Balance at 31 December 2024	**378,053,816**	**40,885,890**	**418,939,706**

	Borrowing	Lease liabilities	Total
Balance at 1 January 2023	363,382,296	44,659,111	408,041,407
Changes from financing cash flows			
Proceeds from borrowings	247,435,826	-	247,435,826
Repayment of borrowings	(265,299,021)	-	(265,299,021)
Payment of lease liabilities	-	(13,712,655)	(13,712,655)
Total financing cash flows from liability related changes	(17,863,195)	(13,712,655)	(31,575,850)
Other changes			
Liability-related			
New leases	-	8,678,085	8,678,085
Interest expense	26,448,315	2,368,844	28,817,159
Finance costs paid	(26,448,315)	(2,368,844)	(28,817,159)
Total liability-related other changes	-	8,678,085	8,678,085
Balance at 31 December 2023	345,519,101	39,624,541	385,143,642

15. Employees' end of service benefits

	2024	2023
Balance at 1 January	**29,728,689**	26,688,096
Acquisition of a subsidiary	**1,411,735**	2,166,914
Provision made during the year (Note 21)	**4,803,657**	3,931,069
End of service benefits paid during the year	**(2,887,304)**	(3,057,390)
Balance at 31 December	**33,056,777**	29,728,689

16. Trade and other payables

	2024	2023
Trade payables	**369,970,165**	272,107,000
Advances from customers and tenants	**22,448,594**	22,891,527
Deposits from tenants (i)	**9,918,379**	11,831,769
Accrued expenses	**46,302,223**	35,894,383
Other payables	**35,724,993**	83,444,666
	484,364,354	426,169,345

16. Trade and other payables (continued)

(i) Deposits from tenants presented in the consolidated statement of financial position as follows:

	2024	2023
Current	**9,918,379**	11,831,769
Non-current	**10,528,939**	7,442,397
	20,447,318	19,274,166

17. Amounts due to related parties

	2024	2023
Ultimate parent		
Al Faisal Holding Company W.L.L.	**-**	47,788,594
Entities controlled by Ultimate parent		
Gettco Company W.L.L. – Gettco Refrigeration and Air-conditioning	**661,356**	709,913
Integrated Information Systems W.L.L.	**251,279**	1,170,025
Gettco Customs Clearance W.L.L.	**171,680**	-
Other related parties	**460,316**	1,433,235
	1,544,631	3,313,173
Joint venture		
Senyar Industries Qatar Holding W.L.L.	**35,448,140**	37,779,404
Aamal ECE W.L.L.	**12,801,918**	11,732,924
	48,250,058	49,512,328
	49,794,689	100,614,095

18. Revenue

	Sale of goods	**Service Income**	**Commission, incentives and agency fees**	**Rental Income**	**Total**
2024:					
At a point in time	**1,461,142,734**	**35,991,009**	**90,091,475**	**-**	**1,587,225,218**
Overtime	**-**	**183,918,332**	**-**	**-**	**183,918,332**
Rental income	**-**	**-**	**-**	**329,694,670**	**329,694,670**
Total	**1,461,142,734**	**219,909,341**	**90,091,475**	**329,694,670**	**2,100,838,220**
2023:					
At a point in time	1,462,344,590	34,976,701	77,861,897	-	1,575,183,188
Overtime	-	180,571,815	-	-	180,571,815
Rental income	-	-	-	321,438,409	321,438,409
Total	1,462,344,590	215,548,516	77,861,897	321,438,409	2,077,193,412

19. Cost of sales

	2024	2023
Cost of inventories recognised as an expense	**1,308,742,137**	1,303,411,730
Subcontractor cost	**81,270,510**	97,059,658
Staff costs (Note 21.1)	**71,330,862**	52,235,653
Operating expenses on real estate properties	**22,136,271**	28,931,659
Operating expenses for vessels	**20,320,163**	21,511,601
Depreciation on property, plant and equipment (Note 3)	**17,597,006**	16,640,550
Operator's management fees	**15,750,519**	14,770,091
Amortisation on right-of-use assets (Note 5.1)	**2,656,352**	713,352
Provision for obsolete and slow-moving inventories (Note 8)	**510,666**	1,488,979
Other operating expenses	**45,119,602**	40,865,223
	1,585,434,088	1,577,628,496

20. Other income - net

	2024	2023
Other income		
Gain on disposal of property, plant and equipment (Note 3)	**8,525,228**	383,311
Net foreign exchange gain	**657,315**	868,456
Gain on derecognition of right-of-use assets	**75,630**	-
Miscellaneous income	**48,765,085**	15,989,065
	58,023,258	17,240,832
Other expense		
Loss on acquisition (Note 33.1 (c))	**(10,827,156)**	-
	47,196,102	17,240,832

21. General and administrative expenses

	2024	2023
Staff costs (Note 21.1)	**80,533,209**	73,993,939
Corporate service level agreement fees	**18,720,000**	18,087,500
Amortisation on right-of-use assets (Note 5.1)	**12,352,980**	13,332,189
Insurance and professional fees	**11,096,533**	9,290,835
Depreciation on property, plant and equipment (Note 3)	**10,301,124**	10,852,577
Rent (short term leases)	**10,081,976**	8,910,040
IT and business applications	**5,545,128**	4,669,400
Bank charges	**3,473,437**	2,231,806
Communication costs	**1,884,622**	1,558,874
Postage, printing and stationery	**1,010,953**	909,019
Repairs and maintenance	**587,965**	1,705,279
Training and business development	**535,436**	464,742
Miscellaneous expenses	**6,574,646**	4,820,940
	162,698,009	150,827,140

21.1 Staff costs

	2024	2023
Salaries and wages	**147,024,043**	127,767,317
Employees' end of service benefits (Note 15)	**4,803,657**	3,931,069
Other employee benefits	**36,371**	531,206
	151,864,071	132,229,592

Staff costs presented in the consolidated statement of profit or loss and other comprehensive income is as follows:

	2024	2023
Cost of sales (Note 19)	**71,330,862**	52,235,653
General and administrative expenses (Note 21)	**80,533,209**	79,993,939
Total staff costs	**151,864,071**	132,229,592

22. Finance costs - net

	2024	2023
Finance costs		
Interest expense on borrowings	**18,421,475**	25,093,563
Interest expense on leases	**2,390,753**	2,368,844
Fair value of pre-existing interest in an acquiree (Note 33.1. (c). iv. (a))	**9,827,156**	-
Amortisation of deferred financing costs and unfavourable impact of change in fair value of investments at FVTPL	**3,677,810**	1,354,752
	34,317,194	28,817,159
Finance income		
Interest income under the effective interest method on:		
Cash and cash equivalents	**(2,497,668)**	(125,337)
Favourable impact of change in fair value of investments at FVTPL	**-**	(2,268,563)
	(2,497,668)	(2,393,900)
	31,819,526	26,423,259

23. Basic and diluted earnings per share

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

	2024	2023
Profit for the year attributable to owners of the Company (QR)	**432,547,738**	367,498,231
Weighted average number of shares outstanding during the year	**6,300,000,000**	6,300,000,000
Basic and diluted earnings per share (QR)	**0.07**	0.06

24. Commitments

	2024	2023
Estimated capital expenditure approved and contracted for at the year-end but not provided for:		
Investment properties	**-**	4,835,668
	-	4,835,668

25. Contingent liabilities

The Group had the following contingent liabilities from which it is anticipated that no material liabilities will arise.

	2024	2023
Letters of guarantee	**256,880,334**	203,416,143
Letters of credit	**35,959,445**	43,694,744

Notes:

(i) Letters of guarantee include performance, tender and bid bonds and payment guarantees given to suppliers and contractors by the financial institutions on behalf of the Group in the ordinary course of business, which will mature within twelve months from the reporting date.

(ii) Letters of credit are provided by lodging documents to the bank for purchase of trading goods from foreign suppliers, which will mature within three to six months from the date of the transaction.

26. Related party disclosure

A) Related party transactions

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties during the year were as follows:

	2024	2023
Sale of goods and services to:		
Ultimate parent	**1,101,208**	470,220
Entities controlled by Ultimate parent	**27,760,052**	13,704,037
Associate / Joint venture	**501,114**	261,986
Entities owned by Key Management Personnel of Ultimate parent	**17,583,397**	6,047,013
	46,945,771	20,483,256
Rental income from:		
Entities controlled by Ultimate parent	**1,547,084**	9,510,087
Entities owned by Key Management Personnel of Ultimate parent	**20,376,860**	13,644,172
	21,923,944	23,154,259
Purchase of goods and services from:		
Entities controlled by Ultimate parent	**3,914,669**	12,202,275
Associate / Joint venture	**-**	129,454,043
Entities controlled by Ultimate parent	**7,825,252**	6,323,613
	11,739,921	147,979,931
Rental expense:		
Entities controlled by Ultimate parent	**13,609,579**	13,043,216
Entities owned by Key Management Personnel of Ultimate parent	**5,535,073**	4,941,371
	19,144,652	17,984,587
Corporate service level agreement:		
Entities controlled by Ultimate parent	**18,720,000**	12,087,500
Purchase of property, plant and equipment / construction of investment properties:		
Entities controlled by Ultimate parent	**3,540,777**	**2,653,730**
Sale of investment property:		
Entities controlled by Ultimate parent	**-**	**100,000,000**
Interest income:		
Ultimate parent	**1,502,692**	**-**
Operator's management fees:		
Joint venture	**14,789,140**	**13,840,810**

B) Related party balances

Amounts due from and due to related parties are disclosed in notes 10 and 17, respectively. These balances consist of interest and non-interest bearing transactions and are repayable on mutually agreed dates, generally within one year.

C) Compensation of key management personnel

The remuneration of key management during the year was as follows:

	2024	2023
Short-term benefits	**6,168,000**	5,268,000
Employees' end of service benefits	**357,500**	305,144
	6,525,500	5,573,144

26. Related party disclosure (continued)

D) Board of Directors remuneration

An amount of QR 540,000 remuneration has been proposed for Board of Directors for the year 2024 (2023: Nil).

27. Dividends

The shareholders of the Company approved at the Annual General Meeting held in March 2024 Nil dividend (2023: QR 315 million – QR 0.05 per share).

The Board of Directors proposed cash dividend of 6% of the share capital amounting to QR 378 million (QR 0.06 per share) for the year 2024, which will be submitted for formal approval at the Annual General Assembly Meeting.

28. Contribution to social and sports fund

During the year, the Group appropriated an amount of QR 10,813,693 (2023: QR 9,187,456) representing 2.5% of the consolidated net profit attributable for the owners of the Company for the year as a contribution to social and sports fund. The Group paid QR 9,187,456 to the social and sports fund during the year (2023: QR 8,695,512).

29. Operating segments

29.1 Basis for segmentation

For management purposes, the Group is organised into business units based on their nature of activities. It has four reportable segments, which represents Group's strategic divisions, along with the Head Office as follows:

Property

The segment involves leasing the facilities of retail outlet complex, real estate investments and property rental businesses.

Trading and distribution

The segment represents wholesale and/or retail distribution of pharmaceutical and consumable items, home appliances, medical equipment, tyres and lubricants and industrial printing.

Industrial manufacturing

The segment involves manufacturing, wholesale and/or retail distribution of electric cables and tools, aggregates, ready-mix concrete, cement blocks, and pipes and provision of services in relation to industrial investment, repair and construction of power plants and management of industrial enterprises.

Managed services

The segment involves provision of housekeeping and cleaning services, entertainment and amusement services, call center services and acting as travel agents.

Parent Company / Head Office

It provides corporate services to the subsidiaries of the Group.

For each of the strategic divisions, the Group's managing director (the chief operating decision maker) reviews internal management reports on a regular basis. The managing director monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the financial position and operating profit or loss of these segments. Transfer pricing between operating segments are at amounts agreed between the parties.

29.2 Information about reportable segments – Profit / (loss):

Information related to each reportable segment is set out below. Segment profit / (loss) is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.:

	Property	Trading and distribution	Industrial manufacturing	Managed services	Parent Company	Eliminations	Total
For the year ended 31 December 2024							
Revenues							
- External parties	**321,292,899**	**1,470,772,233**	**171,485,570**	**137,287,518**	**-**	**-**	**2,100,838,220**
- Inter-segments (i)	**7,009,442**	**13,665,088**	**17,573,288**	**24,838,843**	**-**	**(63,086,661)**	**-**
	328,302,341	**1,484,437,321**	**189,058,858**	**162,126,361**	**-**	**(63,086,661)**	**2,100,838,220**
- At a point in time	**17,823,654**	**1,420,234,550**	**162,833,433**	**18,167,355**	**-**	**(31,833,774)**	**1,587,225,218**
- Over time	**-**	**64,202,771**	**-**	**143,959,006**	**-**	**(24,243,445)**	**183,918,332**
	17,823,654	**1,484,437,321**	**162,833,433**	**162,126,361**	**-**	**(56,077,219)**	**1,771,143,550**
Rental income	**310,478,687**	**-**	**26,225,425**	**-**	**-**	**(7,009,442)**	**329,694,670**
Operating results	**244,094,197**	**119,733,309**	**4,465,231**	**18,414,066**	**(4,390,535)**	**-**	**382,316,268**
Profit for the year before share in results of equity-accounted investees	**244,034,735**	**116,748,775**	**(208,825)**	**16,788,382**	**(17,562,928)**	**-**	**359,800,139**
Share in results of equity-accounted investees	**6,486,006**	**-**	**61,991,124**	**3,207,396**	**-**	**-**	**71,684,526**
Profit for the year	**250,520,741**	**116,748,775**	**61,782,299**	**19,995,778**	**(17,562,928)**	**-**	**431,484,665**
Depreciation and amortisation	**6,445,449**	**11,514,827**	**16,122,864**	**8,617,640**	**4,964,854**	**(4,758,172)**	**42,907,462**
For the year ended 31 December 2023							
Revenues							
- External parties	311,481,703	1,298,820,236	375,970,224	90,921,249	-	-	2,077,193,412
- Inter-segments (i)	7,079,303	20,182,990	17,898,060	13,418,192	-	(58,578,545)	-
	318,561,006	1,319,003,226	393,868,284	104,339,441	-	(58,578,545)	2,077,193,412
- At a point in time	16,903,901	1,215,401,307	367,007,677	18,072,800	-	(42,202,497)	1,575,183,188
- Over time	-	103,601,919	-	86,266,641	-	(9,296,745)	180,571,815
	16,903,901	1,319,003,226	367,007,677	104,339,441	-	(51,499,242)	1,755,755,003
Rental income	301,657,105	-	26,860,607	-	-	(7,079,303)	321,438,409
Operating results	250,448,624	132,317,208	(11,231,755)	10,644,087	(51,316,751)	-	330,861,413
Profit for the year before share in results of equity-accounted investees	250,120,889	129,770,307	(8,610,419)	10,337,482	(77,807,907)	-	303,810,352
Share in results of equity-accounted investees	6,020,283	-	53,352,160	2,565,596	-	-	61,938,039
Profit for the year	256,141,172	129,770,307	44,741,741	12,903,078	(77,807,907)	-	365,748,391
Depreciation and amortisation	6,143,134	11,943,955	16,633,755	6,683,420	4,962,962	(4,828,558)	41,538,668

(i) Inter-segment revenues are eliminated on consolidation.

29.3 Information about reportable segments - Assets and liabilities:

	Property	Trading and distribution	Industrial manufacturing	Managed services	Parent Company	Eliminations (i)	Total
Balance at 31 December 2024							
Current assets	**183,363,033**	**897,849,813**	**316,120,117**	**118,288,482**	**238,505,735**	**(476,594,070)**	**1,277,533,110**
Non-current assets	**7,242,803,974**	**49,926,399**	**292,058,658**	**35,194,939**	**500,683,778**	**(51,552,740)**	**8,069,115,008**
Total assets	**7,426,167,007**	**947,776,212**	**608,178,775**	**153,483,421**	**739,189,513**	**(528,146,810)**	**9,346,648,118**
Current liabilities	**78,127,977**	**452,938,569**	**252,742,153**	**38,382,958**	**365,826,481**	**(470,228,376)**	**717,789,762**
Non-current liabilities	**69,462,989**	**72,222,498**	**120,453,890**	**33,788,428**	**10,210,852**	**(27,243,954)**	**278,894,703**
Total liabilities	**147,590,966**	**525,161,067**	**373,196,043**	**72,171,386**	**376,037,333**	**(497,472,330)**	**996,684,465**
Capital expenditure (ii)	**23,866,608**	**8,431,511**	**4,139,241**	**3,005,086**	**88,325**	**-**	**39,530,771**
Balance at 31 December 2023							
Current assets	209,347,660	901,614,592	272,615,327	109,083,996	78,016,317	(459,709,596)	1,110,968,296
Non-current assets	7,221,488,566	42,897,555	135,024,579	38,581,019	413,846,244	(52,415,410)	7,799,422,553
Total assets	7,430,836,226	944,512,147	407,639,906	147,665,015	491,862,561	(512,125,006)	8,910,390,849
Current liabilities	83,477,620	401,492,387	145,152,424	39,343,966	483,462,728	(454,822,797)	698,106,328
Non-current liabilities	94,657,777	127,243,407	7,841,610	36,702,640	16,238,356	(31,691,950)	250,991,840
Total liabilities	178,135,397	528,735,794	152,994,034	76,046,606	499,701,084	(486,514,747)	949,098,168
Capital expenditure (ii)	25,349,961	6,823,441	1,049,770	2,402,791	67,558	-	35,693,521

(i) Inter-segment balances are eliminated on consolidation.

(ii) Capital expenditures consist of additions to property, plant and equipment and investment properties.

30. Financial risk management

30.1. Risk management framework

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

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has exposure to market risk, credit risks and liquidity risks from its use of financial instruments. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies.

(a) Market risk

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

(i) Interest rate risk

The Group's financial assets and liabilities that are subject to interest rate risk comprise bank deposits, interest bearing loans and borrowings and bank overdrafts. At the reporting date, the interest rate profile of the Group's interest bearing financial instruments was as follows:

	2024	2023
Fixed interest rate instruments:		
Financial assets	**49,000,000**	-
Floating interest rate instruments:		
Financial assets	**17,683,715**	33,796,328
Financial liabilities	**(378,053,816)**	(345,519,101)
	(360,370,101)	(311,722,773)

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial assets and liabilities with floating interest rates.

The following table demonstrates the sensitivity of the consolidated statement of profit or loss and other comprehensive income to reasonably possible changes in interest rates by 25 basis points, with all other variables held constant. The sensitivity of the consolidated statement of profit or loss and other comprehensive income is the effect of the assumed changes in interest rates for one year, based on the floating rate financial assets and financial liabilities held at 31 December. The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown.

	Changes in basis points	**Effect on profit**
2024		
Floating interest rate instruments	**+25 b.p**	**(900,925)**
2023		
Floating interest rate instruments	+25 b.p.	(779,307)

30. Financial risk management (continued)

30.1. Risk management framework (continued)

(a) Market risk (Continued)

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of the financial instruments will fluctuate due to changes in foreign exchange rates.

Trade and other payables include amounts due in foreign currencies, mainly US Dollar, UAE Dirham, Great Britain Pound (GBP) and Euro, of which the Group has a currency risk primarily on the balances payable in Euro and GBP. Out of the total borrowings, the Group has nil borrowings denominated in US Dollars (31 December 2023: QR nil of borrowings denominated in US Dollars).

The Group does not hedge its foreign currency exposure. As both Qatari Riyal and UAE Dirham are pegged to the US Dollar, balances in US Dollars and UAE Dirhams are not considered to represent significant currency risk to the Group.

In the opinion of the management, the Group's exposure to currency risk as at 31 December 2024 and 2023 is minimal as the foreign currency financial liabilities denominated in Euro and GBP is minimal. Hence, not considered to represent significant risk.

(iii) Equity price risk

The Group monitors equity securities based on market indices. Material investments are managed by the Group on individual basis and all buy and sell decisions are approved by the Board of Directors. The equity securities performance is actively monitored and managed on a fair value basis.

All of the Group's listed equity investments are listed on Qatar stock exchange. The following table demonstrates the sensitivity of the effect of cumulative changes in fair value to reasonably possible changes in quoted equity share prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increase shown below.

	Change in Prices	Effect on profit
2024		
Investments at fair value through profit or loss (equity securities)	**±10%**	**822,894**
2023		
Investments at fair value through profit or loss (equity securities)	±10%	1,172,861

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group's exposure to credit risk is indicated by the carrying amount of its financial assets, which consist principally of outstanding trade receivables, contract assets, retention receivables, amounts due from related parties, other receivables and cash and cash equivalents excluding cash on hand.

(i) Risk management

The Group sells its products and provides services to various parties. It is the Group's policy that all customers who wish to obtain on credit terms are subject to credit verification procedures to ensure credit worthiness. Each new customer is analysed individually for creditworthiness before the delivery of products or services. Customers that fail to meet the creditworthiness may transact with the Group only on prepayment basis.

30. Financial risk management (continued)

30.1. Risk management framework (continued)

(b) Credit risk (continued)

Property rentals are mostly received in advance or contracted with post-dated cheques. In addition, receivable balances are monitored on an ongoing basis and the purchase limits are established for each credit customer, which are reviewed regularly based on the level of past transactions and settlement.

The Group's maximum exposure with regard to trade receivables and contract assets, net of allowance reflected at the reporting date, was as follows:

Operating segment:	**Gross trade receivables (including contract assets)**	**Loss allowance**	**Net trade receivables (including contract assets)**
2024:			
Property	**54,473,466**	**(17,171,043)**	**37,302,423**
Trading and distribution	**504,898,249**	**(28,853,995)**	**476,044,254**
Industrial manufacturing	**141,809,510**	**(47,539,369)**	**94,270,141**
Managed services	**31,604,806**	**(6,560,086)**	**25,044,720**
Net trade receivables	**732,786,031**	**(100,124,493)**	**632,661,538**

Operating segment:	Gross trade receivables (including contract assets)	Loss allowance	Net trade receivables (including contract assets)
2023:			
Property	48,450,673	(9,007,177)	39,443,496
Trading and distribution	493,468,443	(25,950,111)	467,518,332
Industrial manufacturing	141,907,424	(45,565,977)	96,341,447
Managed services	33,069,989	(8,969,525)	24,100,464
Net trade receivables	716,896,529	(89,492,790)	627,403,739

With respect to credit risk arising from the other financial assets of the Group, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as follows:

	2024	2023
Bank balances	**153,830,947**	189,302,314
Amounts due from related parties	**143,113,128**	60,115,051
Retention and other receivables	**19,870,892**	33,638,215
Other financial assets	**316,814,967**	283,055,580

The Group reduces the exposure of credit risk arising from other financial assets by maintaining bank accounts in reputed banks and providing services only to creditworthy related parties.

(ii) Impairment of financial assets

The Group has the following financial assets that are subject to IFRS 9's expected credit loss model:

- Trade receivables and contract assets
- Retention receivables
- Other receivables
- Amounts due from related parties
- Bank balances

While cash in banks are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

30. Financial risk management (continued)

30.1. Risk management framework (continued)

(b) Credit risk (continued)

Trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets with the presumption that there is a probability of a default to occur only when the financial asset is 90 days past due.

On that basis, the loss allowance was determined as follows for both trade receivables:

31 December 2024	**Expected loss rate**	**Gross carrying amount**	**Loss allowance**
Current	**2.65%**	**571,446,630**	**15,155,748**
More than 90 but less than 180 days past due	**14.06%**	**31,000,981**	**4,357,293**
More than 180 but less than 270 days past due	**59.42%**	**35,026,365**	**20,814,127**
More than 270 but less than 360 days past due	**20.08%**	**7,560,258**	**1,518,242**
More than 360 days past due	**66.41%**	**87,751,797**	**58,279,083**
Total		**732,786,031**	**100,124,493**

31 December 2023	Expected loss rate	Gross carrying amount	Loss allowance
Current	3.30%	588,685,227	19,398,513
More than 90 but less than 180 days past due	13.93%	25,093,079	3,495,152
More than 180 but less than 270 days past due	25.50%	26,621,953	6,789,647
More than 270 but less than 360 days past due	50.57%	11,018,130	5,571,545
More than 360 days past due	82.83%	65,478,140	54,237,933
Total		716,896,529	89,492,790

Retention receivables

The retention receivables relate to the billed works which were held by the customer until the defect period is over and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The result of applying the expected credit risk model is immaterial and hence the Group has not recognised any loss allowance as of 31 December 2024.

Trade receivables (including contract assets) and retention receivables are considered credit impaired or non-performing when it becomes probable to the Group that a customer will enter bankruptcy. Trade receivables (including contract assets) and retention receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

30. Financial risk management (continued)

30.1. Risk management framework (continued)

(b) Credit risk (continued)

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables, amount due from related parties and cash and cash equivalents. The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information, including actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations. The result of applying the expected credit risk model is immaterial and hence the Group has not recognised any loss allowance as of 31 December 2024.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation and is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans and borrowings.

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of financial assets (e.g. trade receivables) and projected cash flows from operations. The Group's terms of sales or services require amounts to be paid within 30-90 days from the invoiced date. The Group has facilities exposure from financial institutions which are also used to meet short term financing needs.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted payments.

		Contractual undiscounted payments			
	Carrying amounts	Total	Less than one year	1 to 5 years	More than 5 years
2024					
Borrowings	**378,053,816**	**439,727,335**	**191,481,090**	**219,972,327**	**28,273,918**
Trade payables	**369,970,165**	**369,970,165**	**369,970,165**	**-**	**-**
Amounts due to related parties	**49,794,689**	**49,794,689**	**49,794,689**	**-**	**-**
Lease liabilities	**40,885,890**	**85,196,726**	**23,301,202**	**38,628,546**	**23,266,978**
Other payables	**35,724,993**	**35,724,993**	**35,724,993**	**-**	**-**
Deposits from tenants	**20,447,318**	**20,447,318**	**9,918,379**	**10,528,939**	**-**
	894,876,871	**1,000,861,226**	**680,190,518**	**269,129,812**	**51,540,896**
2023					
Borrowings	345,519,101	379,935,027	173,453,016	206,482,011	-
Trade payables	272,107,000	272,107,000	272,107,000	-	-
Amounts due to related parties	100,614,095	100,614,095	100,614,095	-	-
Lease liabilities	39,624,541	85,903,308	22,373,015	45,513,859	18,016,434
Other payables	83,444,666	83,444,666	83,444,666	-	-
Deposits from tenants	19,274,166	19,274,166	11,831,769	7,442,397	-
	860,583,569	941,278,262	663,823,561	259,438,267	18,016,434

30. Financial risk management (continued)

30.2 Fair values of financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of equity investments at fair value through profit or loss, cash and cash equivalents and contract assets, amounts due from related parties, retention and other receivables, trade receivables, and contract assets. Financial liabilities consist of lease liabilities, borrowings, amounts due to related parties and trade payables, deposits from tenants and other payables.

The fair values of these financial instruments except for borrowings approximate their carrying values due to the short-term maturities of these instruments.

The fair value of borrowings is estimated based on discounted cash flows using interest rate currently available for the debt or similar terms and remaining maturities. As all borrowings carry market interest rates, the fair value of borrowings approximates their carrying values.

30.3. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the capital, which the Group defines as total shareholders' equity, excluding non-controlling interests and the level of dividends to ordinary shareholders.

The Board also seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group's target is to achieve a return on shareholders' equity (excluding non-controlling interests) greater than the weighted average cost of capital of the Group.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic and business conditions and shareholders' expectation. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 2023.

The Group monitors the capital using a gearing ratio, which is debt divided by capital plus debt. The Group's policy is to keep the gearing ratio below 40%. The Group includes within debt, interest bearing loans and borrowings, less cash and cash equivalents. Capital includes equity attributable to the owners of the Company.

	2024	2023
Borrowings	**378,053,816**	345,519,101
Lease liabilities	**40,885,890**	39,624,541
Less: Cash and cash equivalents	**(202,960,953)**	(189,406,112)
Net debt	**215,978,753**	195,737,530
Total capital	**8,349,955,762**	7,918,710,516
Capital and net debt	**8,565,934,515**	8,114,448,046
Gearing ratio	**2.52%**	2.41%

The gearing ratio has increased from last year primarily due to an increase in borrowings.

31. Fair value measurement

The following table presents the Group's assets that are measured at fair value at 31 December 2024.

31 December 2024

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Investments at fair value through profit or loss	**8,228,943**	**-**	**-**	**8,228,943**
Non-financial assets				
Investment properties	**-**	**4,601,944,448**	**2,533,794,530**	**7,135,738,978**
Total	**8,228,943**	**4,601,944,448**	**2,533,794,530**	**7,143,967,921**

31 December 2023

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit or loss	11,728,608	-	-	11,728,608
Non-financial assets				
Investment properties	-	4,598,298,131	2,517,279,617	7,115,577,748
Total	11,728,608	4,598,298,131	2,517,279,617	7,127,306,356

Description of valuation techniques used by the Group and key inputs to valuation on all of the investment properties are as follows:

Types of properties	**Valuation techniques**	**Significant unobservable input**	**Estimated value**	**The estimated value of the property would increase (decrease)**
Commercial properties	Market approach	Price per square foot (Land rate)	2,510 to 2,650 QR/sqft (2023: 2,510 to 2,650)	If the price per SQFT increased (decreased)
	Depreciated replacement cost	Depreciable replacement cost per square meter (Depreciated rebuild rate)	2,351 to 6,909 QR/sqm (2023 2,382 to 6,917)	If the cost per SQM increased (decreased)
Residential properties	Market approach	Price per square foot (Land rate)	350 to 2,250 QR/sqft (2023: 360 to 2,250)	If the price per SQFT increased (decreased)
	Depreciated replacement cost	Depreciable replacement cost per square meter (Depreciated rebuild rate)	3,511 to 7,293 QR/sqm (2023: 3,557 to 7,367)	If the cost per SQM increased (decreased)

32. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes.

Impairment of receivable

The Group uses an expected credit loss (ECL) impairment model to determine the impairment of receivables. This impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring the ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Net realisable value of inventories

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

Impairment of investments in associates

The Group accounts for its investments in associates under the equity method. In addition, the Group makes an annual assessment based on the available market information and the judgement to evaluate whether any indications existed for provision for impairment loss for the Group's net investment in the associate. If indication is existed, the Group would reduce its net investment to the extent of estimated recoverable value of such investment.

Fair value of investment properties

Investment properties are stated at fair value. The Group used external, independent evaluators to determine the fair value of the investment properties. Judgement is required in selecting the valuation techniques and the independent evaluator used the market and cost approaches for the valuation of investment properties mainly due to the following reasons.

- Qatar being an emerging market, it is a commonplace for investors to price assets using a cost approach. High land values and construction costs, coupled with a "hold" investment strategy means that "sellers" are unlikely to sell a developed asset at a price which is less than their incurred costs.
- The definition of market value requires a "willing seller" and thus, with "sellers" unwilling to sell their properties below the cost incurred, the cost approach in Qatar is generally the most appropriate method of valuation for developed assets.
- A "willing buyer" in Qatar is more likely to view the purchase of a property as a long-term store of wealth as opposed to being focused on the return on the investment generated. Taking this into consideration, the "willing-buyer" is generally willing to compensate the "willing-seller" for the costs they have incurred to develop an asset.

32. Use of judgements and estimates (continued)

Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset, physical wear and tear, technical or commercial obsolescence.

Impairment of property, plant and equipment and properties under development

The carrying amounts of the Group's property and equipment and properties under development are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, then an impairment test is performed by the management. The determination of what can be considered impaired, as well as the determination of recoverable amounts require management to make significant judgments, estimation and assumptions.

Going concern

The 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 a positive working capital and net assets as at 31 December 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.

32.1. Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes.

- Note 4 - Estimate the fair value of investment properties
- Note 30 - Estimate the recoverability of trade and other receivables
- Note 33 – Estimate the recoverable amount of CGU

33. Acquisitions

33.1. Acquisitions in 2024

(a) Acquisition of non-controlling interests

Ci-San Trading W.L.L.

On 30 May 2024, the Company acquired the remaining 50% interest in Ci-San Trading W.L.L., increasing its ownership from 50% to 100%. The consideration transferred for the acquisition was QR 32,000,000 paid in the form of cash and the amount was fully settled on 16 July 2024. The acquisition-related costs were borne fully by the seller. The purpose of this acquisition was to expand the Group's activities by enhancing its competitive position in the market.

The summarised effect of changes in the Group's ownership interest in Ci-San Trading W.L.L. is presented below.

33. Acquisitions (continued)

33.1. Acquisitions in 2024 (continued)

(a) Acquisition of non-controlling interests (continued)

Ci-San Trading W.L.L. (continued)

	2024
Consideration paid to non-controlling interest	**32,000,000**
Carrying amount of non-controlling interest acquired	**41,511,201**
Increase in equity attributable to the owners of the Company	**9,511,201**

The increase in equity attributable to the owners of the Company comprised an increase in retained earnings of QR 9,511,201.

(b) Acquisition of additional interest of an equity accounted investee

Frijns Structural Steel Middle East W.L.L.

On 31 December 2024, the Company acquired additional 20% interest in Frijns Structural Steel Middle East W.L.L., increasing its ownership from 20% to 40%. The additional 20% interest was acquired from the Ultimate parent. The consideration transferred for the acquisition was QR 47,750,000 paid on account on the date of acquisition. The acquisition-related costs were borne fully by the buyer. The purpose of this acquisition was to expand the Group's activities by enhancing its competitive position in the market.

The summarised effect of changes in the Company's ownership interest in Frijns Structural Steel Middle East W.L.L. is presented below.

	2024
Consideration paid	**47,750,000**
Fair value of the identifiable net assets acquired	**30,239,795**
Goodwill	**17,510,205**

The Company is in the process of updating the commercial registration of the acquiree for the change in ownership as of the reporting date.

(c) Acquisition of a subsidiary

On 1 December 2024, the Group acquired 50% of the shares and voting interests in Advanced Pipes and Casts W.L.L. As a result, the Group's equity interest in Advanced Pipes and Casts W.L.L. increased from 50% to 100%, granting it control of Advanced Pipes and Casts W.L.L. Prior to this acquisition, Advanced Pipes and Casts W.L.L. was a joint venture of the Group.

The Group has concluded that the acquired set is a business. Taking control of Advanced Pipes and Casts W.L.L. will enable the Group to increase its presence in the pipes and casts market through entering into new joint venture relationships as a strategic move.

For the period from 1 December 2024 to 31 December 2024, Advanced Pipes and Casts W.L.L. contributed revenue of QR 146,191 and loss of QR 3,873,825 to the Group's results.

The Company is in the process of updating the commercial registration of the acquiree for the change in ownership as of the reporting date.

33. Acquisitions (continued)

33.1. Acquisitions in 2024 (continued)

(c) Acquisition of a subsidiary (continued)

i. Consideration transferred

	2024
Cash	1,000,000
Total consideration transferred	**1,000,000**

ii. Acquisition related costs

The Group incurred acquisition-related costs on legal fees and due diligence costs. These costs have been included in 'general and administrative expenses'.

iii. Identifiable assets acquired and liabilities assumed

The following table summarises the fair value of the identifiable assets acquired and liabilities assumed at the date of acquisition.

	2024
Property, plant and equipment	200,327,464
Right-of-use assets	3,097,856
Inventories	9,490,901
Trade and other receivables	6,263,759
Cash and bank balances	1,265,230
Borrowings	(186,247,406)
Employees end of service benefits	(1,411,735)
Lease liabilities	(3,691,031)
Amounts due to related parties	(40,500,028)
Trade and other payables	(8,249,322)
Total identifiable net assets acquired	**(19,654,312)**

Measurement of fair values

Assets acquired	Valuation techniques
Property, plant and equipment	Cost approach: The Group has revalued the building of Advanced Pipes and Casts W.L.L. by independent valuer using the depreciated replacement cost method. Market Approach: The Group has revalued the building based on observable prices of similar machinery in the market.

iv. Loss on acquisition

	2024
Fair value of total identifiable net assets acquired	(19,654,312)
Fair value of pre-existing interest in Advanced Pipes and Casts W.L.L. (a)	9,827,156
Consideration transferred	(1,000,000)
Loss on acquisition	**10,827,156**

(a) The remeasurement to fair value of the Group's existing 50% interest in Advanced Pipes and Casts W.L.L. resulted in a loss of QR 9,827,158. This amount has been included in “finance cost” (Note 22). The carrying amount of the equity-accounted investee at the date of acquisition was QR Nil.

(b) The difference between the negative consideration and the fair value of the total identifiable net assets did not result in the recognition of goodwill, as the Group acquired net liabilities rather than net assets. Consequently, the loss arising from the acquisition has been recorded as an “other expense” (Note 20).

33. Acquisitions (continued)

33.2. Acquisitions in 2023

(a) Acquisition of a subsidiary

With effect from 13 September 2023, the Group acquired the entire holding interest of Maintenance and Management Solutions W.L.L., a limited liability company incorporated in Qatar and registered under commercial registration number 32392. This is acquired from the Ultimate parent and accounted for using book value accounting.

The following is a summary of the net identifiable assets acquired and consideration paid for above subsidiary:

	2023
Book value of net identifiable assets acquired	15,912,102
Consideration paid	21,800,000
Excess consideration over the net identifiable assets acquired recognised in equity	(5,887,898)

Analysis of cash flows

	2023
Net cash acquired with the subsidiary	5,421,139
Consideration paid in cash	21,800,000
	(16,378,861)