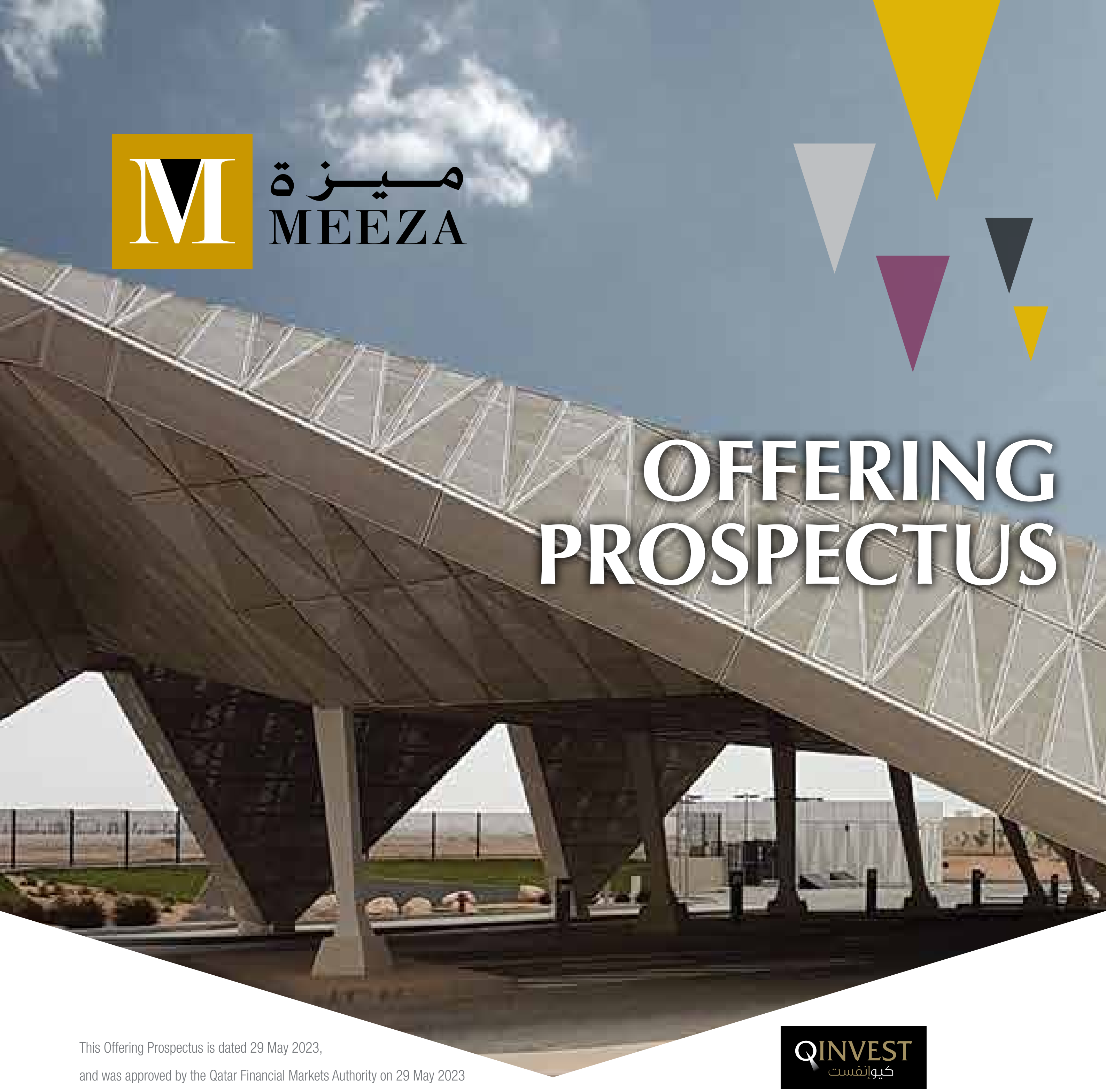


ميزة
MEEZA

OFFERING PROSPECTUS

This Offering Prospectus is dated 29 May 2023,

and was approved by the Qatar Financial Markets Authority on 29 May 2023

Offering Prospectus

MEEZA QSTP LLC (Public)

a limited liability company organized under the Qatar Science and Technology Park Regulations

incorporated on 9 March 2008 and holding registration No.20080309-1

Offering of 324,490,000 ordinary fully paid-up shares in Meeza QSTP LLC (Public) on the Main Market of the Qatar Stock Exchange

For an offering price of QAR 2.17

The offering price includes the nominal value of QAR 1 per share, a premium of QAR 1.16 per share and Offering and Listing Fees of QAR 0.01 per Share.

Shares offered for subscription in this Offering Prospectus represent 50% of the issued share capital of MEEZA QSTP LLC (Public)

The principal types of investors targeted by this Offering Prospectus include all Qatari investors eligible to purchase shares in accordance with the applicable rules of the Qatar Stock Exchange, Qatar Financial Markets Authority and applicable law

The first date of trading is expected to be in July 2023 and subject to obtaining the listing date confirmation from the respective regulatory authority

subject to the terms and conditions set out in this Offering Prospectus, the Qatar Financial Markets Authority and other provisions of applicable law

QINVEST كيوانفست

QInvest LLC
Listing Advisor and Offering Manager

EVERSHEDS SUTHERLAND

Eversheds Sutherland (International) LLP
International Legal Advisor

EY

EY Consulting LLC
Financial Evaluator

Deloitte.

Deloitte & Touche – Qatar Branch
External Auditor

QNB

Qatar National Bank QPSC
Lead Receiving Bank

Sami Abdullah Salim Abu Shaikha Law Office
Qatar Legal Advisor

Ahli Bank QPSC, Arab Bank Group PLC, Commercial Bank PSQC, Doha Bank QPSC Masraf Al Rayan QPS, Qatar Islamic Bank QPSC Qatar International Islamic Bank QPSC
Receiving Banks

IMPORTANT DISCLAIMERS

This Offering Prospectus has been prepared in accordance with the requirements of the QFMA and shall be valid for a period of six months from the date of QFMA's approval of this Offering Prospectus (as specified on the cover page hereof). The potential Investor shall be aware of the risks that may result from investment in such companies and shall take his investment decision after consulting an independent legal or financial expert.

This is an English translation of the Arabic Offering Prospectus. However, this translation is unofficial and has not been approved by the QFMA and is considered only a draft that is provided as guidance for non-Arabic speakers.

Qatar Financial Markets Authority Disclaimer

The QFMA shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Offering Prospectus, and the QFMA explicitly disclaims any liability whatsoever for any loss could be incurred by any person taking decisions upon reliance on the whole or part of details or information of this Offering Prospectus.

The QFMA also shall bear no liability towards any party in relation to the Company's evaluation analysis including the estimated values or assumptions that the evaluators based on, as well as any results reached based on those estimates and assumptions. The QFMA do not make any ratifications as to the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the analysis results and the offering value. The QFMA's role is limited to ensuring the implementation of the Rules for External Auditors and Financial Evaluators issued by the QFMA's Board of Directors.

Qatar Science and Technology Park Disclaimer

The QSTP, as the regulator of commercial companies in the Qatar Science and Technology Park, shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Offering Prospectus, and the QSTP explicitly disclaims any liability whatsoever for any loss could be incurred by any person taking decisions upon reliance upon the whole or part of details or information of this Offering Prospectus.

The QSTP, as the regulator of commercial companies in the Qatar Science and Technology Park, shall bear no liability towards any of the parties in relation to the Company's evaluation analysis, including the estimated values or assumptions on which the evaluator based on, as well as any results reached based on these estimates and assumptions. The QSTP will not provide any ratifications regarding the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the analysis results and the offering value. The QSTP's role is limited to ensuring the implementation of the provisions of the QSTP Free Zone Regulations dated 1 April 2015.

Qatar Stock Exchange Disclaimer

The QSE shall bear no liability for the validity, comprehensiveness and sufficiency of the details and information mentioned in this Offering Prospectus, and the QSE explicitly disclaims any liability whatsoever for any loss could be incurred by any person taking decisions reliance upon the whole or part of details or information of this Offering Prospectus.

The QSE shall bear no liability towards any party regarding the Company's evaluation analysis, including the estimated values or assumptions that the evaluators based on, as well as any results reached based on those estimates and assumptions. The QSE will not provide any ratifications related to the technical aspects of the analysis or the economic, commercial and investment feasibility study of the estimates and assumptions determined by the analysis results and the offering value. The QSE's role is limited to ensuring that the transactions conducted on the company's shares are completed pursuant to the QSE Rulebook.

Listing Advisor and Offering Manager's Declaration

The Listing Advisor and Offering Manager confirms, to the best of its knowledge based on the information provided by the appointed members of the Board of Directors and the Senior Executive Management and after conducting a due diligence screening, that the information disclosed in this Offering Prospectus at the date of this Offering Prospectus is correct and complete and does not include misleading or incomplete information.

Declaration of Responsibility

We, the members of the Board of Directors and the Senior Executive Management of MEEZA QSTP LLC (Public), whose names and signatures are mentioned below, hereby jointly and severally assume full responsibility for the information and details mentioned herein, and we hereby declare that we have taken reasonable care to ensure that the information and details included in this Offering Prospectus are correct, clear, similar to the facts and contain no omission of any information that would make the information less significant, comprehensive and sufficient.

Board of Directors

Name	Position	Date of Appointment	Signature
Sheikh Hamad Abdulla J A Al-Thani	Chairman	May 2023	
H.E. Dr. Hessa Sultan J M Al-Jaber	Vice-Chairman	May 2023	
Mr. Saad Sabah S A Al-Kuwari	Vice-Chairman	May 2023	
Dr. Ahmed Khalifa ElMagarmid	Member	May 2023	
Mr. Faleh Mohammed H A Al-Nasr	Member	May 2023	
Eng. Ahmad Abdulla A A AlMuslemani	Member	May 2023	
Brig. Ali Harib R H Al-Harib	Member	May 2023	
Dr. Saif Mohammed S A Al-Kuwari	Member	May 2023	

Senior Executive Management

Name	Position	Date of Employment	Signature
Ahmad Abdulla A A AlMuslemani	Chief Executive Officer	1 January 2019	
Faisal Abdulla A Kh AlKuwari	Chief Technology Officer	5 July 2010	
Mohsin Nasser M A Al Marri	Chief Operations Officer	30 September 2012	
Fadi Nasser	Chief Commercial Officer	11 March 2020	
Albert McIntosh	Chief Information Officer	12 September 2021	
James Richard Corby	Chief Financial Officer	25 August 2019	

Information on Risk Factors

In order to obtain information on the risks that the Investors should take into consideration, please refer to the risk analysis mentioned in this Offering Prospectus ("Risk Factors").

The Company is offering 324,490,000 existing ordinary shares, constituting 50% of the issued share capital of the Company (the "**Offer Shares**" and each an "**Offer Share**"). The Offer Shares will be offered on a pro rata basis. The Offer Shares will rank *pari passu* in all respects with the remaining 324,490,000 other existing ordinary shares, constituting 50% of the issued share capital of the Company, which are held by the Founders and which are not offered for subscription in the Offering (the "**Founders' Shares**").

Prior to the Offering, there was no public market for the Shares. The Company shall, prior to the date of closing of the Offering, submit an application to the Qatar Financial Markets Authority and the Qatar Stock Exchange to list the Shares on the Qatar Exchange and shall allocate the Offer Shares and refund excess amounts, if any, to Investors by no later than 25 June 2023.

Indicative timetable of key events. The dates set out below are indicative only of the expected timing of certain key events relating to the Offering. The Founders and the Company reserve the right to change any dates or times and/or shorten or extend the time periods (in accordance with applicable rules and regulations).

Publication of the Book Building Offering press release	8 January 2023
Book Building Subscription Period opens	15 January 2023
Book Building Subscription Period ends	6 March 2023
Publishing of the Offering Prospectus, newspaper announcement and marketing campaign to launch	29 May 2023
Subscription Period for Individual and Corporate Investors opens	6 June 2023
Investor Subscription Period for Individual and Corporate Investors ends	19 June 2023
Allotment of Offer Shares	25 June 2023
Refund of excess application amounts, if any	25 June 2023
Issuance of the updated commercial registration certificate of the Company, reflecting status as QSTP - LLC (Public)	9 July 2023
Expected first day of trading of the Shares on the Qatar Stock Exchange	During July 2023 and subject to obtaining the listing date confirmation from the respective regulatory authorities.

IMPORTANT NOTICE

IMPORTANT: You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached document (the "**Offering Prospectus**"). In accessing the Offering Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

This document has been prepared solely in connection with the proposed offering of up to 324,490,000 Offer Share issued by MEEZA QSTP LLC (Public) (the "**Company**") and the proposed admission of all of the Shares of the Company to trading on the Main Market of the Qatar Stock Exchange ("**QSEMM**"). The Company confirms that the information in this document is neither inaccurate nor misleading and is consistent with the information required to be in the Offering Prospectus pursuant to the applicable rules of the Qatar Financial Markets Authority ("**QFMA**"). Copies of the Offering Prospectus will, following publication, be available at the registered office of the Company in Doha, Qatar.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Additional points to be noted

All summaries of documents or provisions of documents provided in this Offering Prospectus should not be relied upon as being comprehensive statements in respect of such documents. All equity investments carry market risks to varying degrees. The value of any security can fall as well as rise depending on market conditions. Potential investors (the "Investors") should read the risk analysis set out in this Offering Prospectus.

This is an unofficial English translation of the Arabic Offering Prospectus. No reliance should be placed on the English translation as it has not been approved by the QFMA and is considered only a draft that is provided as guidance for non-Arabic speakers.

Statement of Investment Risk

Prior to investing in the Shares, prospective Investors should carefully consider the risk factors relating to the Company's business in Qatar, together with all other information contained in this Offering Prospectus. The Company's Senior Management believes that the risks mentioned in this Offering Prospectus are the material risks facing the Company and its business. However, these risks and uncertainties are not the only issues that the Company faces; additional risks and uncertainties not presently known to it or that it currently believes not to be material may also have a material adverse effect on the Company's financial condition or business success. If any combination of these risks actually occurs, the Company's business, financial condition, cash flows and results of operations could be adversely affected and may result in bankruptcy or liquidation. If this occurs, the market price of the Shares may decline and Investors could lose part of or all of their investment. Additionally, this Offering Prospectus contains forward-looking statements that are also subject to risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Company as described below. It should also be noted that the risks below are to an extent interrelated. The occurrence of one risk may trigger other risks to materialize. For example, if there is a material downturn in the Qatari economy, the Company could incur substantial operational losses and could, in turn, experience an increased need for liquidity and as a result become over-leveraged. Each of these is a separate risk described below but demonstrates the interconnection between these and other risks to which the Company is exposed. In order to obtain more information on the risks that Investors in the Shares must take into consideration, please refer to the risk analysis set out in this Offering Prospectus.

Unless the context otherwise requires, capitalized terms used in this Offering Prospectus have the same meaning given in this Offering Prospectus. This Offering Prospectus relating to the Company is prepared in accordance with the QFMA Offering Rules, the QSTP Companies Regulations and the Companies Law (as applicable). The Arabic Offering Prospectus has been approved for printing and circulation by the QFMA. This Offering Prospectus relates solely to the Offering.

TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS

1. GLOSSARY OF DEFINED TERMS

"Advisors"	The International Legal Advisor, the Qatar Legal Advisor, the Listing Advisor and Offering Manager, the Financial Evaluator, the External Auditor and the Receiving Banks.
"Articles"	The articles of association of the Company, as amended from time to time.
"Audited Financial Statements"	Audited financial statements for the years ended 31 December 2022, 31 December 2021 and 31 December 2020.
"Board" or "Board of Directors" or "BoD"	The board of directors of the Company.
"Book Building Instructions"	The instructions in relation to the Book Building Mechanism issued by the QFMA and effective 1 April 2021.
"Book Building Mechanism"	The book building mechanism as described in article (4) of the Book Building Instructions.
"Book Building Order Form"	An order form to subscribe or to amend an existing form as defined in article (1) of the Book Building Instructions as per the form to be adopted by the Offering Manager and completed by the Qualified Investors with the aim to participate in the book building orders or modifying or canceling such orders.
"Book Building Subscription Period"	Is defined in Section 5.5.
"CAGR"	Compound Annual Growth Rate.
"Capex"	Capital expenditure.
"CIR"	Is defined in Section 6.8.
"Closing Date"	Is defined in Section 3, item "Offer Period".
"Commercial Law"	Commercial Law No. 27 of 2006, as amended from time to time.

"Company" or "MEEZA"	MEEZA QSTP LLC (Public), a public limited liability company incorporated on 9 March 2008 in the QSTP with company registration number 20080309-1 and having its registered office address at PO Box 892, Doha, Qatar.
"Companies Law"	Commercial Companies Law No. 11 of 2015, as amended from time to time.
"Corporate Investor"	Is defined in Section 5.6.1.
"CoS"	Is defined in Section 21.2.
"COVID-19"	Is defined in Section 8.5.1.
"DC"	Data centre.
"Director"	A member of the Board.
"DSCR"	Debt service coverage ratio, being, in any period, the ratio of EBITDA to principal plus profit amounts during such period.
"DVP"	Is defined in Section 14.
"EBITDA"	Earnings before interest, tax, depreciation and amortization.
"ECL"	Is defined in Section 21.4.
"EGA"	Extraordinary General Assembly of the Shareholders of the Company.
"Eligible Investors"	The Qatari investors that could subscribe to the Offer Shares in accordance with the QSE Rulebook, QFMA Offering Rules, the Articles and this Offering Prospectus.
"EOSB"	End of service benefits.
"ESG"	Is defined in Section 14.
"ETFs"	Is defined in Section 14.
"EUL"	Is defined in Section 21.2.

"External Auditor"	Deloitte and Touche – Qatar Branch, with office at Al Ahli Bank Head Office Building, Suhaim Bin Hamad Street, Al Sadd Area, Doha, PO Box 431, Qatar.
"Financial Evaluator"	EY Consulting LLC, P.O. Box 7448, 17th Floor, Burj Al Gassar, Majlis Al Taawon Street, Onaiza, West Bay, Doha, State of Qatar.
"Foreign Investment Law"	Law No. 1 of 2019 regulating the investment of non-Qataris in the Economic activities as amended from time to time.
"Founders"	Means the founders of the Company as listed in Section 6.4.
"Founders' Shares"	324,490,000 ordinary shares, constituting 50% of the issued share capital of the Company, which are held by the Founders and which are not offered for subscription in the Offering.
"FY"	Financial year.
"G&A"	Is defined in Section 21.2.
"GCC"	The Cooperation Council for the Arab States of the Gulf (often referred to more informally as the Gulf Cooperation Council). The member states of the GCC are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.
"GDP"	Gross domestic product.
"General Assembly"	A meeting convened as a general assembly of all the Shareholders of the Company.
"Government"	The Government of the State of Qatar.
"Group"	Together, the Company and the Onshore Subsidiary.
"Group Member"	The Company or the Onshore Subsidiary, as the case may be.
"IaaS"	Infrastructure-as-a-service.
"ICT"	Information communications technology.
"IFRS"	International Financial Reporting Standards.

"IMF"	International Monetary Fund.
"IMS"	Is defined in Section 6.11.
"Income Tax Law"	The Income Tax Law No. 24 of 2019, as amended from time to time.
"Individual Investor"	Is defined in Section 5.6.1.
"International Legal Advisor"	Eversheds Sutherland (International) LLP, with registered address at 12th Floor, Qatar Financial Centre, P.O. Box 24148, Doha, Qatar.
"Investor"	Natural or corporate person subscribing to the Shares and/or trading the Shares on the QSE.
"IPO"	Initial public offering.
"ISA"	International Standards of Auditing.
"IT"	Information technology.
"KPI"	Key performance indicators.
"Labour Law"	Labour Law No.14 of 2004, as amended from time to time.
"Listing Advisor" and "Offering Manager"	QInvest LLC, a limited liability company organized under the laws of the QFC, having QFC number 00048 and its registered address at 38th and 39th Floor, Tornado Tower, Majlis Al Tawoon Street, West Bay, Doha, State of Qatar.
"LNG"	Liquified natural gas.
"m"	Million.
"Maximum Book Building Order"	Is defined in Section 5.5.
"Maximum Order"	Is defined in Section 5.5.
MENA	Middle East and North Africa.

"Maximum Book Building Order"	Is defined in Section 5.5.
"Maximum Order"	Is defined in Section 5.5.
"Minimum I&C Order"	Is defined in Section 5.6.2.
"Minimum Book Building Order"	Is defined in Section 5.5
"Minimum Order"	Is defined in Section 5.6.2.
"MOCI"	The Ministry of Commerce and Industry of the State of Qatar.
"MPLS"	Multiprotocol label switching.
"MSCI"	Is defined in Section 14.
"MSSP"	Is defined in Section 21.3.
"MV-2"	MEEZA Vault 2.
"MV-3"	MEEZA Vault 3.
"MV-4"	MEEZA Vault 3.
"MV-5"	MEEZA Vault 5.
"MV-6"	MEEZA Vault 6.
"NaaS"	Is defined in Section 21.3.
"NATO"	North Atlantic Treaty Organization.
"NI"	Net income.
"Offering"	The public offering of 324,490,000 ordinary shares of the Company to Eligible Investors and Qualified Investors in accordance with the provisions of the Articles and after obtaining all necessary regulatory approvals.

"Offering and Listing expenses"	The costs and fees associated with the Offering, including professional advisors' fees, advertising, printing, regulatory and other costs and fees, to be paid from the proceeds of the Offering and Listing Fees.
"Offering and Listing Fee"	QAR 0.01 per Offer Share.
"Offering Prospectus"	This document, including any supplement hereto or amendment hereof.
"Offer Shares"	324,490,000 ordinary shares, constituting 50% of the issued share capital of the Company.
"Opening Date"	Is defined in Section 3, item "Offer Period".
"Order Book"	The register in which orders for Book Building Order Form for Qualified Investors are recorded.
"Order Form"	An order form to subscribe to the Offer Shares.
"OGA"	Ordinary General Assembly of the Shareholders.
"OT"	Is defined in Section 21.3.
"PCI DSS"	Is defined in Section 6.11.
"Price Range"	Is defined in Section 5.5
"QAR" or "Qatari Riyal"	Qatari Riyals, being the lawful currency of the State of Qatar.
"Qatar" or the "State"	The State of Qatar.
"Qatar Foundation"	Qatar Foundation for Education, Science and Community Development, a private not-for-profit organization re-established by a decision of H.H. Sheikh Hamad Bin Khalifa Al-Thani dated 22 January 2007, having its head office at PO Box 5825, Doha, Qatar.
"Qatar Legal Advisor"	Sami Abdullah Salim Abou Sheikha Law office, with registered address at Ariane Tower- Msheireb Area, P.O.Box 1615 Doha, Qatar.

“QCB”	Qatar Central Bank.
“QCSD”	Qatar Central Securities Depository.
“QFC”	Qatar Financial Centre.
“QFC Law”	Qatar Financial Centre Law No.2 of 2009.
“QFMA”	Qatar Financial Markets Authority.
“QFMA Corporate Governance Code”	QFMA’s Corporate Governance Code for Companies listed on the QSEMM.
“QFMA Offering Rules”	QFMA Securities Offering & Offering Rulebook issued by the Board of Directors of QFMA under decision number (4) of 2020.
“QFMA Corporate Governance Code”	QFMA’s Corporate Governance Code for Companies listed on the QSEMM.
“Qualified Investors”	An Investor meeting the criteria of article (3) of the Book Building Instructions issued by the QFMA.
“QSE”	Qatar Stock Exchange.
“QSEMM”	Means the Main Market of QSE as per the QFMA Offering Rules.
“QSEVM”	Is defined in Section 14.
“QSE Rulebook”	QSE Rulebook as may be adopted or amended from time to time by QSE.
“QSTP”	The free zone established under the QSTP Free Zone Law as the Qatar Science & Technology Park.
“QSTP Board”	The Board of Governors, as such term is defined in the QSTP Free Zone Law.
“QSTP Companies Regulations”	Qatar Science & Technology Park Free Zone Companies Regulations, dated 18 October 2022, promulgated by the QSTP Board pursuant to the QSTP Free Zone Law.
“QSTP Free Zone Law”	Qatar Law No. 36/2005.
“Qualified Investors”	An Investor meeting the criteria of article (3) of the Book Building Instructions issued by the QFMA.

"Senior Executive Management"	The chief executive officer (or any other adopted nomination including the managing director) and the other executive managers under the direct supervision of the chief executive officer or the managing director.
"Shares"	648,980,000 Shares with a nominal value of QAR 1 each, a premium of QAR 1.16 and Offering and Listing Fees of QAR 0.01 each which include the Offer Shares.
"Shareholders"	The shareholders of the Company.
"SOC2 type 2"	Is defined in Section 6.11.
"S&P"	Is defined in Section 14.
"Onshore Subsidiary"	MEEZA Information Technology WLL, a limited liability company incorporated under the Commercial Companies Law on 14 July 2015 with company registration number 73974 and having its registered office address at PO Box 892, Doha, Qatar.
"US", "USA", "United States" or "United States of America"	The United States of America, including its territories and possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island, the Northern Mariana Islands and US Minor Outlying Islands) and any state of the United States, the District of Columbia and other areas subject to US jurisdiction.
"US$", "USD" or "US Dollar"	United States Dollars, being the lawful currency of the United States.
"VAT"	Value added tax.
"WACC"	Weighted average cost of capital.
"WC 2022™"	Is defined in Section 8.2.2.
"YOY"	Year-over-year.

IMPORTANT DETAILS

2. IMPORTANT DETAILS

The aim of this Offering Prospectus is to present material information in relation to the Offering, which may assist potential Investors once the Offer Shares are offered to make an appropriate decision as to whether or not to invest in the Shares of the Company. Investors should not consider this Offering Prospectus a recommendation by the Company or the Listing Advisor and Offering Manager to buy the Offer Shares. Each Investor is responsible for obtaining his or her own independent professional advice by a legal or financial expert on the investment in the Offer Shares and for conducting an independent valuation of the information and assumptions contained herein using appropriate analysis or projections. No person has been authorized to make any statements or provide information in relation to the Company or the Offer Shares other than the persons whose names are so indicated in this Offering Prospectus. Where any other person makes any statement or provides information it should not be taken as authorized by the Company. The Advisors are acting for the Company in connection with the matters described in this Offering Prospectus and are not acting for any other person. The Listing Advisor and Offering Manager does not bear any legal or professional responsibility, of any kind, for the accuracy and completeness of the financial statements included in the Offering Prospectus, where these financial statements have been audited by another auditor.

The Company was initially incorporated as a limited liability company on 9 March 2008 under the QSTP Companies Regulations, with company registration number 20080309-1. The Company holds, directly, all of the issued share capital of one (1) subsidiary, which is referred to in this Offering Prospectus as the Onshore Subsidiary. Prior to the Offering, there has been no public market for the Shares. As at the date of this Offering Prospectus and immediately prior to the Offering, the issued and paid-up share capital of the Company is QAR 648,980,000 divided into 648,980,000 ordinary shares. Each Share has a nominal value of QAR 1. The Offering price includes the nominal value of QAR 1 per Offer Share, a premium of QAR 1.16 and Offering and Listing Fees of QAR 0.01 per Share. The authorized share capital of the Company is QAR 648,980,000. The legal and commercial name of the Company is MEEZA QSTP LLC (Public) and its registered office is located at PO Box 892, Doha, Qatar. The Company has submitted an initial application to the QFMA and the QSE to list the Shares on the QSEMM. Trading in the Shares on the QSEMM is expected to commence on or around July 2023. This Offering is subject to the Company's Articles and the applicable laws of Qatar.

Potential Investors are required to carefully review the entire contents of this Prospectus prior to making an investment decision regarding the Shares, taking into account all facts described therein in light of their own investment considerations.

The distribution of this Offering Prospectus and the Offering of the Offer Shares may, in certain jurisdictions, be restricted by law or may be subject to prior regulatory approvals. This Offering Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Company or the Listing Advisor and Offering Manager to purchase any of the Offer Shares in any jurisdiction outside of Qatar or from or within the Qatar Financial Centre or from or within the QSTP. This Offering Prospectus may not be distributed in any jurisdiction where such distribution is, or may be deemed, unlawful. The Company, the Founders, and the Listing Advisor and Offering Manager require persons into whose possession this Offering Prospectus comes to inform themselves of and observe all such restrictions. None of the Company, the Founders, and the Listing Advisor and Offering Manager accept any legal responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase the Shares by any person, whether or not a prospective purchaser of the Shares is in any jurisdiction outside of Qatar, and whether or not such offer or solicitation was made orally or in writing, including by electronic mail.

The distribution of this Offering Prospectus and the Offering of the Offer Shares may, in certain jurisdictions, be restricted by law or may be subject to prior regulatory approvals. This Offering Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Company or the Listing Advisor and Offering Manager to purchase any of the Offer Shares in any jurisdiction outside of Qatar or from or within the Qatar Financial Centre or from or within the QSTP. This Offering Prospectus may not be distributed in any jurisdiction where such distribution is, or may be deemed, unlawful. The Company, the Founders, and the Listing Advisor and Offering Manager require persons into whose possession this Offering Prospectus comes to inform themselves of and observe all such restrictions. None of the Company, the Founders, and the Listing Advisor and Offering Manager accept any legal responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase the Shares by any person, whether or not a prospective purchaser of the Shares is in any jurisdiction outside of Qatar, and whether or not such offer or solicitation was made orally or in writing, including by electronic mail.

THE OFFER SHARES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAW OF ANY STATE OR TERRITORY OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT

OF, A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAW.

Neither this Offering Prospectus, nor any other document issued in connection with the Offering, may be passed on to any person in the United Kingdom. All applicable provisions of the Financial Services and Markets Act of 2000, as amended, must be complied with in respect of anything done in relation to the Shares in, from, or otherwise involving the United Kingdom.

No person is or has been authorized to give any information or to make any representations other than the information and those representations contained herein in connection with the Offering. If given or made, such information or representations must not be relied upon as having been authorized by the Company, the Listing Advisor and Offering Manager or any of its or their respective legal or accounting advisors. Each prospective Investor should conduct his, her or its own assessment of the Offering and consult his, her or its own independent professional advisors. Neither the delivery of this Offering Prospectus nor any sale made hereunder shall, under any circumstances, constitute a recommendation to purchase Offer Shares or a confirmation that the information contained herein is correct as of any time subsequent to its date. The content of this Prospectus may, however, still be subject to change until the completion of the Offering. If required, these changes will be made through an amendment to this Prospectus. The Listing Advisor and Offering Manager is acting for the Company in connection with the matters described in this document. The Listing Advisor and Offering Manager is not acting for any other person and will not be responsible to any other person for providing the protections afforded to customers of the Listing Advisor and Offering Manager or for advising any other person in connection with the matters described in this Offering Prospectus.

2.1 Eligible Investors for the Offering and eligible investors for trading post Listing

The Offering will be open to Qatari investors in accordance with the QSE Rulebook, QFMA Offering Rules and the Articles. Following the completion of the Offering and the listing of the Shares on the QSEMM, trading in the Shares will be open to all investors, Qatari and non-Qatari, in accordance with the QSE Rulebook, the QFMA Offering Rules and the Articles. It is also noted that in addition to these restrictions, the Foreign Investment Law in respect of foreign shareholders' ownership in listed companies whereby foreign ownership should not exceed 49% of the share capital unless an exemption to exceed such percentage is obtained from the Government.

2.2 Forward-looking Statements

This Offering Prospectus contains certain forward-looking statements. These forward-looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "goal", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual outcomes to differ materially from those contemplated by the relevant forward-looking statement.

These forward-looking statements are based on assumptions that the Board has made in light of its experience in the sector in which it operates, as well as its experience of historical trends, current positions, expected future developments and other factors which the Board believes are appropriate under the circumstances. As prospective Investors read and consider this Offering Prospectus, they should understand that these statements are not guarantees of future performance or results. They involve risks, uncertainties and assumptions. Although the Board believes that these forward-looking statements are based on reasonable assumptions, prospective Investors should be aware that many factors could affect the Company's actual financial position or financial performance and cause actual results to differ materially from those in the forward-looking statements. These factors include, among other things, those discussed under Section 8: Risk Factors of this Offering Prospectus.

Important factors that could cause actual results to differ materially from the Company's expectations include, amongst others:

- Company's future results of operations and financial condition;
- Company's future business developments;
- Company's acquisition and expansion strategy;
- General economic and business conditions, domestically and internationally;
- External competition; and
- Future market opportunities.

Due to these factors, the Board cautions that prospective Investors should not place undue reliance on any forward-looking statements. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time-to-time, and it is impossible to predict these events or how they may affect the Company and its business. Except as required by the rules and regulations of the QFMA or the rules of the QSE, the Board has no duty to, and does not intend to, update or revise the forward-looking statements in this Offering Prospectus after the date of the Offering Prospectus. The Company advises prospective Investors and Shareholders to track any information or announcements made by it after offering through the QSE's website at www.qe.com.qa.

2.3 Presentation of Financial, Industry and Market Data

Financial data

The Company's financial year runs from 1 January to 31 December. Copies of the consolidated Audited Financial Statements of the Company Group for FY 2020, FY 2021 and FY 2022 are included in *Section 20*. Auditor's Report and Financial Statements of this Offering Prospectus. The Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the audit was conducted in accordance with International Standards of Auditing ("ISA").

ISA 700: Forming an opinion and reporting on financial statements

- The auditor shall form an opinion on whether the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.
- In order to form that opinion, the auditor shall conclude as to whether the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.
- The auditor shall evaluate whether the financial statements are prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework. This evaluation shall include consideration of the qualitative aspects of the entity's accounting practices, including indicators of possible bias in management's judgments.
- The auditor shall evaluate whether the financial statements adequately refer to or describe the applicable financial reporting framework.

ISA 800, Special considerations: Audits of financial statements prepared in accordance with special purpose frameworks.

- This ISA deals with special considerations in the application of those ISAs to an audit of financial statements prepared in accordance with a special purpose framework.

- This ISA is written in the context of a complete set of financial statements prepared in accordance with a special purpose framework.
- This ISA does not override the requirements of the other ISAs; nor does it purport to deal with all special considerations that may be relevant in the circumstances of the engagement.

Currency of presentation

The pegged exchange rate is US$ 1.00 = QAR 3.64. The peg to the US Dollar has been maintained by the QCB at the same rate since 1980. However, there can be no assurance that the US Dollar peg will be maintained going forward, or that the peg will be retained at its current rate. Any de-pegging of the Qatari Riyal from the US Dollar, or its re-pegging at a different rate, could result in a significant fluctuation and revaluation of the Qatari Riyal relative to the US Dollar and, by extension, to other GCC currencies pegged to the US Dollar. The currency used in presenting the financial information in this Offering Prospectus is the Qatari Riyal.

Rounding

Certain numerical figures included in this Offering Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

Industry and market data

Unless stated otherwise, industry and market data used throughout this Offering Prospectus has been obtained from third-party industry publications and/or websites. Although it is believed that industry data used in this Offering Prospectus is reasonable and reliable, it has not been independently verified and therefore, its accuracy and completeness is not guaranteed and its reliability cannot be assured.

2.4 Contact Information of the Company's Advisors

QInvest LLC Listing Advisor and Offering Manager	Address: 38th and 39th Floor, Tornado Tower, Majlis Al Tawoon Street, West Bay, Doha, Qatar Website: https://www.qinvest.com
Sami Abdullah Salim Abu Shaikha Law Office Qatar Legal Advisor	Address: Ariane Tower- Msheireb Area, P.O.Box 1615, Doha, Qatar
Eversheds Sutherland (International) LLP International Legal Advisor	Address: QFC Tower Diplomatic Area, West Bay, Office 1201, 12th floor, P.O. Box: 24148 Doha, Qatar Website: https://www.eversheds-sutherland.com/global/en/index.page?
EY Consulting LLC Financial Evaluator	Address: P.O. Box 7448, 17th Floor, Burj Al Gassar, Majlis Al Taawon Street, Onaiza, West Bay, Doha, State of Qatar Website: https://www.ey.com/en_qa
Deloitte and Touche – Qatar Branch External Auditor	Address: Al Ahli Bank Head Office Building, Suhaim Bin Hamad Street, Al Sadd Area, Doha, PO Box 431, Qatar Website: www.deloitte.com
Qatar National Bank QPSC Lead Receiving Bank	Address: Al Corniche Street, Qatar National Bank Building, PO Box 1000, Doha, Qatar Website: www.qnb.com

Receiving Banks	
Al Ahli Bank QPSC	Address: Suhaim Bin Hamad Street, Al Sadd, PO BOX 2309, Doha, Qatar Website: www.ahlibank.com.qa
Arab Bank Group PLC	Address: Grand Hamad Street, PO BOX 172, Doha, Qatar Website: www.arabbank.com.qa
Commercial Bank QPSC	Address: Al Dafna area, Commercial Bank Plaza, PO BOX 3232, Doha, Qatar Website: www.cbq.com.qa
Doha Bank QPSC	Address: Corniche Street, Doha Bank tower, PO BOX 3818, Doha, Qatar Website: www.dohabank.com.qa
Masraf Al Rayan QPSC	Address: Grand Hamad Street, PO BOX 28888, Doha, Qatar Website: www.alrayan.com/en
Qatar Islamic Bank QPSC	Address: Grand Hamad Street, PO BOX 559, Doha, Qatar Website: www.qib.com.qa
Qatar International Islamic Bank QPSC	Address: Grand Hamad Street, PO BOX 664, Doha, Qatar Website: www.qiib.com.qa

SUMMARY OF THE OFFERING AND SHARES

3. SUMMARY OF THE OFFERING AND SHARES

Warnings	This summary should be read as an introduction to this Offering Prospectus. Any decision to invest in the securities should be based on consideration of the Offering Prospectus as a whole by the Investor, including in particular Section 8 (Risk Factors).
Legal and commercial name	MEEZA QSTP LLC (Public)
Share capital	QAR 648,980,000
Company's current operations and principal activities	MEEZA is an end-to-end provider of IT services in the country built on a service framework, capable of providing customers with IT hosting, operations and support functions whether on-premise or collocated in its data centres, whether in-cloud computing services or via managed local services.
Number of subsidiaries and associated companies under the Company	1 subsidiary. Please refer to *Section 6 (The Company)* for details on the Onshore Subsidiary.
Major operating Onshore Subsidiary of the Company	The Onshore Subsidiary, MEEZA Information Technology WLL
Currency of the Shares to be offered	The Shares are denominated in Qatari Riyals.
Offering price	QAR 2.17 which includes QAR 1 of nominal value, a premium of QAR 1.16 and Offering and Listing Fees of QAR 0.01 per Share.
Securities listed	Ordinary shares. The Company has only one class of ordinary shares.
Amount and percentage of the Offering	The Offer Shares, being 324,490,000 ordinary Shares, representing 50% of the total Shares. The remaining 324,490,000 Shares, representing 50% of the total Shares, will be retained by the Founders, and are referred to as the Founders' Shares (including any remaining Shares in excess of the 50% of the total Shares, not subscribed during the Subscription Period).

Reasons for the Offering	The Directors believe that the Offering of the shares are part of a logical development of the Company and its business and will enhance the Company's position in the market.
Use of Offering proceeds	Distributions to the Shareholders selling the Offer Shares.
Eligible investors for the Offering and eligible investors for trading post listing	The Offering will be open to Qatari investors in accordance with the QSE Rulebook, QFMA Offering Rules and the Articles. Following the completion of the Offering and the listing of the Shares on the QSEMM, trading in the Shares will be open to all Investors, Qatari and non-Qatari, in accordance with the QSE Rulebook, the QFMA Offering Rules and the Articles. It is noted that pursuant to the Foreign Investment Law in respect of foreign shareholders' ownership in listed companies whereby foreign ownership should not exceed 49% of the share capital unless an exemption to exceed such percentage is obtained from the Government. Prior to the Offering, the Company offered 37.41% of the Offer Shares to a set of Qualified Investors according to the Book Building Mechanism issued by the QFMA. The Book Building Mechanism had never been utilized in Qatar for an IPO process and, as such, bore risks which have been highlighted in the Risk Factors section of this Prospectus. Following publication of the Book Building announcement on the Offering Manager's website and on the Company's website, the book building subscription period (the **"Book Building Subscription Period"**) commenced on 15 January 2023 and lasted until 06 March 2023. The valuation methodology which resulted in the determination of the initial price range between

QAR 2.61 – QAR 2.81 of the Offer Shares that would be offered to the Qualified Investors was approved by the QFMA in compliance with the Offering and Listing Rulebook of Securities issued by the QFMA (including any price range modifications requested by the Offering Manager during the Book Building Subscription Period). The Shareholders subsequently approved modifications to the initial price range to account for market conditions existing at the time and initial market feedback, resulting in a final price range between QAR 2.40 – QAR 2.61 (the "**Price Range**") of the Offer Shares offered to the Qualified Investors following approval from the QFMA in compliance with the Offering and Listing Rulebook of Securities issued by the QFMA.

The Offering Manager invited the Qualified Investors to subscribe to the Offer Shares by filling-out a Book Building Order Form by subscribing to a minimum 3,700,000 Offer Shares (the "**Minimum Book Building Order**") and a maximum of 32,449,000 Offer Shares (the "**Maximum Book Building Order**") providing bids in multiples of QAR 0.01, subject to no Qualified Investor being allocated more than 32,449,000 Offer Shares, equal to 5% of the issued share capital of the Company. Any Book Building Order Form exceeding the Minimum Book Building Order was received in multiples of 1,000 Offer Shares.

In order for the Book Building to successfully conclude, it was required by the Book Building Mechanism issued by the QFMA that at least five (5) Qualified Investors (as defined by QFMA's Instructions for Securities Offering through Book Building Mechanism) subscribe to at least 30% of the Offering.

Seven (7) Qualified Investors subscribed to 121,393,000 Shares, representing 37.41% of the Offer Shares with the balance of 62.59% of the Offer Shares equal to 203,097,000 Shares to be offered to Individual and Corporate Investors. The final Order Book is presented in Section 5.5.

The Order Book was closed at a **final Offer Price of QAR 2.17 per Share** (comprised of a nominal value

	of QAR 1 per Share, a premium of QAR 1.16 per Share and Offering and Listing Fees of QAR 0.01 per Share). Final pricing of the Shares outside the latest Price Range is a testament of the effectiveness of the Book Building Mechanism to transparently price the IPO based on supply and demand, considering market conditions and feedback received from Qualified Investors during the Book Building Subscription Period.
Offering to Individual and Corporate Investors	Following the allocation of 37.41% of the Offer Shares through the Book Building Mechanism, the residual of 203,097,000 Shares representing a percentage of 62.59% of the Offer Shares are being offered to Individual and Corporate Investors, which comprise of: (a) individual Qatari nationals ("**Individual Investors**"), and (b) legal entities incorporated in the State of Qatar with a commercial registration certificate issued by the Ministry of Commerce and Industry ("**Corporate Investors**").
Orders by Individual and Corporate Investors and Limits	The minimum order by Individual and Corporate Investors is set at 500 Offer Shares ("Minimum Order"). No order by an Eligible Investor for less than 500 Offer Shares (the "Minimum I&C Order") shall be accepted. Any order exceeding the Minimum Order shall be in multiples of 100 Offer Shares. The maximum order by an Eligible Investor is set at the Maximum Order. Any order received from an Eligible Investor exceeding the Maximum Order will be scaled back and treated as an order for the Maximum Order only. No individual or entity, except the Founders or companies owned or controlled by the Founders, may possess at any time more than five percent (5%) of the shares of the Company.

Allocation strategy	The allocation of Offer Shares to Individual and Corporate Investors will be made in whole numbers of Shares only (no fractions). The residual 62.59% of the Offer Shares post-Book Building Mechanism which are equal to 203,097,000 Shares have been reserved for Individual and Corporate Investors who shall submit orders for a number of Offer Shares between the minimum of 500 Offer Shares and the maximum of 32,449,000 Offer Shares (equivalent to 5% of the Company's entire share capital). Offer Shares to Individual and Corporate Investors shall be allocated: a. first to Individual Investors, and if the number of Offer Shares requested by Individual Investors exceeds the number of Offer Shares, then the Offer Shares shall be allocated on a pro-rata basis to Individual Investors; then b. if any Offer Shares remain, these shares shall be allocated to Corporate Investors, and if the number of Offer Shares requested by Corporate Investors exceeds the number of Offer Shares remaining, then the Offer Shares shall be allocated on a pro-rata basis to Corporate Investors; then c. if any Offer Shares remain, then such remaining Offer Shares may be allocated, on exceptional basis provided approval of regulators are obtained, to government entities or governmental funds (if any) but not to Individual and Corporate Investors at the direction of the Board in its absolute discretion. It is expected that allotment of Offer Shares and refunds of excess order amounts, if any, will occur no later than 25 June 2023.

Listing and trading	The Company will submit an application to the QFMA and the QSE to list the Shares on the QSE in accordance with the listing requirements of the QFMA and the procedural rules of the QSE. Trading in the Shares will be effected on an electronic basis through the Company's share registry maintained by the Qatar Central Securities Depository. Prior to the Offering, there has been no market for the Shares. This Prospectus has been prepared in connection with the public offering of the Shares in Qatar. It is anticipated that admission will occur during the month of July, the date to be determined after obtaining approval of the QFMA and QSE.
Subscription for Offer Shares	During the Offer Period, Individual and Corporate Investors may submit orders for Offer Shares by completing the Order Form and complying with the instructions set out in the Order Form and this Prospectus (Qualified Investors shall submit orders for Offer Shares through a separate process). Any Order Form in connection with the Offer Shares that is completed without fully complying with the requirements indicated in such Order Form may be rejected without any right to damages or any other recourse.
Multiple Subscription Orders	Multiple subscription orders in the name of the same Individual or Corporate Investor are prohibited. In the event of multiple orders being received in the name of the same Individual or Corporate Investor, only one order will be processed (at the absolute discretion of the relevant Receiving Bank or Lead Receiving Bank), and any other order will be rejected in their entirety. Notwithstanding the above, in the case of Individual Investors, an order by (i) a parent or legal guardian on behalf of a minor; or (ii) a duly authorized person on behalf of a first degree relative (parent, child, spouse), does not prevent such person from also submitting an order in his or her own name under a separate Order Form.
Offer Period or Subscription Period	The Offering will be open for two (2) weeks during the Offer Period which starts from the morning of 6 June 2023 (the "Opening Date") and ends at the close of business (Doha time) on 19 June 2023 (the "Closing Date") as per the schedule below.

Minimum/maximum number and value of Shares which may be purchased by Eligible Investors (if any)	**<u>Qualified Investors</u>** Minimum: The Minimum Book Building Order is 3,700,000 Shares. Maximum: The Maximum Book Building Order is 32,449,000 Shares. **<u>Individual and Corporate Investors</u>** Minimum: The Minimum I&C Order is 500 Shares Maximum: The Maximum Order is 32,449,000 Shares
Offering restrictions and jurisdictions	No Shares of the Company may be offered for subscription, sale or purchase, subscribed for, sold or delivered, and this Offering Prospectus and any other offering material in relation to the Offering and the Company's securities may not be disclosed or circulated, in any jurisdiction where to do so would breach any securities law or regulation of such jurisdiction or give rise to any obligation to obtain any consent, approval or permission, or to make any application, filing or registration in such jurisdiction. Shares will be listed only on the Main Market of Qatar Stock Exchange and no Shares will be offered or listed in any other markets.
Rights attached to the Shares	The Shares will rank *pari passu* in all respects with each other, including for voting and dividend rights and rights on return of capital. Please refer to *Section 22 (Summary of the Company's Articles of Association)* in relation to shareholder rights in relation to the Company.
Shareholders prior to the Offering	The current shareholders of the Company are the Founders. Please refer to *Section 11 (Management, Founders and Principal Shareholders and Corporate Governance)* for a description of the Founders.
Intended shareholding structure post-Offering	Other than changes to the shareholders from time to time due to transactions on the Qatar Stock Exchange, there are currently no anticipated changes to the shareholding or corporate structure of the Company from the structure disclosed in *Section 6 (The Company)*.

Offering and Listing Expenses	The net proceeds of the Offering will ultimately be received by the Founders. The Offering and Listing Fees of QAR 3,244,900 shall be applied towards the Offering and Listing Expenses, which include advisors' fees and other legal and governmental fees and expenses. To the extent that the actual offering and listing expenses incurred exceed the total Offering and Listing Fees collected, the Founders shall be responsible for the payment of the Offering and Listing Expenses.
Restrictions on transferability	The Shares will be subject to certain restrictions as described under *Section 26 (Transfer and Selling Restrictions)*.
Locations to obtain the Offering Prospectus	The website of the Company (www.meeza.net/ipo) and selected branches of the Receiving Banks.
Business Hours of the Receiving Banks	Opening hours vary from branch to branch of each Receiving Bank and should be announced on the website of each Receiving Bank.
National Investor Number	An applicant must have an active National Investor Number (NIN) as part of the order process.[1]
Receiving Banks	The only persons-authorized to distribute Order Forms to Individual and Corporate Investors on behalf of the Founders are the Receiving Banks. Distribution and collection of all Order Forms and orders and collection of proceeds during the Offer Period shall be solely performed by and processed through the Receiving Banks. Notification of final allocation of Offer Shares and refunds of proceeds for unallocated Offer Shares (if any) shall be solely performed by and processed through the Lead Receiving Bank.

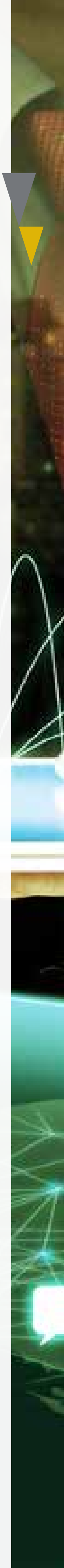
1. An active NIN number is required to complete the transaction by an applicant unless approved otherwise by the relevant regulatory authorities and QCSD.

Trading Accounts	It is not a requirement that an applicant has a trading account. However, if the applicant wishes to be able to trade his or her Shares after the Offering, he or she must have a trading account established with a QCSD licensed broker to operate in the QSE. An applicant who does not have a trading account will not be able to trade his or her Shares on the QSE after the Listing and Offering. Guidance on opening a trading account may be obtained from the offices of the QSE in Doha or from participating branches of the Receiving Banks throughout Qatar.
Listing and Trading of Shares	Prior to the Closing Date, the Company will submit an application to the QFMA and to the QSE to list all of the Shares on the QSE in accordance with the Listing requirements and rules of the QFMA and QSE. Trading in the Shares will be effected on an electronic basis, using the trading system administered by QSE. It is anticipated that admission will occur during the month of July 2023 after obtaining approval of the QFMA and QSE. After the Closing Date and following commencement of trading in the Shares on the QSEMM, all Investors will be allowed to purchase shares on the QSEMM in accordance with the applicable rules and regulations of the QSE. The Shares may be freely traded and transferred in accordance with the rules and regulations of the QSE and in compliance with applicable laws in Qatar.
Allocation of Offer Shares and refund of excess order amounts	Individual and Corporate Investors who have duly completed and submitted their Order Forms and deposited the corresponding funds (Offer Price multiplied by the number of Offer Shares applied for) with the Receiving Banks during the Offer Period are expected to obtain information with regard to their allocations and refund of excess orders, if any, within two (2) weeks of the Closing Date.
Closure of the Subscription Period	The Company may close the Subscription Period if the minimum subscription amount required by in an initial public offering has been obtained in accordance with the QSE Rulebook and the QFMA Offering Rules. Accordingly, the Company

	is not obligated to extend the Subscription Period in the event that not all Offer Shares have been subscribed. In this case, the Founders have the right to retain the remaining Shares that were not subscribed for during the Subscription Period.
Shares the Company has previously listed	None.
Indicative timetable of events	The dates set out below are indicative only of the expected timing of certain key events relating to the Offering. The Founders and the Company reserve the right to change any dates or times and/or shorten or extend the time periods (in accordance with applicable rules and regulations).

Indicative timetable of events

Publication of the Book Building Offering press release	8 January 2023
Book Building Subscription Period opens	15 January 2023
Book Building Subscription Period ends	6 March 2023
Publishing of the Offering Prospectus, newspaper announcement and marketing campaign to launch	29 May 2023
Subscription Period for Individual and Corporate Investor opens	6 June 2023
Investor Subscription Period for Individual and Corporate Investors ends	19 June 2023
Allotment of Offer Shares	25 June 2023
Refund of excess application amounts, if any	25 June 2023
Issuance of the updated commercial registration certificate of the Company, reflecting status as QSTP - LLC (Public)	9 July 2023
Expected first day of trading of the Shares on the Qatar Exchange	During July 2023



ARRANGEMENTS FOR ADMISSION AND TRADING

4. ARRANGEMENTS FOR ADMISSION AND TRADING

Following the Offering, the Company will submit an application to the QFMA and the QSE to list all of the Shares on the QSEMM. Trading in the Shares will be effected on an electronic basis as per the electronic trading system adopted by QSE.

After the Offering, and following commencement of trading in the Shares on the QSEMM, all institutions and individuals will be allowed to purchase shares in accordance with the applicable laws and the rules of the QSE. The Shares may be freely traded and transferred in accordance with the QSE Rulebook in compliance with the applicable laws of Qatar and the rules and regulations of the QFMA. The Company will also register with QCSD upon Offering.

Trading in Shares accepted on the QSE shall be subject to an annual three-day cycle (T+3) in accordance with the QCSD rules and the procedures of delivery versus payment (DVP) in accordance with the procedures adopted by the relevant market where such Shares are listed.

EXECUTIVE SUMMARY

5. EXECUTIVE SUMMARY

5.1 Business Overview

The Company was founded in 2008 as the IT service provider for Qatar Foundation and expanded to provide services to the rest of the market thereafter. MEEZA was the first in the country to provide public cloud computing services, beginning with Microsoft SharePoint and Email Exchange as a service offering for medium and large enterprises. Subsequently, the Company continued to expand its portfolio of managed IT services and expand its data centre sites. MEEZA has also achieved other milestones, such as its launch of a commercial security command and control centre in 2014.

Today, MEEZA is an end-to-end provider of IT services in the country, capable of providing customers with IT hosting, operations and support functions whether on-premise or collocated in DCs, whether in-cloud computing services or via managed local services.

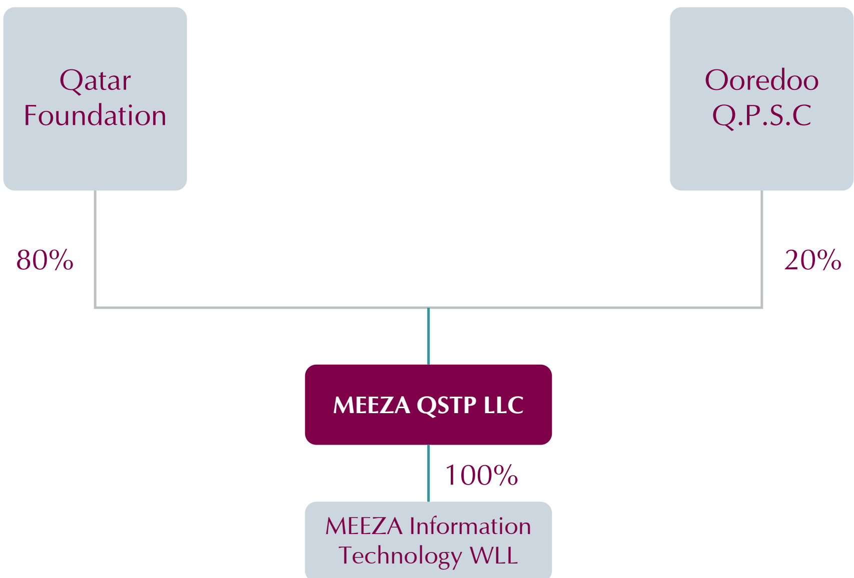
5.2 Corporate Structure

The legal and commercial name of the Company is MEEZA QSTP LLC (Public) . The Company is currently registered as a company with limited liability organized under the QSTP Companies Regulations. The Company was organized on 9 March 2008 with company registration number 20080309-1. Since its founding, the Company has been owned by Qatar Foundation (80%) and Ooredoo (20%). In anticipation of the Offering, and as at the date of this Offering Prospectus, the Company is owned by its two original Founders.

The Company has one (1) subsidiary, Meeza Information Technology WLL (the Onshore Subsidiary).

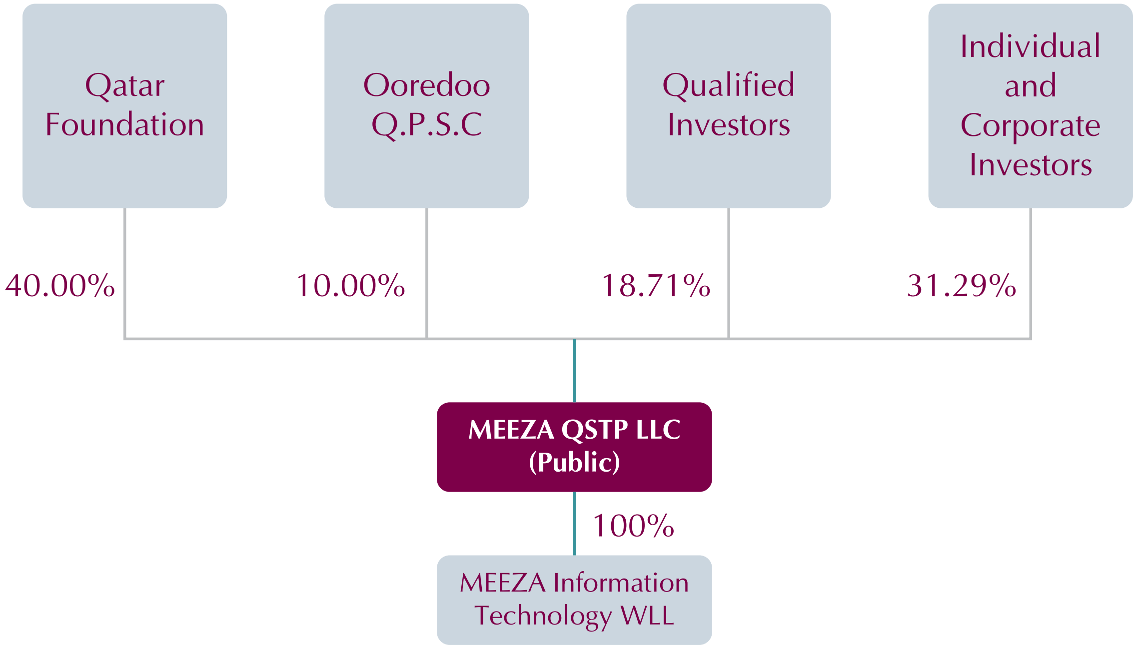
Pre-Offering Shareholding Structure

The chart below illustrates the shareholding structure of the Company immediately prior to the Offering as well as its effective direct or indirect ownership interests in the Subsidiaries.



Envisaged Post-Offering Shareholding Structure

The chart below illustrates the envisaged shareholding structure of the Company immediately following the Offering as well as its effective direct or indirect ownership interests in the Subsidiaries.



5.3 Competitive Strengths

The Company has developed several key differentiating factors which represent MEEZA's competitive strengths. Each of these factors is described in greater detail in Section 6.6 – *Competitive Strengths of the Group*:

- A leading market position.
- Its long-term customer relationships.
- A services and solutions portfolio.
- Its investments in IT systems and assets.
- Its ecosystems of long term business relationships.
- Its experienced management team.

5.4 Growth Plans and Strategy

No material changes in the nature of the business of the Company are presently contemplated.

Management and the Board of Directors evaluate the Company's business and strategy on a quarterly basis and as otherwise appropriate in their discretion, including by monitoring the implementation, plans and results of the Company.

5.5 The Book Building Mechanism

Prior to the Offering, the Company offered 37.41% of the Offer Shares to a set of Qualified Investors according to the Book Building Mechanism issued by the QFMA.

The Book Building Mechanism had never been utilized in Qatar for an IPO process and, as such, bore certain risks which had been highlighted to the Qualified Investors.

Following publication of the Book Building announcement on the Offering Manager's website and on the Company's website, the book building subscription period (the "**Book Building Subscription Period**") commenced on 15 January 2023 and lasted until 06 March 2023.

The valuation methodology, which resulted in the determination of the initial price range between QAR 2.61 – QAR 2.81 of the Offer Shares that would be offered to the Qualified Investors, has been approved by the QFMA in compliance with the Offering and Listing Rulebook of Securities issued by the QFMA (including any Price Range modifications requested by the Offering Manager during the Book Building Subscription Period). The Shareholders subsequently approved modifications to the initial price range to account for market conditions existing at the time and initial market feedback, resulting in a final price range between QAR 2.40 – QAR 2.61 (the "**Price Range**") for the Offer Shares offered to the Qualified Investors following approval from the QFMA in compliance with the Offering and Listing Rulebook of Securities issued by the QFMA.

The Offering Manager invited the Qualified Investors to subscribe to the Offer Shares by filling-out a Book Building Order Form by subscribing to a minimum 3,700,000 Offer Shares (the "**Minimum Book Building Order**") and a maximum of 32,449,000 Offer Shares (the "**Maximum Book Building Order**"), subject to no Qualified Investor being allocated more than 32,449,000 Offer Shares, equal to 5% of the issued share capital of the Company. Any Book Building Order Form exceeding the Minimum Book Building Order was received in multiples of 1,000 Offer Shares.

In order for the Book Building to successfully conclude, it was required by the Book Building Mechanism issued by the QFMA that at least five (5) Qualified Investors (as defined by QFMA's Instructions for Securities Offering through Book Building Mechanism) subscribe to at least 30% of the Offering.

Seven (7) Qualified Investors subscribed to 121,393,000 Shares, representing 37.41% of the Offer Shares, with the balance of 62.59% of the Offer Shares to be offered to Individual and Corporate Investors. The final Order Book is as follows:

Qualified Investor	Shares	% of the Company	% of the Offering
Qatar Investment Authority[2]	32,449,000	5.00%	10.00%
Al Khor Holding[3]	32,449,000	5.00%	10.00%

2 Qatar Investment Authority participated through a fully owned subsidiary, Qatar Holding LLC.

3 Al Khor Holding participated through a fully owned subsidiary, International Trade & Development Co.

Qualified Investor	Shares	% of the Company	% of the Offering
General Retirement & Social Insurance Authority (Civil Fund)	32,449,000	5.00%	10.00%
General Retirement & Social Insurance Authority (Military Fund)	9,734,000	1.50%	3.00%
Qatar Insurance Company	6,912,000	1.07%	2.13%
Doha Insurance Group	3,700,000	0.57%	1.14%
General Authority for Minors Affairs	3,700,000	0.57%	1.14%
Total	**121,393,000**	**18.81%**	**37.41%**

The Order Book was closed at a **final Offer Price of QAR 2.17 per Share** (comprised of a nominal value of QAR 1 per Share, a premium of QAR 1.16 per Share and Offering and Listing Fees of QAR 0.01 per Share).

Final pricing outside the latest Price Range is a testament of the effectiveness of the Book Building Mechanism to transparently price the IPO based on supply and demand, considering market conditions and feedback received from Qualified Investors during the Book Building Subscription Period.

5.6 The Offering

5.6.1 Offering to Individual and Corporate Investors

Following the allocation of 37.41% of the Offer Shares through the Book Building Mechanism, the residual of 203,097,000 Shares representing a percentage of 62.59% of the Offer Shares are being offered to Individual and Corporate Investors, which comprise of: (a) individual Qatari nationals ("**Individual Investors**"), and (b) legal entities incorporated in the State of Qatar with a commercial registration certificate issued by the Ministry of Commerce and Industry ("**Corporate Investors**").

5.6.2 Orders by Individual and Corporate Investors and limits

The minimum order by Individual and Corporate Investors is set at 500 Offer Shares ("**Minimum Order**") and the maximum order by Individual and Corporate Investors is set at 32,449,000 Offer Shares ("**Maximum Order**"). No order by an Eligible Investor for less than 500 Offer Shares (the "**Minimum I&C Order**") shall be accepted. Any order exceeding the Minimum Order shall be in multiples of 100 Offer Shares. The maximum order by an Eligible Investor is set at the Maximum Order. Any order received from an Eligible Investor exceeding the Maximum Order will be scaled back and treated as an order for the Maximum Order only. No individual or entity, except the Founders or companies owned or controlled by the Founders, may possess at any time more than five percent (5%) of the shares of the Company.

Multiple subscription orders in the name of the same Individual or Corporate Investor are prohibited. In the event of multiple orders being received in the name of the same Individual or Corporate Investor, only one order will be processed (at the absolute discretion of the relevant Receiving Bank or Lead Receiving Bank), and any other orders will be rejected in their entirety. Notwithstanding the above, in the case of Individual Investors, an order by (i) a parent or legal guardian on behalf of a minor; or (ii) a duly authorized person on behalf of a first degree relative (parent, child, spouse), does not prevent such person from also submitting an order in his or her own name under a separate Order Form.

5.6.3 Allocation strategy

The allocation of Offer Shares to Individual and Corporate Investors will be made in whole numbers of Shares only (no fractions).

The residual of 203,097,000 Shares representing a percentage of 62.59% of the Offer Shares post-Book Building Mechanism have been reserved for Individual and Corporate Investors who shall submit orders for a number of Offer Shares between the minimum of 500 Offer Shares and the maximum of 32,449,000 Offer Shares (equivalent to 5% of the Company's entire share capital).

Offer Shares to Individual and Corporate Investors shall be allocated:

a. first to Individual Investors, and if the number of Offer Shares requested by Individual Investors exceeds the number of Offer Shares, then the Offer Shares shall be allocated on a pro-rata basis to Individual Investors; then

b. if any Offer Shares remain, these shares shall be allocated to Corporate Investors, and if the number of Offer Shares requested by Corporate Investors exceeds the number of Offer Shares remaining, then the Offer Shares shall be allocated on a pro-rata basis to Corporate Investors; then

c. if any Offer Shares remain, then such remaining Offer Shares may be allocated, on exceptional basis provided approval of regulators are obtained, to government entities or governmental funds (if any) but not to Individual and Corporate Investors at the direction of the Board in its absolute discretion.

It is expected that allotment of Offer Shares and refunds of excess order amounts, if any, will occur no later than 25 June 2023.

5.6.4 Listing and trading

The Company will submit an application to the QFMA and the QSE to list the Shares on the QSE in accordance with the listing requirements of the QFMA and the procedural rules of the QSE. Trading in the Shares will be effected on an electronic basis through the Company's share registry maintained by the QCSD.

Prior to the Offering, there has been no market for the Shares. This Offering Prospectus has been prepared in connection with the initial public offering of the Shares in Qatar. It is anticipated that admission will occur during the month of July after obtaining approval of the QFMA and QSE.

5.6.5 Submitting orders for Offer Shares

During the Offer Period, Individual and Corporate Investors may submit orders for Offer Shares by completing the Order Form and complying with the instructions set out in the Order Form and this Prospectus. (Qualified Investors shall submit orders for Offer Shares through a separate process). Any Order Form in connection with the Offer Shares that is completed without fully complying with the requirements indicated in such Order Form may be rejected without any right to damages or any other recourse.

5.6.6 Multiple subscription allocations

Multiple orders in the name of the same Individual or Corporate Investor are prohibited. In the event of multiple orders being received in the name of the same Individual or Corporate Investor, only one order will be processed and any other order will be rejected in its entirety. Notwithstanding the above, with respect to Individual Investors, an order by (i) a parent or legal guardian on behalf of a minor; or (ii) a person duly authorised on behalf of a first degree relative (parent, child, spouse), does not prevent such person from also submitting an order in his or her own name under a separate Order Form.

5.7 Financial Overview

Summary Financials

Income Statement	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	2020 Audited	2021 Audited	2022 Audited	2021	2022
Revenue	284.8	328.4	352.9	15.3%	7.4%
Cost of sales	(211.5)	(240.9)	(246.2)	13.9%	2.2%
Gross profit	**73.3**	**87.5**	**106.7**	**19.4%**	**21.8%**
G&A expenses	(34.1)	(35.2)	(43.1)	3.3%	22.5%
Other income (expenses)	0.9	(0.4)	(0.0)	(141.2%)	(98.7%)
Finance income / (costs), net	(5.4)	(8.0)	(11.4)	48.1%	43.7%
Profit for the year	**34.8**	**44.0**	**52.1**	**26.5%**	**18.4%**
EBITDA(1)	**100.8**	**105.1**	**124.0**	**4.2%**	**18.0%**
Selected ratios					
Gross profit margin	26%	27%	30%	1%	4%
EBITDA Margin(2)	35%	32%	35%	(3%)	3%
Net profit margin	12%	13%	15%	1%	1%

(1) EBITDA refers to earnings before interest, tax, depreciation and amortisation and consists of the sum of MEEZA's profit for the year, net finance costs, other income (expenses) and depreciation and amortisation. EBITDA is not a measurement of performance under IFRS or generally accepted accounting principles.

(2) The following is a reconciliation of the profit for the period/year to EBITDA for the periods below. EBITDA margin is calculated as EBITDA as a percent of Revenue.

Income Statement	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020** Audited	**2021** Audited	**2022** Audited	**2021**	**2022**
Net profit	**34.8**	**44.0**	**52.1**	**26.5%**	**18.4%**
Added back:					
Depreciation - NaaS	23.5	7.5	4.5	(67.9%)	(40.3%)
Depreciation excluding NaaS	30.9	38.5	45.7	24.4%	18.8%
Depreciation - ROU assets	7.2	6.8	10.3	(6.0%)	52.1%
Finance income / costs, net and other income (expenses)	4.5	8.3	11.5	86.9%	37.3%
EBITDA	**100.8**	**105.1**	124.0	**4.2%**	**18.0%**
EBITDA margin	35.4%	32.0%	35.1%	(3.4%)	3.1%

Revenue

Breakdown of revenue	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020** Audited	**2021** Audited	**2022** Audited	**2021**	**2022**
Data Centre Services	92.7	125.6	138.2	35.6%	10.1%
Managed Services	83.0	72.5	91.0	(12.6%)	25.6%
Workplace Services	47.8	25.2	18.3	(47.2%)	(27.4%)
Solution Services	40.4	81.6	78.9	101.8%	(3.2%)
Cloud Services	0.1	8.2	11.4	7,521.5%	40.3%
Master system integrator services	20.8	15.3	14.9	(26.7%)	(2.4%)
Total revenue	**284.8**	**328.4**	**352.9**	**15.3%**	**7.4%**

Source: Management Information

MEEZA derives its revenue from the provision of the following IT solutions and data related services:

- Data centre services;
- Network management, maintenance and infrastructure services (Managed services);
- Other ad hoc IT integration, IT resale and installation services (Solutions services);
- Service desk and field related services (Workplace services);
- Cloud services; and
- Master Systems Integrator

The provision of DC services has been MEEZA's primary source of income historically and mainly relates to the development, management and leasing out of physical data centres for clients to safely store their servers and data. These services are generally provided to customers through medium to long-term contracts with terms typically ranging between 3 and 15 years and priced on a "per rack" basis depending on the storage capacity and power required by a customer. During FY22, data centre services accounted for 39% of total revenue generated. Going forward, MEEZA expects this product line to remain the largest revenue contributor.

Other significant product lines include Managed services and Solutions services:

- Managed services include the provision of end-to-end IT solutions to customers. MEEZA mainly leverages its existing data centre network to deliver such services. Revenue from this product line accounted for 26% of FY22 total revenue.
- Solution services relate to ad hoc IT consultancy, integration, hardware and software resale and installation services. This product line accounted for 22% of total revenue in FY22.

EBITDA

EBITDA increased by 4.2% to reach QAR 105.1 million in FY21, fuelled by an increase in revenue during the year (higher contribution from DC and Solution services). EBITDA margins however dropped further to 32.0% in FY21 primarily due to NaaS and revenue mix.

EBITDA increased by a further 18.0% to reach QAR 124.0 million in FY22, driven by an increase in revenue during the year (higher contribution from DC and Managed Services). EBITDA margin also increased to 35.1% in FY22 primarily due to an improved revenue mix, with more contribution from higher margin services.

Presented below is MEEZA's EBITDA excluding the NaaS project which largely ended in 2022:

EBITDA excluding NaaS	**Amount (QAR million)**			**% Change (YoY)**	
Year ended 31 December	**2020**	**2021**	**2022**	**2021**	**2022**
EBITDA	100.8	105.1	124.0	4.2%	18.0%
NaaS gross Profit (excluding depreciation)	34.5	14.1	5.1	(59.3%)	(63.9%)
EBITDA excluding NaaS	**66.4**	**91.0**	**119.0**	**37.0%**	**30.7%**
				Abs. change	
EBITDA margin (excluding NaaS)	**27%**	**29%**	**34%**	**2%**	**5%**

EBITDA excluding NaaS increased by 37.0% from QAR 66.4 million in FY20 to QAR 91.0 million in FY21 and further increased by 30.7% in FY22, reaching QAR 119.0 million. This increase was primarily driven by the DC expansions, Solution Services and Managed Services revenue.

For further details, please refer to *Section 20 (Auditor's Report and Financial Statements)* and *Section 21 (Management Discussion & Analysis)* of the Offering Prospectus.

Onshore Subsidiary

The Onshore Subsidiary was originally established so that MEEZA could bid on a contract with a local company which required the bidder to be an entity outside of QSTP.

As of today, the Onshore Subsidiary focuses primarily on its contract with the aforementioned local company, for which MEEZA provides colocation services. The total contract value amounts to QAR 29.08m and the term of the contract runs from July 2019 to August 2024.

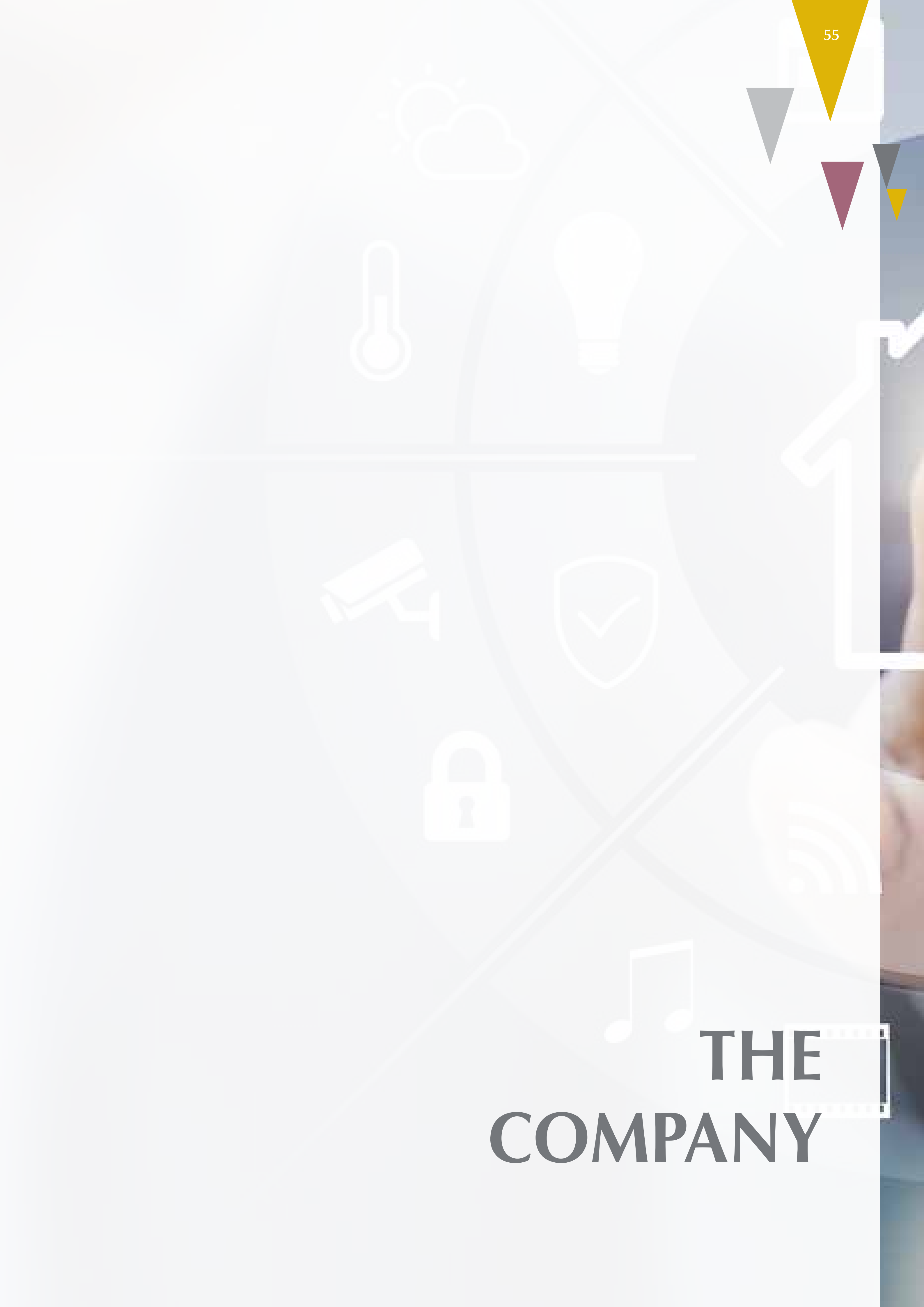
As per its commercial registration, the Onshore Subsidiary can undertake activities such as software designing and programming, trading in computer network equipment, designing electronic sites, information technology consultancy, storage of data and documents, trading in computer networking devices and trading via internet.

5.8 Risk Factors

The business of the Company has inherent risks such as:

- Risks relating to the Company;
- Risk relating to Qatar and the GCC;
- Risks relating to the Company's industry;
- Risks relating to the Offering and the Shares;
- Other risks; and
- Unidentified or unanticipated risks.

For more details, please see Section 8 (Risk Factors).



THE COMPANY

6. THE COMPANY

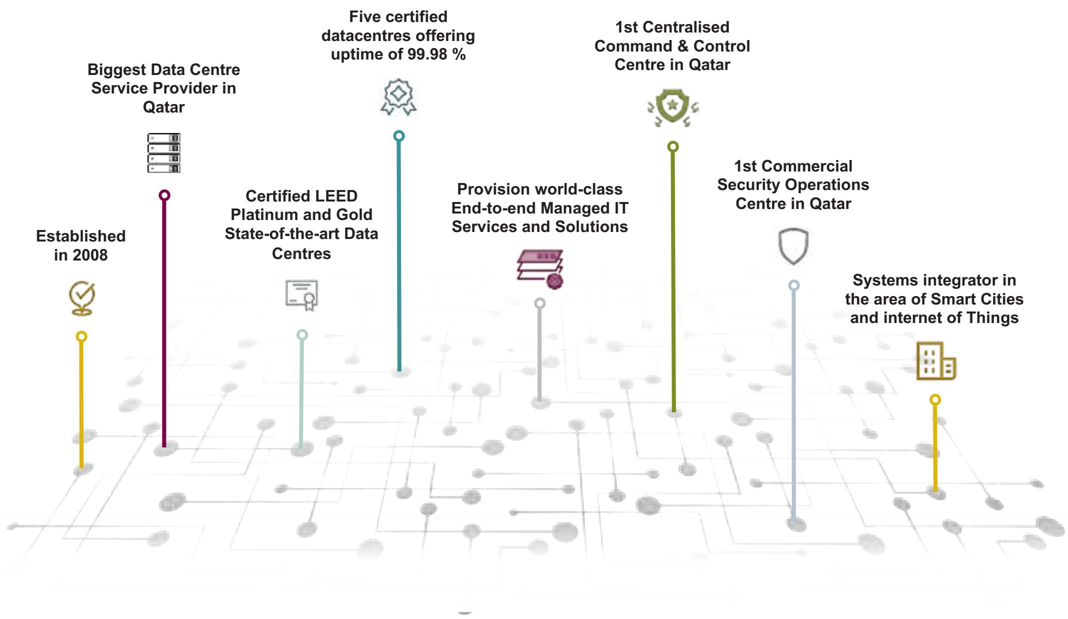
6.1 BRIEF HISTORY

6.1.1 Overview

MEEZA was founded in 2008 as the IT service provider for Qatar Foundation and expanded to provide services to the rest of the market. Built around a mature IT services framework (ITILv3), MEEZA initially offered a single data centre (DC) facility along with service monitoring and management capabilities powered by a small team of engineers and IT analysts. In doing so, MEEZA started providing 24x7 operations and support for IT infrastructure both on-premises and at customer sites, along with IT workloads hosted in its own DC.

MEEZA was the first company in Qatar to provide public cloud computing services, starting with its Microsoft SharePoint and Email Exchange as-a-service offerings for medium and large enterprises. Subsequently, MEEZA continued to expand its portfolio of managed IT services, expand its data centre sites into MV-3 (a high-density Tier-3 data centre design and built facility), MV-2 (disaster-recovery large scale facility located outside of Doha), MV-4 (hyperscaler hosting platform in QSTP) and, more recently, MV-5. MEEZA worked together with ictQatar (later as the Ministry of Transportation and Communication) to host the country's first QITCOM nationwide technology conference. Other notable milestones include MEEZA's first-in-country launch of a commercial security command-and-control centre (SoC) in 2014 as well as first 4-star SDI certification for its IT service desk amongst a list of other industry firsts. In that same year, MEEZA became the country's first Smart City Master Systems Integrator having won the prestigious contract to design, build and operate Qatar's largest smart city project, Msheireb Downtown Properties.

Today, MEEZA is an end-to-end provider of IT services in the country built on a service framework, capable of providing its customers with IT hosting, operations and support functions whether on-premise or collocated in its DCs, whether in-cloud computing services or via managed local services.



6.1.2 Objectives and Activities

MEEZA's core mission seeks to provide solutions that reduce the cost and complexity of initial and ongoing IT requirements. It does so by offering local IT services and skills to augment and/or outsource customers' own in-house assets and capabilities. By leveraging MEEZA's state-of-the-art facilities and around-the-clock operations and support service coverage, customers are able to focus on their own core missions. MEEZA not only offers a varied spectrum of technical services in that regards but extends a variety of business terms and models in order to be able to serve all customers regardless of their resources dedicated to obtaining technological services.

MEEZA's lines of service include:

- Data Centre Services: development, management and leasing of physical DCs for clients to safely store their servers and data. DC Services include (i) colocation services, whereby MEEZA manages the DC for the client and (ii) data suites, whereby clients choose to self-manage their IT equipment or MEEZA manages their IT assets
- Solution Services: ad hoc IT consultancy, integration, hardware, software resale and installation services
- Managed Services: tailored IT services provided to customers based on their specific requirements, including applications and infrastructure, as well as provision and management of end-to-end network solutions to and from customers
- Workplace Service: provision of onsite resources to assist clients to operate end-user devices, IT systems and networks
- Cloud Services and Solutions: provision of cloud services through a private, public or hybrid network based on the DC's infrastructure
- Master System Integrator: a project with Msheireb Properties consisting of multiple IT product lines, including project management, operations and hardware and software resale, whereby MEEZA is responsible for the set and maintenance of the whole IT infrastructure in Msheireb.

6.2 Strategic Objectives of the Company

6.2.1 Strategy

The Company seeks to maximize Shareholder value by capitalizing on its current position as the leading IT services provider. The Company continues to build on recent market cloud accelerated development ushered by the arrival of large Tier-1 hyper-scaler cloud platforms (such as Microsoft Azure and Google GCP) and sophisticated cybersecurity requirements. These trends subsequently feed into the DC market expansion which MEEZA aspires to capture in the process.

MEEZA's strategy revolves around two main themes: excellence in operations, and continuous innovation. This is centered around three key technology areas built atop of the Company's core skillsets and service culture. These areas are:

- Data centres (DCs) – essential facilities to house critical IT infrastructure safely and securely.
- Cloud computing – hyper-scaler providers such as Microsoft offer their public cloud computing platforms such as "Azure" while local providers have multiple flavors of cloud stacks from the private or specific customer-dedicated setups to the public shared-across-many-customers setup. MEEZA offers both flavors of cloud computing offerings, both private and public. Examples of current cloud and content platform providers in the world today include Google, Microsoft, Amazon, Netflix and Tencent.
- Cyber Security services – 24x7 security operations centres (SOC) are a specialized form of command-and-control environments looking after the safety of customer's own IT infrastructure and the data within. MEEZA offers a variety of commercial SOC's in Qatar and has developed many processes around leading security technology products since 2013.

The Company intends to improve the overall value and return to its Shareholders by monitoring the implementation, plans and results of the Group through discussions and reviews between the Board of Directors of MEEZA and its executive management team.

6.2.2 Principal activities

Besides the areas of DC, cybersecurity, cloud and managed IT services, one of MEEZA's principal activities has been the workplace services domain (WPS) whereby field and client-site resources are deployed as a managed extension of MEEZA to ensure on-premises operations and support. Given the specific nature of the WPS activity, MEEZA established a subsidiary (MEEZA Information Technology WLL) to contain the governance of this service and all the legal and HR requirements of managing field resources and contractors.

6.2.3 Customer segments

Since its founding as a Qatar Foundation service provider, MEEZA has now ventured into all main market IT segments in Qatar with more than 100 clients. MEEZA has established itself as a credible provider of IT services to governmental and quasi-governmental entities, including a number of Qatari ministries amongst the Company's client lists. The table below depicts a recent sample of MEEZA's clients, demonstrating a diversified set of clients spread across industries, including government, energy, utilities, telecommunications, banking, medical, research and education as well as real estate market verticals. For further information on MEEZA's below clients as well as other material clients, please refer to sections 8.1.25 through to 8.1.28, 11.8 and 13 of this Offering Prospectus.

Sample Clients

6.3 Corporate Information and Subsidiaries

6.3.1 Organizational information

The legal and commercial name of the Company is MEEZA QSTP LLC (Public). The Company is registered as a company with limited liability organized under the QSTP Companies Regulations. The Company was incorporated on 9 March 2008 with company registration number 20080309-1.

6.3.2 Authorized objects of the Company

According to its Articles, the objects of the Company are providing information and communications technology services, including without any limitation (a) business process outsourcing; (b) information technology outsourcing, maintenance, hosting, support, storage, consulting, work place and applications-related services; (c) establishing and operating data centres in Qatar; (d) systems analysis, communications engineering, computer consultancy, computer data centres management activities, data processing, web hosting and related activities and IT consulting.

6.3.3 Subsidiaries

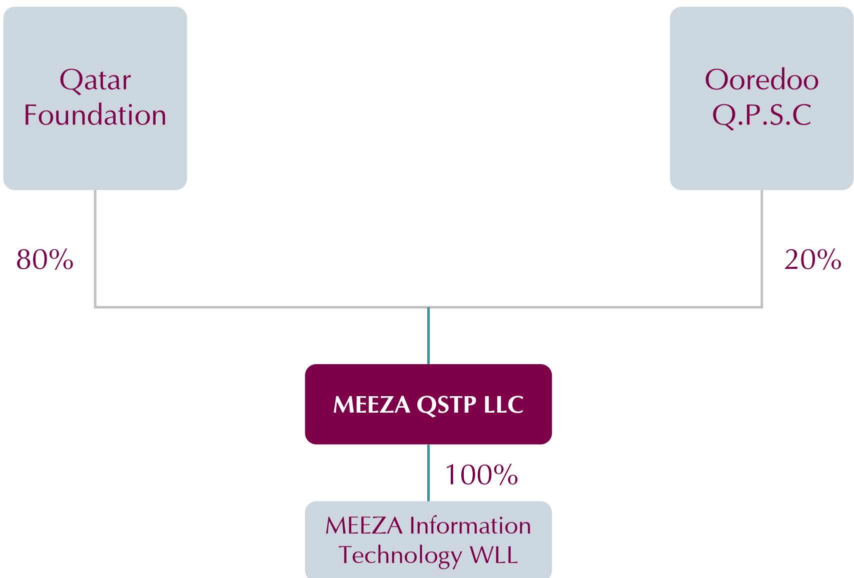
As at the date of this Offering Prospectus, the Company is the direct legal owner of one (1) subsidiary, the details of which are shown in the table below:

No.	Subsidiary name	Company ownership percentage (directly or indirectly)	Jurisdiction of Organization/ Commercial Registration number	Date of incorporation	Summary of Principal Activities
1.	MEEZA Information Technology WLL	100%	Qatar 73974	14 July 2015	Trading in computer equipment and devices, trading in computers and their maintenance, software development, creation of data information infrastructure, providing expertise, solutions and consultancy in relation with information systems, services related to the protection of devices and information systems.

6.3.4 Corporate structure

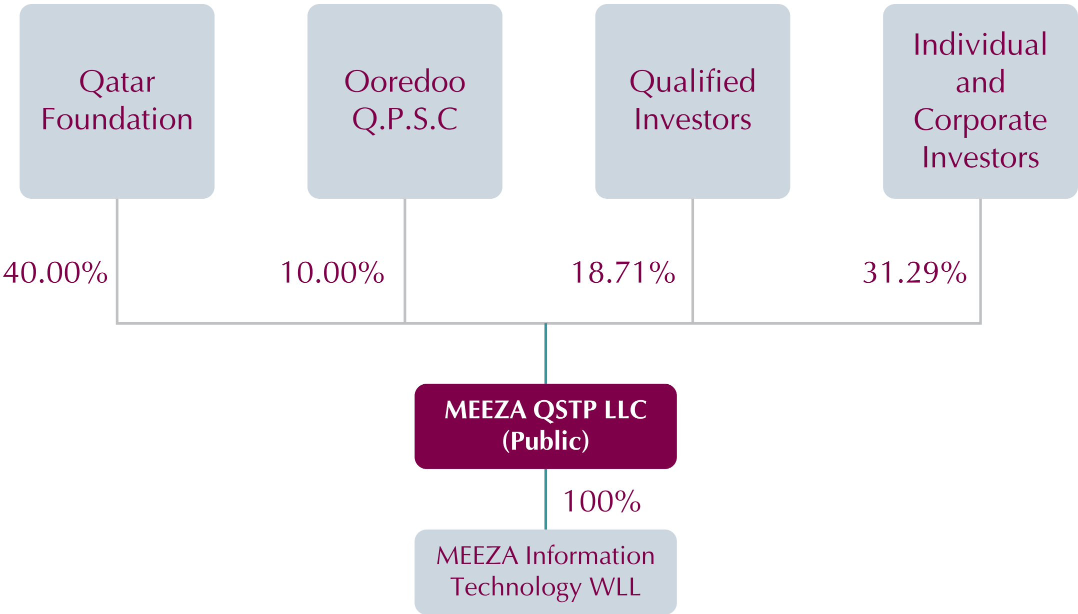
Pre-Offering Shareholding Structure

The chart below illustrates the shareholding structure of the Company immediately prior to the Offering as well as its effective direct or indirect ownership interests in the Subsidiaries.



Envisaged Post-Offering Shareholding Structure

The chart below illustrates the envisaged shareholding structure of the Company immediately following the Offering as well as its effective direct or indirect ownership interests in the Subsidiaries.



6.4 Founders

The Founders are:

- Qatar Foundation
- Ooredoo QPSC

6.5 Management

Please refer to Section 6.6.6 – Experienced management team – below.

6.6 Competitive Strengths of the Group

The Company believes it has ongoing competitive advantages in the IT services sector in Qatar for the following reasons:

6.6.1 Leading market position

MEEZA was the first company in the Qatar market to provide IT technology in the form of end-to-end service-level-agreement (SLA) bound services. This was considered a market phase shift at the time of the Company's formation in 2008, when customers were previously forced to procure technology from vendor resellers and resorting to third parties to deliver and install the systems before handing operations back to the customers' own staff in a multi-hop and lengthy process. MEEZA led the way since delivering turnkey IT as-a-service solutions. alleviating the often lengthy contracting and purchasing cycles whilst removing IT operations complications from the customer side. This helped MEEZA establish a leading position as a recognized outsourcing and IT service provider in Qatar.

The Qatari data centre space currently features three ICT companies whose data centre colocation capacity is commercially available to third parties as part of their core business.

MEEZA is currently the market leader with a total supply capacity of 24.4 MW (c. 50% market share based on Qatar estimated supply capacity of c. 48 MW) from operating 5 data centres in Qatar. MEEZA intends to expand its capacity by c. 19.5 MW over the next 2 to 3 years to meet the growing demand.

Besides MEEZA, ICT companies operating data centres in Qatar include Ooredoo and Mannai ICT.

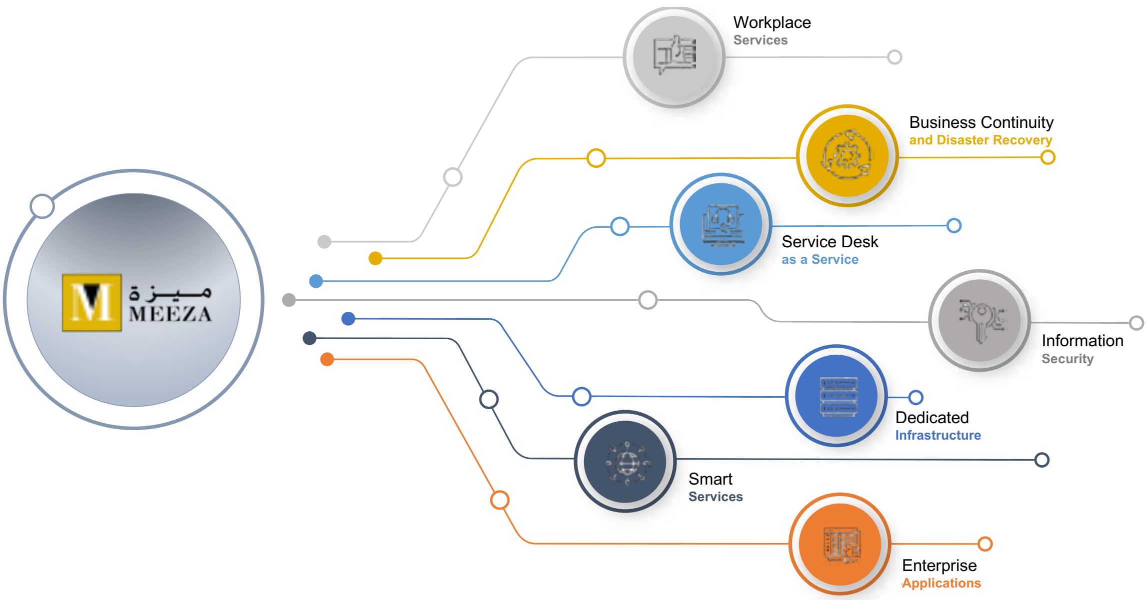
- Ooredoo, the leading telecom company in Qatar, operates 5 data centres covering a total space of around 60,000 square feet and its total supply capacity is estimated to be 22 MW (c. 46% market share based on Qatar estimated supply capacity, on par with MEEZA).
- Mannai ICT, an integrated end-to-end solutions IT company in Qatar providing, among others, servers & storage services, peripheral IT Hardware services and integrated IT solutions, currently operates 1 data centre with an estimated supply capacity of 2 MW (c. 4% market share based on Qatar estimated supply capacity).

6.6.2 Long-term customer relationships

Most of MEEZA's contracts with its customers run a minimum of 3-years in duration, with some extending to 10-12 years before triggering renewals. To MEEZA, this translates into recurring revenue streams whereby the Company focuses on upselling its existing customers as new services are introduced in MEEZA's service portfolio. The Company also targets new customer acquisitions while attempting to re-sign and upsell to existing customers.

6.6.3 Services and solutions portfolio

MEEZA has a wide variety of turnkey services and solutions addressing its customer needs, from the bare metal infrastructure such as DC and servers to hands-off managed IT services handling complex customer environments. Its more complex solutions include in the business continuity, smart city and large enterprise application space.



6.6.4 Investments in IT systems and assets

From its state-of-the-art DC facilities to advanced artificial-intelligence powered cybersecurity platforms, MEEZA has been investing in assets and technology systems to enhance the value of its services. This has also been the case over the years in intrinsic platforms used by the business, such as the company's internal ERP improvements, CRM upgrade projects and more recently the "360" project which links all the company's systems together to offer the Company's management an integrated, comprehensive survey of current activities and services across the lifecycle of MEEZA's business.

6.6.5 Ecosystems of long-term business relationships

Since its early days, MEEZA recognized the critical role of long-term business relationships in the development of its business. As a service provider, and not a mere reseller of technology, MEEZA requires a healthy ecosystem of long-term business relationships to keep its services ahead of the customer expectations. With the variety of IT options and configurations available to customers, this translated into a long list of hardware vendor long term business relationships (such as Cisco, HP and Huawei), software vendors (including Oracle and participation in the Microsoft Cloud Partner Program (formerly the Microsoft Partner Networks), security product specialists (for example, Palo Alto and Splunk). This long and growing list of long-term business relationships is managed by MEEZA via a dedicated team of long term business relationship managers who specialize in the healthy maintenance of such business relationships, ensuring technical product and commercial support to enhance MEEZA offerings and market winning chances. The long-term business relationship team looks after the continuous development of this ecosystem while adding to MEEZA's internal long term business relationship certifications for added product knowledge and skills capacity. Below is a sample list of such long-term business relationships, for further information on MEEZA's long term business relationships as well as other material business, please refer to sections 8.1.25 through to 8.1.26, 11.8 and 13 of this Offering Prospectus.

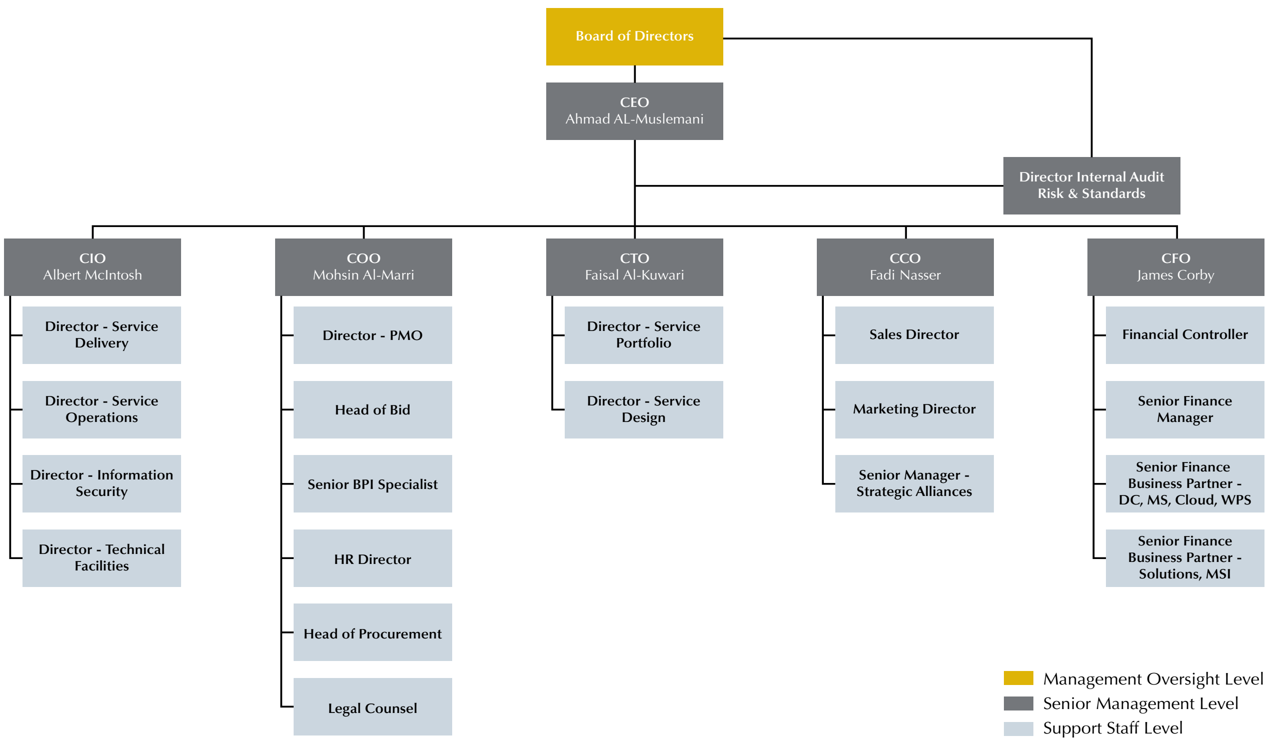
MEEZA Partners

6.6.6 Experienced management team

MEEZA's executive team is one of its key differentiators in this market, including a mix of local Qatari leaders along with global expat expertise with service track records at some of the world's largest technology and service provider names. The well-versed local leadership team has a distinguished background at leading Qatari entities such as QNB, Ooredoo, RasGas and Qatar Foundation whereas the expat team has held numerous top executive roles abroad, regionally and worldwide, hailing from technology hotspots such as Canada and the United Kingdom.

6.7 Organization Structure of the Group

The Company's organizational structure is set out as below. For more details regarding Board, Board committees and management, please refer to Section 11 (Management, Shareholders and Corporate Governance).



6.8 Information Systems

Main IT systems

Oracle and Microsoft are the main IT systems used for MEEZA's daily operations.

Oracle E-Business Suite ERP is mainly used for Finance, Supply chain, and Human capital management, while Microsoft Dynamics 365 CRM is used for daily sales management and reporting.

In addition, MEEZA employs Microsoft SharePoint as its enterprise content management platform. This is primarily used for the intranet portal, where there are many automated workflows for different services, including:

- Document management for document review, approval, and storage
- Collaboration

A number of applications were built on top of the SharePoint portal, including without limitation:

- Contract management
- Client Infrastructure Registry ("**CIR**")
- Employee attendance

Further, MEEZA uses Micro Focus Service Manager, a Service Desk solution used for the operation of key ITIL processes; covering incident management, request fulfilment, change management, problem management, configuration management, knowledge management, self-service portal and service level management as well as Micro Focus Operations Bridge Manager, an event-correlation software used by the NOC Team to monitor events/ alerts generated from On-Prem and Cloud environments, which is integrated with Micro Focus Service Manager to facilitate the lifecycle management of events and incidents.

Network

The backbone of MEEZA Network is based on MPLS enabled network core. This MPLS backbone provides the data exchange facility between various segments in the network whilst providing virtual private networks for customers. MEEZA Network has mainly three functional zones interconnected through the MPLS network, namely, the Internet zone, WAN zone, and Datacentre zone.

Internet Zone

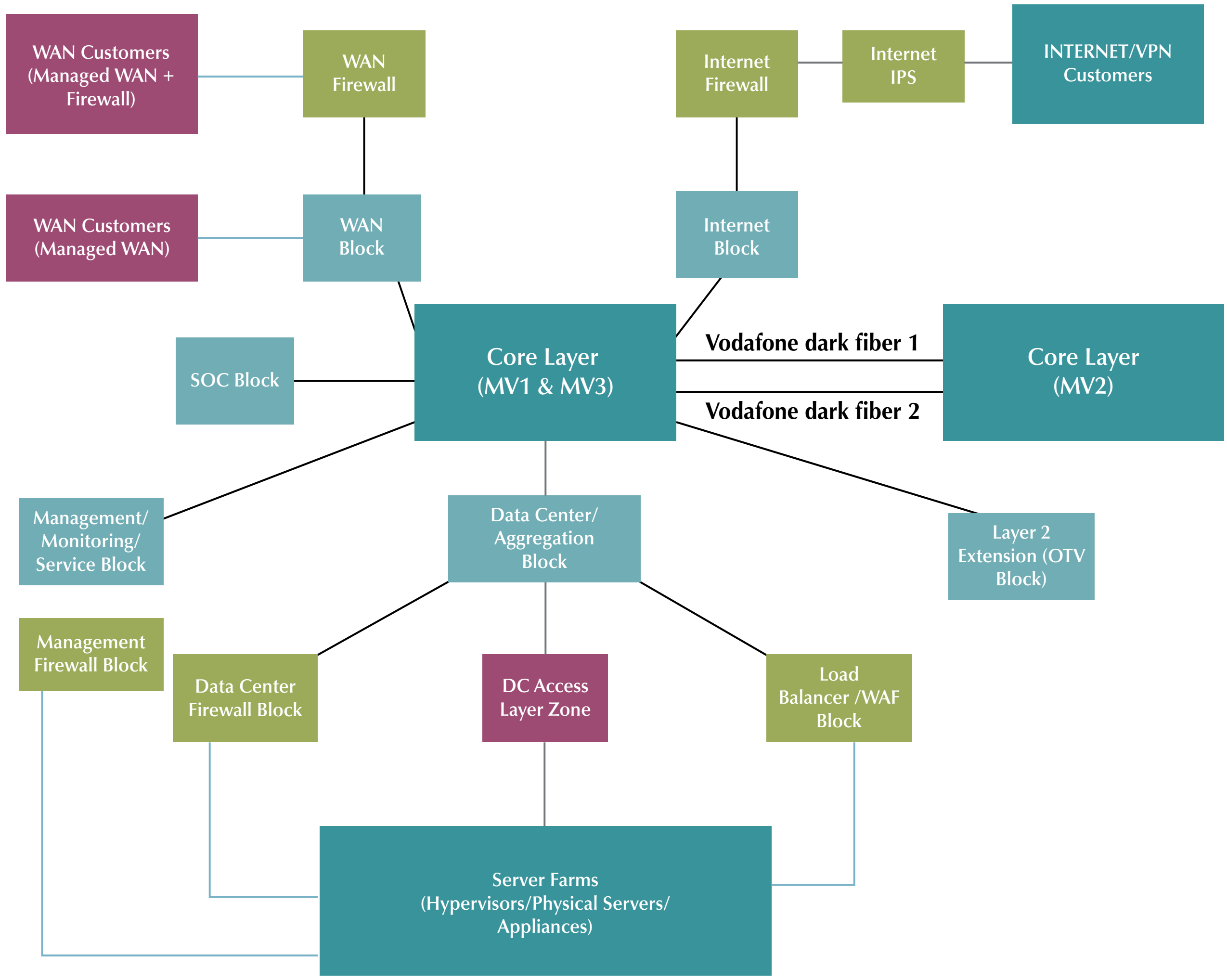
- Publishing of customer's MEEZA hosted services over the public network
- Securing the access through Remote Access and Site-to-Site IPSec VPN
- Serves the internet connections to hosted services for periodic OS updates, license activations, certificate renewals etc.
- Ooredoo, Vodafone and Government Network (GN) are the service providers

WAN Zone

- Includes the IP-VPN services for customers through service providers (Ooredoo, Vodafone & GN)
- Includes the direct fiber connection from customer premises (Dark Fiber, QNBN)
- Remote Network Monitoring and Managing the devices which are located on customer premises

Datacentre Zone

- Customer servers (Hypervisors /Physical Servers/Appliances) are connected behind this zone
- Datacentre Firewalls which are isolating and securing/restricting the communication between the servers are located in this zone
- Web Application Firewall, which provides load balancing and Web Security are connecting behind this zone



MEEZA has built the industry standard (multi-vendor) network platforms, as well as its customers' network infrastructure, that MEEZA Network team provides support. Below are some of the hardware types to vendor mapping:

Switches	Cisco Catalyst, Cisco NXOS, Dell, Huawei (in pipeline)
Routers	Cisco IOS, Cisco IOS-XE, Huawei (in pipeline)
Firewall	Cisco ASA, Cisco Firepower, Juniper, Palo Alto, Fortinet (in pipeline)
Load Balancer	Big IP, A10
WAF	Big IP, A10
IPS	Cisco IPS Appliance, Firepower, Palo Alto
EndPoint Security	Cisco ISE, Firepower Thread Grid (AMP)

By licensing all software and owning the hardware, MEEZA has been seamlessly running its IT systems.

6.9 Employees at Group Level

6.9.1 General information

The following summarizes the number of full-time employees working in Group centralized shared service functions:

Name of department	Number of employees
Business Operations	18
Finance	10
Legal	2
Human Resources	9
Procurement	4
Information Technology Services	132
Sales and Marketing	13
Internal Audit and Risk	1
CEO’s Office	3

The Group’s total permanent employee headcount was 192 and 2 temporary employees, as of 17 May 2023, respectively. Of the Group’s total permanent employee headcount of 192 as of 17 May 2023, the following table provides a summary of the length of service of certain of the Group’s employees:

Length of service	Number of employees	% of total permanent employee headcount*
> 5 Years	13	7%
> 10 Years	44	23%

6.10 Operational Planning

MEEZA follows a series of protocols to assess and monitor the market. These protocols act as a framework to facilitate the operational planning activities in terms of prioritizing resources, and budget.

In terms of monitoring the market in the context of MEEZA's service offerings, regular meetings internally between senior management, and externally with clients are conducted to assess key KPIs. These meetings are formally documented and action plans are set forth. This commercial data is then used to create management forecasts (such as for example: sales pipeline, new long term business relationships/product launches, associated costs etc.), which guide MEEZA's wider strategy and planning objectives.

6.11 Quality Assurance

The Company has implemented an Integrated Management System ("**IMS**") as the framework for setting, reviewing and continually improving various management systems such as quality management, information security, service management, business continuity, occupational health and safety management, environment and sustainability management, system and organization control reports ("**SOC2 type 2**") and payment card industry data security standards ("**PCI DSS**"), among other things.

6.11.1 Management Systems Policy

MEEZA's commitment to promote a culture and maintain a framework that ensures continuous improvements is achieved by the following policy objectives:

- Delivering "right the first time" and "doing the right thing" to ensure its clients and other interested parties place trust and confidence in the services MEEZA delivers.
- Conducting business in an ethical manner, taking account of sustainable development and delivering social, economic, and environmental benefits for the Company's business, staff, stakeholders and local communities.
- Recognizing the importance of robust information security management systems and business continuity to minimize the impact of any interruption to normal activities, recover customer service operations and have in place effective resilience and damage mitigation arrangements.
- Ensuring confidentiality, security and availability of information.
- Protection of the environment, the prevention of pollution, ill-health and accidents.

- Safe and healthy business processes that protect the lives of MEEZA's customers, employees, and visitors with a serious elimination of any occurrence of health and safety related risks or hazards.
- Eco-friendly business processes with minimum environmental impacts through the prevention of pollution, source reduction, efficient use of resources and use of sustainable materials where possible.
- Ensure the health, safety and wellbeing of MEEZA's employees and that of others who may be affected by the Company's activities, prevention of injury and ill health, and the drive towards zero harm.
- Developing a long term business relationship approach with MEEZA's suppliers and sub-contractors to encourage them to adopt products and services with a focus on quality, health and safety, information security and business continuity objectives. Delivering of a consistent level of service and customer satisfaction with safe and secure working practices.
- Promoting the development and equality of opportunity for all staff to ensure delivery of the highest standards.
- Implementing continuous improvement initiatives, including risk assessment and risk treatment strategies to enhance standards and performance.
- Reducing the Company's carbon footprint by tackling low carbon opportunities such as reducing electricity consumption, reducing waste and conserving natural resources in its processes, supply chain and throughout our organization

6.11.2 Integrated Management Systems Structure

The Company has established, documented and implemented an integrated management system that exists as part of a larger strategy to comply with the various international and accredited international ISO standards and with the applicable legislation and regulations, such as:

- SO 9001:2015: Quality Management Systems
- ISO 20000-1: 2018: Service Management Systems
- ISO 27001:2013: Information Security Management Systems
- ISO 22301: 2019: Business Continuity Management Systems
- ISO 14001:2015: Environmental Management Systems,
- ISO 45001:2018: Occupational Health and Safety Management Systems

6.11.3 ESG Reporting

MEEZA views ESG as part of its core value. The Company believes that a proactive approach to ESG commitment is not only right, but that it strengthens the Company's business resilience and supports sustainable performance.

As such, MEEZA's ESG report intends to provide transparency on MEEZA's contribution to the sustainable development in the State of Qatar in line with Qatar's National Vision 2030.

The 2021 ESG report was developed in alignment with national and international standards, guidelines, and best-practices, including:

- QSE's "Guidance on ESG reporting"
- Qatar´s National Vision 2030

It also takes into consideration international standards such as:

- Global Reporting Initiative (GRI) Standards
- Sustainability Accounting and Standards Board (SASB)

MEEZA strives to have a meaningful and positive impact on the environment, for the communities it serves, its customers and beyond.

In 2021, the Company worked towards integrating its sustainability efforts within MEEZA's overall corporate vision and strategic priorities. In line with this purpose, MEEZA had an ESG gap assessment to understand its current ESG maturity and develop an ESG performance roadmap that allows the Company to focus on the most important ESG issues to its business and key stakeholders. In 2022 MEEZA pursued the continuous monitoring of ESG performance initiated in 2021.

VALUATION METHODOLOGY

7. VALUATION METHODOLOGY

The valuation has been prepared in accordance with the Rules for Independent Auditors and Financial Evaluators of Listed Companies, as well as the QFMA Listing Rules, and it should not be used for any other purpose. It was not prepared for Investors to rely on or use to make investment decisions. It is the responsibility of potential Investors in the Company to make their own assessment of the valuation of the Company, whether they should invest in the Company and whether they consider that the listing price of the shares accurately reflects the value of the Company. The day-to-day trading price of the Company's shares after the IPO may be greater or less than the initial listing price of the Shares and may or may not necessarily accurately reflect the underlying value of the Company. In particular, potential Investors must read and understand this Offering Prospectus in its entirety, including the section titled "Risk Factors".

#	Description	Explanation		
7.1	Name and experience of the financial evaluator	Name: EY Consulting LLC Experience: EY Consulting LLC's experience spans over 70 years working with some of Qatar's most prestigious businesses and organizations. It has 540 professional staff and 33 partners based in Qatar. Some of EY Consulting LLC's recent transaction advisory services relate to the merger of Masraf Al Rayyan and Al Khaliji Bank, and the listing of the shares of Al Faleh Educational Holding on the Venture Market of the Qatar Stock Exchange. EY Consulting LLC has also worked closely with the Qatar Financial Markets Authority ("QFMA").		
7.2	Purpose of the evaluation	The Company is planning an IPO and has approached EY Consulting LLC to provide an independent market valuation of a 100% equity stake in MEEZA QSTP LLC (Public), as at 30 June 2022 (the "Valuation Date") based on International Valuation Standards (IVS). The valuation does not constitute an investment or divestment advice. It is not a recommendation of the price to be considered for any transaction or transfer or the price at which any business or asset may be bought from or sold to any party.		
		Method	**Explanation**	**Suitability**
7.3	Evaluation methods used in the study and the suitability of each of them to the nature of the Company's activity	Income Approach, Discounted Cash Flow ("DCF") Method	DCF focuses on the expected cash flow of the business. In applying this method, the free cash flows are calculated for a finite number of years. Free cash flows are defined, for the purpose of this method, as the net amounts of cash generated from the operations of the business less the amounts needed for investing in fixed assets or working capital to ensure that the future profitability or operations of the business are not impaired.	This method is based on the fundamental valuation premise that the value of a business is equal to the present worth of the future benefits of ownership. Given the nature, history and performance of the Company, the DCF method under the income

			The free cash flows and the terminal value (the value of the business at the end of the estimation period) are then discounted back to the present value at a discount rate that reflects the risk (degree of uncertainty) that those benefits may not be realized, to arrive at an indication of value of the enterprise. Debt is reduced and redundant assets (if any) are then added to the net present value to arrive at the final valuation figure/ range. Similar to the concept of free cash flows, an equity stake may also be valued on the basis of cash flows accruing to the investor. In the case of minority investors, dividends represent the cash benefits accruing to them. Accordingly, substituting dividends in place of the free cash flows described above would result in an indication of equity value on a minority basis.	approach was used as the primary method in the valuation of a 100% equity stake in the Company. The business plan and projections utilized for the valuation were prepared by MEEZA's management and the market research utilized by MEEZA's management to build the business plan and projections was conducted by an independent third-party consultant.
		Market Approach	The market approach comprises the Guideline Public Company method ("GPCM") and the Guideline Transaction method ("GTM"). The GPCM focuses on comparing the subject entity to selected similar (or "guideline") publicly traded companies. Under this method, valuation multiples are: ▪ Derived from the operating data of selected guideline companies;	The market approach is used as a supplementary valuation methodology or as a cross-check to the income approach - DCF valuation. The GPCM under the market approach was used as the secondary method for corroborating the value derived using the income approach for the Company.

			■ Valuated and adjusted based on the strengths and weaknesses of the subject business relative to the selected guideline businesses; and ■ Applied to the operating data of the subject business to arrive at an indication of the value. In the GTM, consideration is given to prices paid in recent transactions that have occurred in the subject entity industry or in related industries.	Given the limited number of comparable transactions involving businesses with a similar profile as the Company, this method was not applied.

#	Description	Explanation
7.4	The Company's strengths, weaknesses, opportunities, and challenges	**Strengths:** ■ First mover advantage in a country with an established client base ■ Has been investing to capitalize on the growing preference for localization of data in the country **Weaknesses:** ■ High concentration of revenue from top-five clients, which the Company's management expects to mitigate via long term contracts ■ High cash conversion cycle, which the Company's management expects to reduce during the projection period **Opportunities:** ■ Increasing demand in the market complemented by limited supply from local players ■ Expansion of service offerings to existing customers ■ Potential expansion into other markets **Challenges:** ■ Market penetration by regional players ■ Technological advancements resulting in redundance of existing infrastructure
7.5	The Company's competitive advantages and its market share locally and regionally	**Competitive advantage** ■ First mover advantage in the country ■ Strong customer relationships ■ Limited number of local players in the market Data centre market share data was provided by management, please refer to *Section 6.6.1 (The Company)* for further details.

#	Description	Explanation
7.6	The assumptions and principles upon which the study is based in relation to growth rates, comparative growth rates for similar companies or for the sector, discount rates, and EBITDA multiples	The Company's management prepared the projected financial statements using a growth rate in revenue higher than the projected industry growth rate in the ADL market study report. As per the Company's management, the growth rates are driven by the Company's projected investment in data centre capacity. Moreover, the Company has projected margin improvements primarily based on efficiencies in staff costs and direct cost of sales, as a continuation of the historical trajectory. The discount rate applied to the DCF method is based on Capital Asset Pricing Model (CAPM), which is generally the accepted method wherein the metrics to determine the cost of equity are based on observable market inputs for risk free rate, country risk premium, market risk premium in addition to consideration for projection risk / company specific risk premium, whilst the beta and debt equity ratio are based on comparable companies analysis. EBITDA multiples are based on the comparable companies analysis. The criteria for selecting the comparable companies include, amongst other relevant characteristics, factors such as similar services offered by the Company (data centres, cloud, managed IT services, security services and end-user services), business and financial performance and market efficiency of comparable companies.

RISK FACTORS

8. RISK FACTORS

Investing in and holding Shares involves substantial risks. Investors should carefully review all of the information contained in this Prospectus and should pay particular attention to the risks associated with an investment in the Shares, the Company's business and the industries in which the Company participates. The aforementioned risks should be considered together with all other information contained in this Prospectus.

The risks and uncertainties described below are not an exhaustive list and do not necessarily comprise all, or explain all, of the risks associated with the Company, the industries within which it operates or any investment in the Shares, and the risks and uncertainties referred to below should therefore be used as guidance only. For the avoidance of doubt, the risks and uncertainties set out below comprise the material risks and uncertainties in this regard that are known to the Directors at the time of the Offering of the Shares. Additional risks and uncertainties relating to the Company, its business or the Shares that are not currently known to the Directors, or which the Directors currently deem immaterial, may arise or may become (individually or collectively) material in the future and may have a material adverse effect on the Company's business, cash flow, financial condition, results of operations or future prospects and, if any such risk or risks should occur, the price of the Shares may decline and Investors could lose part or all of their investment.

Investors should consider carefully whether an investment in the Shares is suitable for them based on the information in this Offering Prospectus and their personal circumstances. Investors should consult a legal advisor, an independent financial advisor and/or a tax advisor for legal, financial or tax advice if they do not understand this Offering Prospectus (or any part of it). Additionally, this Prospectus includes forward-looking statements and predictions which involve risks and uncertainties and may not be achieved or realized, partially or completely, or the results may materially vary due to the below risks and uncertainties.

8.1 Risks relating to the Company

8.1.1 Changes in regulations applicable to the Company, including taxes

The Company is a limited liability company organized under the QSTP Companies Regulations. As of the date of this Offering Prospectus, no other listed company on the QSE is organized in the QSTP and the Company's listing on the QSE as a QSTP entity is unprecedented. There is a risk that various Qatari authorities may require the Company, as a QSTP LLC listed on the QSE, to comply with additional requirements that a listed onshore company (organized under the Companies Law) or a listed QFC entity would not need to comply with, and that such additional obligations would cause the Company to incur increased compliance costs.

Additionally, as at the date of this Offering Prospectus, based on the prevailing tax regulations for listed companies on the QSE, the Company's profits would be exempt from corporate income tax following its listing. However, there can be no assurance that the State of Qatar will not in the future introduce additional taxes, charges, or levies on the Company or that the current tax laws and regulations in Qatar will not be amended. If any changes in financial regulation or tax laws occur, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.2 Risks relating to the Company not paying dividends or paying lower dividends than anticipated

Payment of dividends is approved by the General Assembly upon the recommendation of the Board. The Board may recommend not paying any dividends or paying lower dividends than anticipated by Investors. Additionally, the General Assembly may reject the recommendation of the Board in relation to the payment of dividends. The amount of dividends may vary from year to year. Availability of dividends may be impacted by a number of factors including the profitability of the Company, capital expenditures, the financial standing of the Company, statutory and optional reserve requirements, the indebtedness of the Company, the condition of the economy and any other factors that the Board may consider when making a recommendation. There is no guarantee that dividends will be paid in any given year or the amount of dividends which will be paid in any given year.

8.1.3 Risks relating to the interruption or the failure of IT systems

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

8.1.4 Risk of increased competition from new entrants in the sector

Given the global attractiveness of the IT industry and relatively low barriers to entry due to cross-border delivery of services, there is a risk that global companies operating in the Company's industry may create a sizeable presence in the Qatari market. If the Company is unable to react to the potential increase in competition in a competitive manner, it could have a material adverse effect on the Company's business, cash flow, financial position, results of operations, and future prospects. Further, although MEEZA is currently a leading player in the Qatari data centre space, it could face increased competition from local competitors entering into new long term business relationships with global hyperscalers (such as Amazon's Amazon Web Services, Microsoft Azure, Google GCP, Alibaba or similar large competitors currently operating in the world). There is a risk that some of those existing competitors may gain a larger market share at the cost of the Company's market share being reduced.

8.1.5 Risk related to reliance on certain markets

The Company's performance and future prospects are strongly linked to the economic climate in Qatar. The State of Qatar is one of the largest LNG exporters in the world. Volatility in the LNG price, the prices achieved, and the volume of LNG sold, together or individually, have a significant impact on the State of Qatar's budget. The budget available and its allocation has an impact on the Qatari economy as a whole and on specific sectors, including the IT services and data centre sectors directly, as well as indirectly through other sectors' requirements linked to the IT services and data centre sectors.

The market in which MEEZA operates (directly or indirectly) consists of majority-expatriate populations, which may be less likely than citizen populations to remain resident in the country on a long-term basis. The length of expatriates' residence in GCC countries is uncertain and typically tied to their employment status. An economic deterioration in the market, whether caused by a decrease in energy prices or general economic factors, could result in a loss of expatriate and overall population, or a decrease in demand for the Company's products and services from clients that require MEEZA's services to meet the demand generated by expatriates and the overall population. As such, MEEZA's operations indirectly rely upon a maintenance or growth in the population of Qatar over time.

Furthermore, Qatar is considered an emerging market. These markets are characterized by relatively high volatility across numerous macroeconomic measures, when compared to developed markets, which may impact the performance of the Company and make it difficult to predict such performance. Therefore, as at the date of this Prospectus, an agreement was signed to establish new markets in the Kingdom of Saudi Arabia, through which MEEZA will provide services in the field of information technology to new prominent partners from the portfolio of services that it currently provides in the State of Qatar.

If the Company is unable to address the issues arising from operating in emerging markets, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.6 Group logistical risks

The Group imports products from suppliers outside Qatar. As such, the Group is reliant on effective transportation and logistical solutions to enable it to receive the products it requires to fulfil its contracts with customers in a timely manner.

The Group adopts several measures to mitigate the risks associated with its logistical arrangements; however it cannot control any disruption caused by third parties or unexpected events. There is a risk that logistical disruption could cause the Group to be delayed in performing its contractual obligations towards customers, which could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

8.1.7 Risk of inability to maintain the required certifications/licenses

In order to carry out and expand its business, MEEZA needs to obtain or maintain a variety of licenses, permits, approvals and consents from regulatory, legal, administrative and other authorities and agencies. The processes for obtaining these permits and approvals are often lengthy, complex, unpredictable, costly and involve examinations or verifications by relevant authorities. Such licenses are also valid only for a fixed period of time, subject to renewal and accreditation. If MEEZA is unable to obtain or maintain the relevant permits and approvals, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

The activities of MEEZA are regulated and changes to applicable laws or regulations, the interpretation or enforcement of such laws or regulations or the failure to comply with such laws or regulations could have a material adverse effect on its aforementioned activities. Furthermore, MEEZA requires new approvals, licenses and permits for its new data centres under its expansion plan. MEEZA may not be able to expand its business to the planned scale if these licenses and permits are not issued.

New rules and regulations may also be enacted to strengthen the legal and regulatory framework. Such future laws and regulations may require the improvement or amendment of the systems put in place by MEEZA. MEEZA may also incur additional costs in order to comply with the current or future legal or regulatory requirements.

If MEEZA is unable to obtain or renew required licenses and approvals, or if new laws are issued requiring further licensing and approval that MEEZA is unable to obtain, this may impact the ability of MEEZA to undertake its activities, which in turn, could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.8 Business strategy risk

The Company has established a business strategy, the details of which are set out in Section 6.2 of this Prospectus. If the Company is unable to successfully implement its strategy, or if the Company is unable to adjust its strategy to react to changes in the markets in which it operates, this could potentially have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.9 Risks of legal disputes related to the Company's business and to extraordinary legal disputes

As a result of dealing with customers with various risk profiles, MEEZA may be party to legal proceedings. Any future legal proceedings may have a significant effect on MEEZA's operations and financial position. However, the Company is not able to predict the ultimate outcome of any future claims that may be brought against it, which may be in excess of its existing reserves.

Legal disputes with third parties, including all kinds of service providers, could result in adverse publicity and reputational harm, lead to increased regulatory supervision, affect the Company's ability to attract and retain customers, maintain its access to the capital markets, result in cease-and-desist orders, claims, enforcement actions, fines and civil and criminal penalties, other disciplinary action, or have other material adverse effects on the Company in ways that are not predictable. Extraordinary legal disputes may result in the Company having to pay higher than envisaged compensation, and this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.10 Risks relating to capital expenditures

Given the Company's operations are strongly asset-based, the efficient operation and management of the Company's business relies on an ongoing adequate level of maintenance capital expenditures to be sustained annually by the Company. Additionally, the Company may require substantial capital expenditures in specific years to pursue certain business growth opportunities, especially when related to the launch of new data centre facilities.

The Company's ability to finance expansion capital expenditures may be impacted by a number of factors including the financial standing of the Company, the cash flow generation capability of the Company, the level of indebtedness of the Company, its ability to raise additional equity or debt financing, the condition of the economy and any other financial factors.

8.1.11 Pensions and end of service gratuities risk

As is common in the Middle East and emerging markets in which the Group operates, the Group does not operate a Group pension plan or make contributions into pension schemes for its employees. However, the Group makes appropriate provisions in its financial accounts for statutory payments under all applicable laws relating to end of service gratuities. However, there can be no guarantee that the actual amount owed to an employee after the end of their employment with the Group will not exceed the amount provided for, or that legislative or regulatory changes in the markets in which the Group operates will not introduce additional benefits currently not provided for. The above risks, if they were to materialize, could have a material adverse effect on the Group's businesses, financial condition and results of operations.

8.1.12 Risk of saturation in the Qatar market and inability to grow

MEEZA enjoys a large market share of the data centre services segment in Qatar. There is a risk that with a majority share of the market in data centre and IT managed services/cloud services, the Company may be unable to grow its client base and revenues, and this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.13 Risks relating to the Company's suppliers

As is the case with any other business, MEEZA relies on its suppliers for several products and services that it provides to its customers. One or more of the Company's suppliers, for any reason, may not be able to continue providing the services they currently offer to the Company. Furthermore, if any of the Company's suppliers were to enter into an exclusive agreement with a competitor or if the agreement concluded between the Company and the supplier is terminated or not renewed, there is no guarantee that the Company will be able to enter alternative contracts with other suppliers under similar terms and conditions. This may have an adverse impact on the Company's business.

8.1.14 Risks relating to the inability of adapting to the customer requirements

The IT sector is characterized by rapid technological changes, evolving industry standards and introduction of new products and services that could result in product obsolescence and short product cycles. MEEZA's success in the future depends on its ability to introduce these developments and enhance the current technical and professional portfolio; or obtain new services to meet customer requirements in a timely manner and at a reasonable cost. The Company's inability to meet the requirements of the constantly evolving IT sector, especially with regards to new or outdated technologies is a significant risk in this industry.

8.1.15 Risks relating to contracts with government and government-related entities

The Company's business and profits depend significantly on the services provided to their customers in general as well as the services offered to governmental and semi-governmental entities. Most of the risks associated with governmental contracts are inherent in the government contracting process and include delays in obtaining the internal approvals for contracts and other economic and political factors that may affect the number, value and terms of the contracts awarded by government agencies. Government contracts also include more stringent terms when compared to other commercial contracts, and it is difficult to negotiate the terms and conditions of government contracts concluded by the Company, compared to other commercial contracts.

In the event that the Company is unable to maintain good and stable relations with its clients in the government sector for any reason, this will adversely and substantially affect their operating results, leading to a decline or fluctuation in their sales and profit margins. This will have an adverse and substantial impact on the Company's future performance, operating results, prospects, financial position, and share price as a whole.

8.1.16 Risk of turnover of key employees/managers

Although MEEZA seeks to retain its personnel through compensation plans and other human resources policies and succession plans where appropriate, there can be no assurance that MEEZA will always be able to retain all members of its Senior Management team and other key staff or replace the same people within an adequate timeframe. There might be detrimental effects to MEEZA's business resulting from the loss or dismissal of key personnel and there is no guarantee that it will be able to attract and retain key personnel that will help it to achieve its business objectives. Should MEEZA not be able to retain or replace qualified key personnel, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.17 Risks relating to breakdown in the Company's facilities

Given that the Company' primary business involves the provision data centre services to its customers, there will be an impact on the Company's business and operating results if its facilities are damaged by natural disasters, including earthquakes, floods, fire, or other natural disasters that would cause serious damage to the facilities, equipment, and real estate. This may have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.18 Intellectual property risks

In the conduct of its business, the Company may rely on a combination of contractual rights with third parties and copyright, trademark, trade name, patent and other intellectual property rights laws to establish and protect its intellectual property. The Company may not be able to obtain adequate protection for all of its intellectual property in all relevant territories, and third parties may infringe on or misappropriate the Company's intellectual property. In particular, the Company may encounter issues relating to intellectual property previously shared by the Company. The Company may have to litigate to enforce and protect its copyrights, trademarks, trade names, patents, trade secrets and know-how or to determine their scope, validity or enforceability. In that event, the Company may be required to incur significant costs, and the Company's efforts may not be successful. The inability to secure or protect intellectual property could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.19 Risks relating to the Company's inability to obtain comprehensive insurance coverage for the risks associated with its business

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

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

8.1.20 Interest rate risks

MEEZA is a borrower under currently outstanding financing arrangements, and it is anticipated that it will continue to avail of bank facilities, including facilities which may be subject to profit. If the applicable profit rates increase significantly, then this could have a material adverse effect on MEEZA's financial condition and in turn, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.21 Liquidity risks

There is a risk that MEEZA will not be able to meet obligations as they fall due. MEEZA's approach to managing liquidity risk is to ensure that, as far as possible, 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 MEEZA. If MEEZA is unable to retain sufficient liquidity, this may adversely affect its ability to continue its operations, which in turn could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.22 Credit risk

MEEZA is exposed to credit risk on its bank balances, trade receivables and staff receivables (such as advance salary payments, petty cash, advances for expenses). There is a risk that counterparties to MEEZA's receivables will fail to discharge an obligation and cause MEEZA to incur a financial loss, which could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.23 Risks to brand and reputation

MEEZA enjoys high levels of customer loyalty and consistent revenue in the form of rentals paid by clients utilizing MEEZA's data centres. Additionally, MEEZA also enjoys a significant stream of revenue from other high profile clients (including governmental and quasi-governmental entities in the State of Qatar). In the event that the Company suffers damage to its brand and reputation, or the brand and reputation of its related entities, this could lead to a loss of revenue from its clients. This, in turn, could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.24 Risk of loss of key customers

MEEZA maintains a relatively wide client base across all services. However, MEEZA does have a heavy concentration of revenue generation with some key clients in the data centre business, and if one or more of these key clients shifts its business to another data centre provider, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.1.25 Risks related to the Company's key material suppliers

No.	Counterparty	Contract purpose	Estimated value (QAR)	Potential risks	On-demand bond required
1	Confidential Counterparty	Data centre extension works	Over 30 million	The contract contains penalties for late payment	No
2	Debbas Enterprise Qatar WLL	Facilities management services at MEEZA data centres	Over 8 million	None based on the existing contracting basis but this may change as this contract is in the process of being extended at the date of this Offering Prospectus	No
3	BCT Technologies LLC	Customer and billing support services	Over 2 million	The contract contains a right in favour of the counterparty to terminate for convenience and uncapped indemnities for market-standard types of loss	Yes
4	Confidential Counterparty	ICT products	Over 2 million	The contract contains indemnity provisions could open up the Company to unlimited pay-outs and compliance with foreign laws over and above what would typically be required from the Company as part of its operations in Qatar. There is no minimum product allocation or reservation commitment.	No
5	Mannai Trading Company WLL	HP software and support services	Over 2 million	This contract contains uncapped indemnities for market-standard types of loss.	No

8.1.26 Risks related to the Subsidiary's key material suppliers

No.	Counterparty	Contract purpose	Estimated value (QAR)	Potential risks
1	ARC Contracting and Consulting, Trade and Real Estate Services WLL	Fit-out services for the Subsidiary's new headquarters in Msheireb	Over 8 million	The contract contains market-standard rights in favour of the counterparty to charge a penalty and suspend or demobilise works for payment delay which could lead to a material decrease in the Subsidiary's cashflow, revenue, financial condition and future prospects if enforced.

8.1.27 Risks related to the Company's key material customers

No.	Counterparty	Contract purpose	Estimated value (QAR)	Potential risks	On-demand bond required
1	Confidential Counterparty	Data centre colocation services	Over 300 million	This contract contains service credits for failure to satisfy high service levels subject to liability caps and indemnities for market standard types of loss.	No
2	Confidential Counterparty	Data centre colocation services	Over 300 million	This contract contains service credits for failure to satisfy high service levels subject to liability caps and indemnities for market standard types of loss.	No
3	QF	Data centre colocation services for QF and its affiliates	Over 9 million	This contract contains uncapped indemnities for market-standard types of loss, liquidated damages for delay capped at 10% of the total contract price, counterparty rights to suspend and terminate the contract for convenience as well as adjust the scope of works and price at its convenience	Yes
4	QF	IT managed services on a call-off basis for QF and its affiliates	Over 90 million	This contract contains indemnities for market-standard types of loss capped at the highest of QAR 10 million or 200%	Yes

				of the applicable charge price and is backed by parent company guarantees.	
5	QF	Network as a service for the Qatar National Library	Over 1 million	The contract contains uncapped indemnities for market-standard types of loss, liquidated damages for delay capped at 10% of the total contract price, counterparty rights to suspend and terminate the contract for convenience as well as adjust the scope of works and price and ascribes responsibility to the Company for interfacing with utility providers and other such third party stakeholders which are outside of its control but with which arrangements connected to the provision of services are necessary	No
6	Confidential Counterparty	Network infrastructure services	Over 8 million	This contract contains delay penalties and a counterparty right to terminate for public interest	No
7	Confidential Counterparty	Application security static and dynamic testing solutions	Over 3 million	This contract contains delay penalties and a counterparty right to terminate for public interest	No
8	Confidential Counterparty	Application code analyser services	Over 1 million	This contract contains delay penalties and a counterparty right to terminate for public interest	No
9	Msheireb Properties	Bespoke smart city services	Over 22 million	This contract contains high service levels, service credits, a counterparty right to reduce the scope of works up to 15%, counterparty right to terminate the contract (in whole or in part) for convenience, uncapped indemnities for market-	Yes

				standard types of loss and uncapped and capped liability for market-standard types of loss (capped at 100% of the value of the contract)	
10	Sidra Medical and Research Centre	Data centre colocation and ancillary services	Over 25 million	The contract contains high service levels and service credits for failure to achieve the service levels and capped and uncapped indemnities and/or undertakings to pay damages for market-standard types of loss	No
11	Confidential Counterparty	Supply, delivery, installation, support and maintenance, disaster recovery and data migration services and bespoke hardware and software	Over 45 million	The contract contains high service levels, high service credits for failure to achieve the service levels, capped liquidated damages for delay (in addition to payment of service credits), capped (at 100% of the total value of the contract) and uncapped indemnities for market-standard types of loss and a counterparty right to terminate for convenience	No
12	Confidential Counterparty	Managed network and security infrastructure services	Over 1 million	The contract contains capped penalties for delay and failure to comply with service levels, capped and uncapped indemnities for market-standard types of loss and rights in favour of the counterparty to suspend or terminate the contract (in part or in whole) at its convenience.	Yes
13	Confidential Counterparty	Security operation services	Over 5 million	The contract contains capped penalties for delay and failure to comply with service levels, capped and uncapped indemnities for market-standard types of loss and rights in favour of the counterparty to suspend or terminate the contract (in part or in whole) at its convenience	Yes

14	Confidential Counterparty	Managed services	Over 10 million	The counterparty has a right to vary the scope of works with proportional effect on the price (and there is no minimum service volume commitment), charge service credits for failure to meet service levels and is entitled to indemnities capped at 100% of the total fees for the relevant preceding year.	No
15	Confidential Counterparty	Data centre services	Over 10 million	This contract contains capped and uncapped indemnities and liability assumption for market-standard types of loss and service credits for failure to meet service levels	No
16	Gulf Bridge International QSTP LLC	Data centre services	24,273,168	This contract contains capped and uncapped indemnities and liability assumption for market-standard types of loss and service credits for failure to meet service levels	No
17	Gulf Bridge International QSTP LLC	Managed services	2,041,798	This contract contains capped and uncapped indemnities and liability assumption for market-standard types of loss and service credits for failure to meet service levels	No
18	Confidential Counterparty	Telco infrastructure services	Over 10 million	The contract contains a counterparty right to terminate for convenience, uncapped indemnities for market-standard types of loss and obligations to comply with foreign-laws not ordinarily in the scope of the Company's compliance duties	
19	Confidential Counterparty	Colocation services	Over 3 million	The contract contains a counterparty right to terminate for convenience, uncapped indemnities for market-standard types	

				of loss and obligations to comply with foreign-laws not ordinarily in the scope of the Company's compliance duties	
20	Confidential Counterparty	Security infrastructure services	Over 1 million	The contract contains a counterparty right to terminate for convenience, uncapped indemnities for market-standard types of loss and obligations to comply with foreign-laws not ordinarily in the scope of the Company's compliance duties	No
21	Confidential Counterparty	Colocation racks	Over 1 million	The contract contains a counterparty right to terminate for convenience, uncapped indemnities for market-standard types of loss and obligations to comply with foreign-laws not ordinarily in the scope of the Company's compliance duties	No
22	Confidential Counterparty	ICT services	Over 45 million	This subcontract contains indemnities for market-standard types of loss, delay penalties (capped at 10% of the total contract price), may be automatically terminated if the main contract is terminated and the counterparty may decrease the scope of works up to a cap of 25% of the total contract price	Yes
23	Confidential Counterparty	Data centre services	Over 150 million	This contract contains indemnities for market-standard types of loss capped at 100% of the total contract value, uncapped undertakings to pay damages and capped liquidated damages for non-performance or delay	Yes

24	Confidential Counterparty	Data centre and ancillary services	Over 50 million	This is a subcontract which may be terminated on a back-to-back basis if the main contract is terminated (whether in whole or in part) and contains indemnities for market-standard types of loss capped at 100% of the total subcontract value	Yes

8.1.28 Risks related to the Subsidiary's key material customer

The Subsidiary has a material contract with a Government-related entity which represents the majority of its revenue source. This contract contains various onerous terms which may nevertheless result in a material reduction in the Company's cashflow, revenue, financial condition, results of operations such as the counterparty's rights to suspend or terminate the contract at its convenience, being backed by an on-demand unconditional performance bond which may be encashed for performance delay or failure and unusually high service levels coupled with liquidated damages for performance delay.

Whilst these terms are market-standard in Qatar for entities contracting with similar companies, there is a risk that if the Subsidiary is unable to continue delivering strong performance due to any of these terms being triggered, this may in turn result in an adverse impact on the Group's revenues and financial performance.

8.2 Risks relating to Qatar and the GCC

8.2.1 Risks relating to Qatar's reliance on the energy sector

Energy revenues, and liquefied natural gas revenues in particular, underpin the Qatari economy as a whole and to an extent facilitate the development of other sectors of the economy and the national infrastructure.

International prices for LNG have been fluctuating significantly in recent years and have witnessed a sharp increase during the last year following Russia's invasion into Ukraine and the following sanctions notably imposed by the United States and the European Union. Qatar has been able to temporarily benefit from higher prices and took over the United States and Australia in Q2 2022 as the world's largest LNG exporter. Additionally, Qatar has signed agreements to expand the North Field East project that would allow the State to increase further LNG production and export by 2026.

However, a decline in the price of oil and gas, or any developments which limit the ability of Qatar to freely export its oil and gas products, would reduce revenues flowing to the State and may impede its ability to implement its development strategy. This could potentially negatively impact the Qatari economy, which could in turn have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.2 Risks relating to diversification of Qatar's economy

Although Qatar's economy remains dependent on hydrocarbons, the Government has been working towards diversifying the economy in recent years. The Qatar National Vision 2030 is a comprehensive economic vision that outlines a path for the future development of Qatar's economy and is based on shifting Qatar's economy from a hydrocarbon-driven economy to a global diversified economy. The first such large-scale diversification initiative, the FIFA World Cup 2022™ ("WC 2022™"), saw the State of Qatar embarking on a number of legislative and infrastructure changes. These are intended to continue attracting business and associated workforce as well as visitors for future mega-events (such as the upcoming Asian Games 2030) but also in general. However, there can be no assurance that Qatar's efforts to diversify its economy and reduce its dependence on hydrocarbons will be successful. A failure to diversify the economy would make the economy more susceptible to the risks associated with the sectors in which the economy is concentrated and any downturn in such sectors could result in the slowdown of the entire economy which, in turn, could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.3 Inflation risk

Elevated inflation rate in the US on account of supply side constraints and accumulated stimulus over the years and in the rest of the world on account of USD strength, fuel and food shortages due to the Russia – Ukraine conflict and relating sanctions, is a significant development over the last period of 15 months. As the underlying factors can only be corrected over an extended period of time, the elevated inflation may lead to sustained cost-driven stagflation. The impact for all businesses in general could be higher cost of production/ services, higher prices, and demand contraction. Whilst higher prices may result in higher Company revenues due to an increase in the value of its underlying assets, there is nevertheless a risk that demand contraction and increased operating costs may lead to compensating margin pressures.

8.2.4 Risk of changes to the Qatari Riyal, other regional currencies, pegging against the US dollar or floating of the Qatari Riyal may lead to currency instability

The Qatari Riyal has been formally pegged against the US Dollar at a fixed exchange rate of 3.64 Qatari Riyals per 1 U.S. Dollar since 2001. Several GCC countries also have their currencies pegged to the U.S. Dollar. In response to the ongoing volatility of oil prices internationally, oil producing countries with currencies that have been traditionally pegged to the U.S. Dollar have faced pressure to de-peg and, in certain cases, have de-pegged their currencies. There is a risk that, in response to the developments in oil prices or for other reasons, additional countries may choose to unwind their existing currency peg to the U.S. Dollar, both in the GCC and the wider region. Any future de-pegging could adversely affect Qatar's economy, which could also indirectly have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.5 Dynamic legislative environment in Qatar and risk of changes to laws or regulations

The Company is subject to a number of laws that govern its operations. As a growing economy, Qatar has been witnessing a continuous process of updating and renewing its laws and regulations. This may be driven by the desire to improve such laws or regulations or the need to comply with certain international obligations. New laws and regulations may impose additional obligations on companies operating in Qatar and specifically in the IT services and data centre sectors, including the Company. There is a possibility that new laws and regulations may impose obligations on the Company that it may not be able to comply with or that compliance with such laws and regulations may have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.6 Risks relating to operating in the region

The economic outlook for Qatar and the wider MENA region remains uncertain. Global concerns over issues such as inflation, geopolitical issues, terrorism, energy costs, commodity costs, the availability and cost of credit and sovereign debt levels have contributed to diminished expectations for national and global economies in the medium to long term. Energy revenues underpin the GCC economy as a whole and to an extent facilitate the development of other sectors of the regional economy. Deterioration in the price of oil and gas, or any developments which limit the ability of GCC countries to freely export their oil and gas products, would reduce revenues flowing to these countries.

The current level of uncertainty and the pace of growth may also negatively affect the level of demand for all products in the market, which in turn could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.7 Risks relating to political concerns in the broader MENA region

As is widely reported, the MENA region as a whole has long been, and is currently, subject to a number of geopolitical and security risks. In particular, with effect from the first half of 2011, a number of countries and territories in the MENA region have experienced significant civil unrest.

On 5 June 2017, a diplomatic rift with some Arab countries resulting in the closure of airspace, land, and marine borders with Qatar impacted economic and financial conditions in the country. However, on 5 January 2021, all of the countries involved signed the Al-Ula Declaration in Saudi Arabia in an agreement to restore full diplomatic relations with each other. Although the specific content and details of the Al-Ula Declaration have not been, and are not expected to be, published, it is understood that measures previously adopted by these countries against Qatar will be revoked. It is uncertain how long it will take for trade, transport and diplomatic ties to fully return to their pre-diplomatic rift status and there is no guarantee Qatar's diplomatic relationship with other countries in the MENA region will not deteriorate in the future.

Any negative developments in the geopolitical situation in the MENA region may have negative impact on Qatar's economy, and in turn on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.8 Risks related to reliance on large scale entertainment events

WC 2022™ was held in Qatar between November and December 2022. The Government of Qatar allocated significant capital spending towards projects related to WC 2022™. These included a metro rail network, several stadiums, two new cities, expanded road networks, and several other large and small projects. Like the 2006 Asian Games, WC 2022™ contributed significantly to the economic development in Qatar across a broad range of sectors. In turn, the Company benefited from the inflow of business and expatriates brought on by the WC 2022™. The completion of infrastructure and other projects related to WC 2022™ may potentially result in an outflow of expatriates and business. Unless significant new development projects arise in the coming years, the reduction in economic activity associated with infrastructure development and other projects could result in a smaller market in Qatar for the Company's services, which could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

The twenty-fourth edition of the Asian Games to be held in Qatar in 2030 and the first Horticulture Expo to be held in MENA, Expo 2023 Doha, may continue attracting expatriates and business into Qatar post WC 2022™. That being said, it is not possible to predict if the Company will be able to sustain or grow its business post completion of WC 2022™ and there may be a risk that this could be a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.9 Change of tax law risk

Based on the prevailing tax regulations and enforcement thereof for listed companies on the Qatar Exchange, the Company's profits would be exempt from corporate income tax following its listing. However, there can be no assurance that the State of Qatar (in which the Company operates) will not in the future introduce additional taxes, charges, or levies on the Company or that the current tax laws and regulations in Qatar will not be amended. In particular, the State of Qatar has committed to, but as at the date of this Prospectus not yet implemented, a local VAT (value added tax). If any changes in financial regulation or tax laws occur, this could have a material adverse effect on the Company's business, cash flow, financial condition, results of operations, and future prospects.

8.2.10 Risk of Qatar's Commercial Law and proposed bankruptcy filing provisions

Investors should be aware of the Commercial Code, which addresses commercial affairs and entities, competition, commercial obligations and contracts, and commercial paper. The Commercial Code also provides comprehensive provisions addressing bankruptcy matters, permitting creditors to file claims against any corporate entity, except for certain professional companies and other companies that are at least majority owned by the Qatari state.

To the knowledge of the Company, this new insolvency regime remains untested to date and it is uncertain how it would be implemented by the courts of Qatar. There can also be no assurance that a Qatari court would compel a bankruptcy administrator to perform any of the Company's obligations during an administration period.

The Commercial Code also enables Qatari courts to defer adjudication of a company's bankruptcy if the court decides that it is possible to improve that company's financial position during a period (such period to be specified by the court) or if judged to be in the interest of the national economy. In the event of an insolvency situation to be determined under Qatari law, the Shareholders and other equity holders generally rank last behind creditors of the concerned company.

8.3 Risks relating to the Company's industry

8.3.1 Risks relating to competitiveness of the IT service and data centre industries

The state of IT in Qatar is one of rapid adoption after the recent Q2/2022 release of the Government's Cloud Framework and Cloud First strategies. This removed a great deal of hesitation by customers contemplating the legality of outsourcing data storage and handling to the cloud. Service Providers like MEEZA are expected to benefit two-folds from this trend starting with SMEs and spreading quickly to large enterprises and Government agencies following the recent Cloud related regulations. Firstly, encouraging customers to go cloud-wards is a form of outsourcing of control of IT systems and data and MEEZA's managed and cloud services will benefit from being an outsourcing option for the customers. Secondly, the more customers' IT workloads are shifted into the clouds, the bigger the local presence for these clouds and hence the hosting sizing for these clouds into local data centres further driving MEEZA's data centre revenue streams.

However, as always is the case with the IT industry, there is always an inherent risk in this constant race for better technology and this can be grouped into 2 primary areas: innovation and security.

Innovation is a key ingredient of technology services and large multinational players are seeking to enhance their offerings, especially in areas such as cloud computing. If the gap between global and local providers becomes so big, theoretically speaking then local providers will witness some migration from local managed services into global cloud services, especially amongst customers who do not require local "in-country" support. Management believes this risk can be mitigated due to three factors. Firstly, local providers use leading tier-1 product vendors such as Cisco, HP, Microsoft, SAP to name a few in their own service portfolio and hence are always updating their offerings to stay competitive with global service providers. Secondly, customers in markets such as Qatar require contextualized and localized support be it from language to time zone to understanding of local procurement and payment concerns, something that is not typically afforded by large foreign multinational players. Thirdly, even if local cloud and managed services are impacted by a larger multinational service provider, lost recurring managed services will convert into additional recurring data centre revenues due to an enlarged local service provider presence requirement in this case. For these 3 reasons, the impact of such a hypothetical gap is unlikely to be significant in MEEZA's local and regional business delivery.

As for security, this is a real concern but not only in Qatar but across the globe. Given the caliber of the Company's customers hosted in our facilities, a successful cyberattack can pose a risk across many levels. Such risk is currently mitigated in MEEZA in a number of ways, be it via active Business Continuity and Disaster Recovery planning which ensures our business continues to operate and services continue to be delivered to customers in the event of such a doomsday scenario. Secondly, leading vendor solutions are deployed to ensure copying and archiving of necessary data and records along with multi-tiered security rings fencing our IT infrastructure. Such technology deployments offer significant defense perimeters ringfencing equipment and assets and hence reducing customers' risks of data and asset loss.

Other current global trends such as the chipsets shortage yield a much heavier negative impact on system integrators and hardware resellers but have a passing project-based impact if any and are unlikely to impact the entire business of service providers. On the contrary, this industry risk drives more appetite for MEEZA services as customers shy away from procuring their own hardware solutions or carrying the risk of indefinite product delivery timelines. Counter-services from providers like MEEZA do not require additional hardware and can be provisioned to run in a deterministic timeline with little dependency on global events currently hammering the chipsets supply chain.

8.3.2 Risks related to cybersecurity insurance requirements

Financial and reputational impacts of a data or security system breach can be huge for customers. These include business interruption, loss of confidential corporate data, remedial costs and compensation and, in the case of governmental or semi-governmental customers specifically, additional country-wide negative repercussions. Because of these risks, the demand for cybersecurity insurance is on the rise. Such insurance may become increasingly more expensive or difficult to procure or maintain in order to satisfy customer demand as cybersecurity becomes ever more important over time, which could in turn result in less cashflow and revenue and a diminished financial position and future prospects for the Company.

8.3.3 Risks related to inability to comply with high service levels

The Company may not be able to comply with the high service levels for its data centre offering. This may in turn lead to service credits or additional penalties imposed on the Company, particularly in governmental or quasi-governmental customer relationships, where the data centre offering has a country-wide impact. If material, such service credits or penalties could lead to a materially adverse impact on the Company's cashflow, revenue, financial position and future prospects.

8.3.4 Risks related to power supply concentration

Even the most efficient data centres consume massive amounts of electricity, making energy-related strategic decisions key to successful development and operation. In Qatar, Kahramaa is the only water and energy provider available. Whilst the country has recently turned its attention to the incorporation of renewable energy into its energy infrastructure, achieving mass operational renewable energy of the scale required by data centre providers will require time for it to be a viable alternative energy source. This water and energy concentration into Kahramaa leaves energy customers such as the Company little or no room at all to negotiate power supply arrangements and exclusively dependent on Kahramaa's supply. Should Kahramaa be unable to meet the energy supply levels required by the Company or change its pricing structure, then, notwithstanding short-term back-up generators that the Company has, the Company may suffer reputational, operational and financial loss which may in turn affect its cashflow, revenue, financial position and future prospects.

8.3.5 Risks related to local and global climate conditions

As the data centre industry has grown over the last 10 years, it has also become an extremely large consumer of energy. Because of this, energy considerations are now driving the location of new data centres and colder parts of the world are increasingly looking more attractive since the majority of the energy consumed is used to keep the equipment cool. The GCC region and Qatar specifically are extremely hot geographical regions, making the operation of data centres a more energy-intensive and expensive business than in other colder parts of the world. Whilst this climate has strong potential for solar energy to offset conventional energy costs, achieving mass operational renewable energy of the scale required by data centre providers will require time for it to be a viable alternative energy source and would, in any event, not remove the need for increased energy consumption. Due to this and global climatic conditions potentially further increasing temperatures over time, the Company's business may become increasingly expensive, operationally challenging or uncompetitive in its current form. In adapting, the Company may suffer a decrease in cashflow, revenue, financial position and future prospects.

8.3.6 Risks related to increasing environment and climate-conscious decision-making

As high energy users, data centres are coming under increasing pressure to reduce their emissions. In addition, the power usage effectiveness of data centres and other IT industry participants, as well as the Green Energy Coefficient, Energy Reuse Factor, Carbon Usage Effectiveness and other metrics, are closely monitored and publicized by environmental NGOs such as Greenpeace, requiring careful consideration of public statements on renewable energy procurements and overall operational sustainability. Whilst such trends have a limited impact currently in Qatar, increased global pressure may result in strategic climate and environmental-related regulatory changes within Qatar requiring the Company to adapt its business towards a more climate and environment-conscious outlook. In doing so, the Company may suffer a decrease in cashflow, revenue, financial position and future prospects and the nature of its response in doing so may also impact its reputation.

8.4 Risks relating to the Offering and the Shares

8.4.1 Risks relating to the Book Building Mechanism

The Book Building Mechanism to allocate a significant amount of the Offer Shares prior to the Offering has never previously been utilized in Qatar as a valuation affirmation mechanism, and, as such, there is no assurance that the Book Building Mechanism will be successfully completed within the parameters set by the QFMA (30-50% of the Offer Shares and a minimum of 5 Qualified Investors subscribing through the Book Building Mechanism).

If the Book Building Mechanism was not successfully completed prior to the Offering, the Company would have been required to seek a second independent valuation which may cause delays to the IPO process and/or adversely impact the Offering, as Investors may interpret an unsuccessful conclusion of the Book Building Mechanism as a signal that the equity proposition of the Company, that the Offer Price of the Offering does not fairly represent the post-IPO potential of the Company or that there are other negative factors in relation to the Company. This risk has effectively dissipated after the subscription has already been successfully completed according to the Book Building Mechanism by Qualified Investors, however, the share price at the commencement of trading will be determined by the supply and demand process for the shares in accordance with the procedures in force at the QSE.

8.4.2 Risks related to the absence of prior trading market and difficulty in exiting after the Offering

Prior to the Offering, there has been no public market for the Shares. Furthermore, there can be no assurance that an active trading market for the Shares will develop or be sustained after the Offering. If no active trading market for the Shares develops, the liquidity of the Shares will be affected, and this may negatively affect the market price of the Shares, Investors may in this case find it difficult or not possible to exit from their investment in the Offer Shares.

8.4.3 Risk that the Shares may not be suitable investments for all Investors

The Shares may not be a suitable investment for all investors. Each potential Investor must determine the suitability of that investment in light of the Investor's own circumstances. In particular, each potential Investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Shares, the merits and risks of investing in the Shares and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of the Investor's particular financial situation, an investment in the Shares and the impact the Shares will have on the Investor's overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Shares; and

- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic and other factors that may affect the investment and the Investor's ability to bear the applicable risks.

8.4.4 Risk of substantial future sales of Shares by Founders and adverse impact on the share price

Sales of substantial amounts of the Shares in the QSE following the end of the lock in period on the Founders Shares, or the perception that these sales will occur, could adversely affect the market price of the shares. The sale of a substantial number of Shares by the Founders or generally by any other significant shareholder could have an adverse effect on the market for the Shares and result in a lower market price of the Shares.

8.4.5 Risks relating to control and limitations on ownership

Upon the completion of the Offering, a substantial minority of the Shares of the Company will remain owned by the Founders. As a consequence, the Founders might maintain control over Board decisions or at least influence Board decisions (including dividend policy, expansion plans, budget approval, the timing and amount of dividend payments, if any, and other material issues of the Company) and significant control over Shareholder decisions that require a majority decision of the Shareholders. Consequently, the Founders might retain a significant degree of control over the Company, the Onshore Subsidiary and their respective operations. The Founders might, therefore, be able to influence all matters requiring Shareholder or Board approval. As a result, the Founders could exercise their control over the Company in a manner that may not be in the best interests of other Shareholders or that could have a material adverse effect on the Group's businesses, financial condition, results of operations or prospects. Furthermore, any change in the business strategy and/or policy towards the Group by the Founders could result in the interests of the Founders and the interests of other Shareholders no longer being aligned. Any such divergence of interests could adversely affect the market price of the Shares.

8.4.6 Risk that future issuances could dilute value of the Shares

The Company may decide to offer additional shares in the future. Future offerings could dilute the holdings of Shareholders in the Company and impair the Company's ability to raise capital through future offerings of equity securities.

8.4.7 Emerging markets deemed to be more volatile and riskier compared to developed countries and financial markets

All of the Company's current business is in Qatar. Investments in securities of issuers from emerging markets such as Qatar generally involve a higher degree of risk than investments in securities of issuers from more developed economies.

8.4.8 Qatar Stock Exchange is an emerging market with no guarantee of consistent liquidity

The QSE is substantially smaller in size and trading volume than longer established securities markets. The QSE has been open for trading since 1997 but its future success and liquidity in the market for the Shares cannot be guaranteed. Although QSE was upgraded by the Morgan Stanley Capital Index from frontier market to emerging market status, it remains a developing market. Brokerage commissions and other transaction costs on the QSE can be higher than those on other stock exchanges. In addition, the QSE and securities listed thereon, such as the Shares, have in the past been, and may in the future be, subject to a high degree of volatility with limited liquidity.

8.5 Other risks

8.5.1 Risks related to COVID-19 and other epidemics or pandemics

At the end of 2019, an outbreak of Coronavirus disease ("COVID-19") began. COVID-19 was a contagious disease caused by severe acute respiratory syndrome coronavirus 2 ("SARS-CoV-2"). COVID-19 resulted in governments worldwide, including the government of Qatar, enacting emergency measures to combat the spread of the virus, including travel restrictions, government-imposed shelter-in-place orders, quarantine periods, social distancing, and restrictions on large gatherings. These measures were in place between 2020 to 2022, moderating in certain periods due to periods of decreased caseloads and as vaccines became more widely available in Qatar and vaccination rates increased.

It is not possible to predict if similar epidemics or pandemics, including additional variants of COVID-19, might break out in the future and whether they will have increased severity or vaccine resistance. While the impacts of COVID-19 on the Company's business in 2020 and 2021 may not have been as material as observed in other industries, if similar epidemics, pandemics or additional COVID-19 virus variants materialise, vaccination rates decline or vaccine protection is not durable or for other unforeseen factors the Government of Qatar elects to renew or implement new public health restrictions (including international travel restrictions, lockdowns or diminution or cessation of business operations), this may have an adverse impact on the Company's business or prospects.

8.5.2 Unanticipated litigation risk

In addition, companies are regularly subject to litigation, arbitration and other claims and allegations and may, from time to time, be subject to enforcement action from the relevant authorities in Qatar in accordance with applicable laws which may, from time to time, result in penalties or fines being required to be paid. Legal disputes with third parties, including all kinds of customers and suppliers, could result in adverse publicity and reputational harm, lead to increased regulatory supervision, affect the Group's ability to attract and retain customers, maintain its access to the capital markets, result in cease-and-desist orders, claims, enforcement actions, fines and civil and criminal penalties, other disciplinary action, or have other material adverse effects on the Group in ways that are not predictable. Extraordinary legal disputes may result in the Group having to pay higher than envisaged compensation, and this could have a material adverse effect on the Group's business, cash flow, financial condition, results of operations, and future prospects.

At the date of this Offering Prospectus, there is an ongoing out-of-court dispute between the Company and one of its suppliers in respect of subcontracting arrangements. Whilst the Company is engaged in amicable discussions to resolve this dispute, there is nevertheless a risk that it may result in formal litigation or proceedings, the outcome or quantum of which may not be predicted as at the date of this Offering Prospectus. Should such quantum be substantial and such outcome unfavorable to the Company, the Company may suffer a material adverse effect on its business, cash flow, financial condition, results of operations, and future prospects.

QATAR'S ECONOMIC ENVIRONMENT

9. QATAR'S ECONOMIC ENVIRONMENT

Country Profile

Qatar is an independent state in the Southern Arabian Gulf. Qatar shares a land border and maritime boundaries with Saudi Arabia and maritime boundaries with Bahrain, the UAE and Iran. Qatar covers an area of 11,493 square kilometers. Doha is the capital city of Qatar, the seat of government and Qatar's cultural, commercial and financial centre. It includes the country's main seaport and international airport and has an advanced road system linking it with the international road network. Based on Qatar's 2020 Census, Qatar had a total population of 2,846,118, indicating a 67.5 percent growth since the last census carried out in 2010 when Qatar had a total population of 1,699,435. A large portion of Qatar's population is comprised of non-Qatari nationals. According to the Ministry of Development Planning and Statistics, as of April 2023 Qatar's total population stood at 2,956,261.[4]

Qatar, which gained independence from the United Kingdom on 3 September 1971, was ruled by His Highness Sheikh Hamad Bin Khalifa Al-Thani from 27 June 1995 until 25 June 2013, on which date he handed power over to his fourth son, and the current Emir of Qatar, His Highness Sheikh Tamim Bin Hamad Bin Khalifa Al-Thani. During his reign, H.H. Sheikh Hamad implemented various initiatives designed to utilize Qatar's oil and gas resources in a responsible manner, thereby making rapid economic development and the construction of modern infrastructure possible in Qatar. During a period of rapid economic and social progress, Qatar has maintained its cultural and traditional values as an Arab and Islamic nation.

In terms of foreign relations and membership of international organizations, Qatar, together with Bahrain, Kuwait, Oman, Saudi Arabia and the UAE form the GCC. Furthermore, Qatar is a member of the Gas Exporting Countries Forum (which was established in 2008 and has its headquarters in Doha) and the United Nations. It is also a member of numerous international and multilateral organizations, including the IMF, the International Bank for Reconstruction and Development, the World Trade Organization, the League of Arab States, The Organization of the Islamic Conference, the Multinational Investment Guarantee Organization and UNESCO.

On 23 December 2008, representatives of 11 gas producing nations, including Qatar, Russia and Iran, signed an intergovernmental memorandum and charter formally establishing the Gas Exporter Countries Forum (the "GECF"), which chose Doha as the future headquarters for its permanent secretariat. The GECF Secretary General commenced his duties in Doha in February 2010 and the GECF Liaison Office, which facilitates the affairs of the GECF, is also based in Doha. Apart from the regular Ministerial meetings, the first GECF gas summit was held in Doha in December 2011. The GECF's objectives include exchanging information on a broad range of issues such as new technologies, investment programs, relations with natural gas consuming countries and environmental protection.

4. https://www.psa.gov.qa/en/statistics1/StatisticsSite/Pages/KeyIndicators.aspx

Qatar is an advocate for regional integration and is a member of the GCC, whose other members are Bahrain, Kuwait, the UAE, Oman and Saudi Arabia. In 2003, the GCC established a customs union under which Qatar applies a common customs tariff of 5.0 percent to most products, with a limited number of exceptions. In 2005, as part of the GCC, Qatar joined the Istanbul Cooperation Initiative, which is a NATO initiative to enhance regional security in the broader Middle East.

Legal System

Over the last decade, Qatar's legal system has been significantly reformed by the enactment of various pieces of legislation intended to bring Qatari laws in line with international laws, standards and practices. Qatar's civil law addresses a wide range of matters including conflict of laws, contracts, rights and obligations, security, ownership and torts. Qatar's commercial law addresses commercial affairs and entities, competition, commercial obligations and contracts and commercial paper. The commercial law also addresses bankruptcy matters, permitting creditors to file claims against any corporate entity, except for certain professional companies and other companies that are at least majority owned by the Government. Finally, the Companies Law addresses the incorporation of companies, the ownership of shares, the liability of companies, equity holders and directors, capital contributions, payment of dividends, shareholder rights and obligations and general principles of corporate governance. The Commercial Companies Law also introduced the concept of a single member limited liability company and is not dissimilar to the companies laws of more mature legal systems.

The Government has passed other significant legislation in recent years, including the Foreign Investment Law, the Central Bank Law, the Money Laundering Law, the Doha Securities Market Law (now the Qatar Stock Exchange Law), the QSTP Law and the Qatar Financial Centre Law (the "QFC Law"), as well as competition, intellectual property, labor, data protection, arbitration, property and environmental laws.

The QSTP Law and the QFC Law are two major examples of Qatar's establishment of special jurisdictions to foster development, growth, free trade and other modernization and development objectives.

QSTP is a home for technology-based companies from around the world, and an incubator of start-up enterprises. The park's support programs provide premises, facilities and services to help organizations develop and commercialize their technology. The park is located in QF's Education City development in Al Rayyan, Qatar, and it is part of an ecosystem that comprises a cluster of eight leading international and home-grown universities, primary and secondary schools, research centres and policy institutes, various scholastic and community-focused entities, and much more. This ecosystem is designed to leverage synergies across disciplines and sectors to bring new technologies, matured in Qatar, into the global marketplace. As of March 2023, current members include Cisco, Mitsubishi, SAP, ExxonMobil, GE, Microsoft, Shell, TotalEnergies, Total, and others[5]. QSTP drives applied R&D by facilitating the development of new high-tech products and services, and supports the commercialization of market-ready technologies – leading to investment, job creation and economic impact.

5. https://qstp.org.qa/free-zone/members/

Following the establishment of the QFC in 2005, the QFC Law established a legal and regulatory regime to govern the QFC that is generally parallel to and separate from Qatari laws and the Qatari legal system, except for Qatari criminal law. The QFC has established its own rules and regulations applicable to, among others, financial services companies, and which cover topics such as employment, companies, anti-money laundering, contracts and insolvency. In accordance with the rules and regulations of the QFC, the QFCRA regulates, authorizes and supervises banking, financial and insurance related businesses carried on, in or from the QFC in accordance with legislative principles of an international standard, modelled closely on those used in London and other major financial centres. In addition, the Qatar International Court and Dispute Resolution Centre comprises the QFC Civil and Commercial Court, the Regulatory Tribunal and the Dispute Resolution Centre. The QFC Civil and Commercial Court deals with matters arising under the QFC Law. The QFC Regulatory Tribunal hears appeals against the decisions of the QFC Authority and other QFC institutions. The Dispute Resolution Centre offers international arbitration and mediation services.

Qatar is also strengthening the private sector by undertaking regulatory reforms aimed at improving Qatar's business climate and creating an environment that will support enterprise creation, private competition and foreign direct investment, including through taking steps such as liberalizing the telecommunications sector and creating special economic free zones. In addition, Qatar has sought to increase the country's attractiveness to foreign direct investment by implementing laws that allow more foreign participation in the domestic economy. In addition to the Government establishing the QFC, the Qatar Foreign Capital Investment Law (Qatar Law No. 1 of 2019) and its implementing regulations (issued by resolution No. 44 of 2020) have introduced significant changes to the previous model regulating foreign direct investment. The restriction that had originally been imposed on foreigners owning more than 49 percent of private Qatari companies (except in limited circumstances) has now been removed by the Foreign Investment Law, save that the Ministry of Commerce and Industry will now be required to approve any such shareholding. The Minister of Commerce and Industry will publish a list of activities in which foreign ownership above 49% will be permitted.

In 2018, a new income tax law (Qatar Law No. 24 of 2018) (the "Income Tax Law") replaced Law No. 21 of 2009 on Income Tax. The Income Tax Law became effective from 13 December 2018. Under the Income Tax Law (which is applicable outside the QFC), taxable income in any taxable year is now taxed at a flat tax rate of 10 percent, except for certain agreements relating to petrochemical industries that are taxed at the rate of 35 percent. The previous 7 percent withholding tax rate has been removed and a single withholding tax rate of 5 percent will now apply to payments made to non-residents for royalties and services that are performed in Qatar without a permanent establishment. However, Qatari companies which are 100 percent owned by Qataris do not pay income tax. The Executive Regulations to the Income Tax Law were issued in December 2019 through Ministerial Decision No. 39 of 2019.

Economic Overview

Qatar is one of the most prosperous countries in the world, with nominal GDP per capita of US$ 66,838 in 2021, according to the World Bank and a population of 2.96 million as of April 2023, according to the Ministry of Development Planning and Statistics of Qatar.[6]

For most of the past two decades, Qatar was one of the fastest growing economies of the world. Such growth was driven by the development of its important natural gas reserves, including the production and export of LNG. In particular, Qatar lifted a self-imposed moratorium on the development of the world's biggest natural gas field, the "North Field" in April 2017 after more than a decade. The North Field is shared with Iran and Qatar plans to raise its LNG production to 110mtpa in the near future. The planned expansion of the North Field production signals a new era of growth, which will further boost Qatar's leading global position.

Although Qatar is focused on ensuring optimal and sustainable development and commercialization of the oil and gas sector, which continues to be the backbone of the economy, one of the cornerstones of Qatar's current economic policy is a commitment to diversify the overall economy so that Government revenues from the oil and gas sector are supplemented by an increased percentage of Government revenues from non-oil and gas-related activities. As set forth in the National Vision 2030, Qatar's long-term economic objectives include developing its infrastructure and strengthening its private sector. This was reflected in the 2022 budget, allocating a large share of the budget to education (QAR17.8bn) and health services (QAR20.0bn). In addition to this, ICT spending in Qatar is estimated to reach US$ 9bn by 2024 according to International Trade Administration.[7]

In recent years, Qatar has used its budget surpluses to diversify the economy through increased spending on infrastructure, social programs, healthcare and education, which have modernized Qatar's economy. Qatar's economic growth has also enabled it to diversify its economy through domestic and international investment into different classes of assets. This diversification will be important to Qatar's future as the growth rate of Qatar's revenue from the oil and gas sector is expected to stabilize, given the completion of several of Qatar's long-term hydrocarbon investment programs.

In 2005, Qatar established the Qatar Investment Authority (the "QIA") to propose and implement investments for Qatar's growing financial reserves, both domestically and abroad. Through the QIA, Qatar has invested in private equity, the banking sector, real estate, publicly traded securities and alternative assets. With its growing portfolio of international and domestic long-term strategic investments, the QIA has continued to develop Qatar's economic diversification strategy while contributing to the nation's significant economic expansion. In December 2010, Qatar was awarded the right to host the FIFA World Cup 2022™, which provided opportunities for Qatar to invest in further developing its infrastructure and diversifying its economy and which is expected to bring the economic benefits intrinsic to holding such a large-scale competition.

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6. *See* https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=QA; *see also* https://www.psa.gov.qa/en/statistics1/StatisticsSite/Pages/KeyIndicators.aspx

7. https://www.trade.gov/market-intelligence/qatar-information-and-communications-technology-sector

The following tables illustrate certain key macro-economic data for Qatar:[8]

	2020A	2021A	2022E	2023F	2024F	2025F
GDP[9]						
Nominal GDP (US$ bn)	144.4	179.7	225.5	219.6	225.7	237.3
Nominal GDP (QAR bn)	525.7	654.0	820.7	799.2	821.4	863.9
Real GDP growth (%)	-3.6	1.6	4.2	2.4	1.8	3.3
GDP Parameter[10]						
Gross national savings (% of GDP)	39.6	48.2	52.8	52.1	50.1	47.5
Volume of export of goods & services (% change)	-0.4	-2.0	3.7	-1.8	-0.2	5.1
Volume of imports of goods & services (% change)	-8.9	1.6	4.2	2.4	1.8	3.3
Population and income[11]						
Population (m)	2.7	2.6	2.7	2.6	2.6	2.6
GDP per head (US$ at PPP)	96,669	105,201	115,044	124,833	131,261	139,614

	2020A	2021A	2022E	2023F	2024F	2025F
Fiscal indicators (% of GDP)[12]						
Central government revenue	36.0	33.7	39.6	41.8	37.8	36.1
Central government expenditure	34.7	29.3	25.4	27.1	26.7	26.0
Central government primary net borrowing	3.6	6.1	15.6	16.2	12.4	11.3
General government gross debt	72.6	58.4	45.3	45.5	42.9	40.4
Prices and financial indicators[13]						
Exchange rate QAR:US$ (end-period)	3.64	3.64	3.64	3.64	3.64	3.64
Consumer prices (average; %)	-2.5	2.3	5.0	3.0	2.7	2.3

Source: International Monetary Fund

8 Legend: A – Actual. E – Estimate. F – Forecast
9 Source: IMF Qatar 2022 Report
10 Source: IMF World Economic Outlook Database April 2023
11 Source: IMF World Economic Outlook Database April 2023
12 Source: IMF World Economic Outlook Database April 2023
13 Source: IMF World Economic Outlook Database April 2023

Impact of Coronavirus (COVID-19)

The State of Qatar had a high rate of infection from COVID-19; however, the death rates were well contained compared to most other countries. When cases of COVID-19 infection appeared in neighboring countries, Qatar issued a package of policies to contain the virus and its effect on public health and a package of economic measures to mitigate its negative repercussions on the Qatari economy. In addition, the high specialization of the country in LNG (Qatar being the World's largest LNG exporter) and the limited interactions with its neighbors following reduced diplomatic ties, mitigated the impact of COVID-19 according to the World Bank.

More widely, the coronavirus pandemic has derailed global growth. According to the IMF report in October 2022, the real GDP growth of Qatar was expected to recover and reach 3.4 percent in 2022 and 2.4 percent in 2023.

Qatar's Economic Situation after the Diplomatic Rift

In response to the Diplomatic Rift which was in place from June 2017 until the Al-Ula Declaration in January 2021, Qatar came up with various reforms. In terms of food security, it further developed local businesses to boost its food production. Qatar also established a residency plan and waived entry visa requirements for citizens of 80 countries. With regard to its logistics sector, Qatar inaugurated a new port along its Gulf coast which is intended to enable Qatar to become a regional transport hub. To diversify its industry and become more independent, Qatar initiated a government project aimed at fast-tracking the establishment of more manufacturing companies and factories in Qatar as well as projects focusing on the development of the tourism infrastructure across the country to ensure a favorable visitor experience.

Qatar is ranked number 77 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings, which puts it in the top 20 improvers globally in the past year. According to IMD's World Competitiveness Yearbook 2022, Qatar ranked 18th out of 63 countries. In December 2018, S&P Global Ratings announced that it revised its outlook on Qatar to stable from negative, which remains in place as of May 2023.[14] Qatar has thereby demonstrated remarkable resilience after the Diplomatic Rift.

Inflation

In 2016, Qatar experienced an overall annual inflation rate of 2.7 percent. Since then, the overall annual inflation rate has been 0.5 percent in 2017, 0.3 percent in 2018, -0.7 percent in 2019, -2.7 percent in 2020 and 2.3 percent in 2021. According to IMF's latest World Economic Outlook, the inflation rate was 5.0 percent in 2022 and projected to be 3.0 percent and 2.7 percent in 2023 and 2024 respectively.

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14 https://www.imd.org/centers/world-competitiveness-center/rankings/world-competitiveness/

INFORMATION COMMUNICATIONS TECHNOLOGY INDUSTRY

10. INFORMATION COMMUNICATIONS TECHNOLOGY INDUSTRY

10.1 Information Communications Technology Industry

ICT is a broad term that involves the use of technology to communicate, transfer data, and process information. The main categories in the ICT industry are IT software, IT hardware, telecom services, technology services, and emerging technologies.

With a global online penetration rate of 60 percent, 4.66bn internet users around the world and 875,000 new users on the internet each day as of 2020,[15] the ICT industry has seen significant growth in the last decade. Furthermore, Management believes that the future of information technology should benefit from the development of emerging future technologies such as process automation and virtualization, 5G, hybrid cloud platforms, and cyber security. Major investments are undertaken by corporations in advancing technologies such as business process automation, machine learning, artificial intelligence, data and predictive analytics, utilization of blockchain and quantum computing to stay relevant and competitive in the marketplace. Economies, jobs, processes, and personal lives are becoming more digital, connected, and automated. The industry is well poised to benefit from these secular tailwinds.

The information presented in this section is derived from multiple reputable, global organizations (who have been cited herein) and from the sources on which they have relied.

10.2 Global ICT Industry

The global ICT industry has been growing since the invention of World Wide Web in 1990s. Over the 2000-2015 period, the world witnessed the emergence of social networking platforms like Facebook, Twitter and Instagram and e-commerce websites such as Amazon and eBay. Rapid growth in internet penetration and the innovation in information technology is expected to push the value of the global ICT market over US$ 5.0tn in 2022, with an estimated growth of approximately 6 percent over the previous year.[16] The United States is the largest ICT market in the world, with a market worth approximately US$ 1.8tn in 2022, approximately 33 percent global market share. The next biggest market is western Europe with an approximately 20 percent market share. Finally, China has clearly established itself as an emerging player from Asia in the global ICT market.[17]

Two major global trends in the ICT market are currently observable. Firstly, ICT spend in developed countries, including Singapore, Australia, and Sweden, is expected to remain stable or even decline as percent of total GDP, while in emerging countries including Qatar, Saudi Arabia, India, and Turkey, ICT contribution to total GDP is expected to increase; governments in emerging markets appear to be keen to drive investment in new technologies, leading

15 https://financesonline.com/technology-statistics/

16 https://comptiacdn.azureedge.net/webcontent/docs/default-source/research-reports/comptia-it-industry-outlook-2022_fin.pdf?sfvrsn=8e44dcc3_0

17 https://comptiacdn.azureedge.net/webcontent/docs/default-source/research-reports/comptia-it-industry-outlook-2022_fin.pdf?sfvrsn=8e44dcc3_0

aggressive smart city initiatives and integrating ICT with economic planning.[18] Secondly, all growth in traditional technology spending is expected to be driven by four main platforms — cloud, mobile, social, and big data analytics, while cost savings generated by cloud and automation will see more spending diverted towards new technologies such as AI, robotics, AR/VR, and blockchain.

Worldwide ICT spending in 2022 was projected to total c. US$ 5.47tn, with a 6 percent over 2021. Of the total global ICT spending, traditional ICT spending such as hardware, software, and telecom was expected to reach approximately US$ 4.28tn in 2022, whereas new technologies were projected to reach approximately US$ 1.19tn in 2022 and US$ 1.36tn in 2023.[19]

Data centres are important and growing portion of the ICT industry. The rise in technology-driven businesses, cloud services, and digital transformation have led to the rapid growth in data usage and storage, contributing to driving up demand for data centre capacity to new heights.[20] The global data centre market was estimated at US$ 220bn in 2021 and is expected to reach US$ 344bn by 2030, growing at a CAGR of 5.1 percent from 2021 to 2030. Given the active investments in the data centre space by the governments as well as larger corporations by way of IT infrastructure and the increasing penetration of 5G, the growth in demand for data centre space and capacity is expected to remain robust.[21]

10.3 GCC ICT Industry

To transition from oil-based economies to knowledge-based economies, GCC countries are formulating and implementing strategies to boost the contribution of ICT to the GDP. The rise of renewable energy and recent volatility in oil prices (such as the decline in prices associated with COVID-19 and the increase in prices associated with the ongoing war in Ukraine) has accelerated this shift.[22] GCC governments' digital transformation initiatives and enterprises' acceptance of disruptive technologies have catalyzed the growth of the Middle Eastern ICT market. It is expected to reach US$ 95.05bn by 2025 from US$ 84.23bn in 2020 at a CAGR of 2.4 percent. [23] The key focus areas for governments and enterprises are 5G, classrooms of the future, e-governance, healthcare, smart cities, and smart mobility.

Among other drivers, cloud computing is encouraging supply chain localization in GCC and attracting multinational firms to the region. This technology gives companies unprecedented processing power and data possibilities at low cost, regardless of size, and enables them to employ new technologies in their operations, including industrial robots and the Internet of

18 https://www.idc.com/promo/global-ict-spending/forecast

19 https://www.dqindia.com/data-centers-still-important-aspect-industry/; see also https://phoenixnap.com/blog/data-center-market

20 https://www.psmarketresearch.com/market-analysis/data-center-market

21 https://www.globenewswire.com/en/news-release/2022/04/16/2423424/0/en/Data-Center-Market-is-Forecast-to-Grow-at-the-CAGR-of-10-20-in-the-Forecast-Period-BlueWeave-Consulting.html

22 https://www.gartner.com/en/newsroom/press-releases/2021-11-23-mena-it-spending-forecast-2022-3q21

23 https://www.frost.com/news/press-releases/frost-sullivan-outlines-five-key-growth-opportunities-in-the-middle-east-ict-market/

Things (IoT).[24] The efficiency and cost advantages associated with digitalization are expected to enhance the competitiveness and boost economic development of GCC countries. The public cloud market in the GCC is expected to more than double in value by 2024, reaching US$ 2.35bn.[25]

The Middle East and Africa data centre market witnessed investments of US$ 6.55bn in 2021 and is expected to witness investments of US$ 12.19bn by 2027, growing at a CAGR of 10.9 percent during 2022-2027. In 2021, the UAE was a major contributor with investments in over 10 data centre assets in the Middle East. In terms of 5G network deployment, the UAE, Saudi Arabia, Kuwait, Bahrain, Oman, Turkey, Israel, and Qatar have witnessed 5G network deployments on a commercial and trial basis.[26]

10.4 Qatar ICT Industry

As per the latest Ministry of Communications published data, ICT currently contributes to 1.9 percent of Qatar's total GDP.[27] Investments in the digital landscape, particularly cloud computing, are at an all-time high as part of efforts to implement Qatar's digital transformation agenda and construct a knowledge-based economy. Both Microsoft and Google are expanding their cloud services offerings in Qatar and, according to Qatari press, the Azure Qatar National Framework is set to generate opportunities amounting to over US$ 3.1bn of new revenue for Qatar[28].

Out of the total ICT market, the data centre market in Qatar accounts for approximately 0.12 percent of the global data centre market in 2022. In line with the current global market trends, the demand for data centres in Qatar is expected to grow by 13.3 percent per annum from 40 megawatts (MW) in 2022 to 66 MW in 2026. Furthermore, total spending demand for Qatar on data centre systems and data centre IT-related services is expected to steadily rise from US$ 0.86bn in 2022 to US$ 1.28bn in 2026. This growth in demand for data centres is expected to be mainly driven by digital business process as a service (BPaaS), data centre services, desktop as a service (DaaS), data centre systems support, infrastructure as a service (IaaS), and application managed services. Additionally, cybersecurity is also poised to follow the same growth dynamic, with total demand for cyber security service in Qatar forecasted to grow by 10.6 percent per annum from US$ 347m in 2022 to US$ 520m in 2026.

MEEZA's demand for data centre-related services is mainly driven by colocation and hosting services as well as IaaS. According to a recent market study commissioned by MEEZA, the demand for colocation and hosting is expected to rise from US$ 129m in 2022 to US$ 163m in 2026, while demand for IaaS is expected to significantly grow from US$ 71m in 2022 to US$ 279m in 2026, indicating a huge growth potential for MEEZA over the next few years that can be serviced with an adequate expansion in capacity.

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24 https://impact.economist.com/perspectives/sites/default/files/eiu_the_power_of_proximity_qfza_1.pdf

25 https://impact.economist.com/perspectives/sites/default/files/eiu_the_power_of_proximity_qfza_1.pdf

26 https://www.globenewswire.com/en/news-release/2022/02/21/2388465/28124/en/Middle-East-and-Africa-12-19-Billion-Data-Center-Markets-to-2027.html

27 https://www.mcit.gov.qa/en/media-center/news/minister-communications-and-information-technology-ict-contributes-19-qatar%E2%80%99s-gdp

28 https://protect-eu.mimecast.com/s/bhq-CjqRLi2ry8QiWn5VZh?domain=gulf-times.com

10.5 Data Centre Competitive Landscape in Qatar

The Qatari data centre space currently features three ICT companies whose data centre colocation capacity is commercially available to third parties as part of their core business.

MEEZA is currently the market leader with a total supply capacity of 24.4 MW (c. 50% market share based on Qatar estimated supply capacity of c. 48 MW) from operating 5 data centres in Qatar. MEEZA intends to expand its capacity by c. 19.5 MW over the next 2 to 3 years to meet the growing demand.

Besides MEEZA, ICT companies operating data centres in Qatar include Ooredoo and Mannai ICT.

- Ooredoo, the leading telecom company in Qatar, operates 5 data centres covering a total space of around 60,000 square feet and its total supply capacity is estimated to be 22 MW (c. 46% market share based on Qatar estimated supply capacity, on par with MEEZA).
- Mannai ICT, an integrated end-to-end solutions IT company in Qatar providing, among others, servers & storage services, peripheral IT Hardware services and integrated IT solutions, currently operates 1 data centre with an estimated supply capacity of 2 MW (c. 4% market share based on Qatar estimated supply capacity).

MANAGEMENT, FOUNDERS, PRINCIPAL SHAREHOLDERS AND CORPORATE GOVERNANCE

11. MANAGEMENT, FOUNDERS, PRINCIPAL SHAREHOLDERS AND CORPORATE GOVERNANCE

11.1 Overview

The Company's principal decision-making forum is the Board of Directors which has overall responsibility for the management and strategy of the Company. The Board is empowered by the Articles to have unrestricted management powers over the Company on behalf of Shareholders, save as restricted by the Articles themselves, by operation of law or by a Shareholders' resolution. The Board has delegated the day-to-day management of the Company to the Managing Director or Chief Executive Officer and the Senior Executive Management.

The Company is committed to implementing and maintaining the highest standards of corporate governance in order to enhance transparency and investors' confidence in the Company and its practices.

11.2 General Assembly

The General Assembly represents all of the Shareholders. Every Shareholder has the right to attend the General Assembly, either in person or by way of proxy, and has a number of votes equivalent to the number of Shares held. A meeting of the General Assembly is not valid unless 21 days' notice is given to all Shareholders who are entitled to attend, through an announcement in one Arabic language newspaper in general circulation in Qatar and on the website of the financial market and the website of the Company.

A meeting of the OGA is not valid unless (i) attended by the Company's auditors and (ii) attended by Shareholders representing at least half of the share capital of the Company. If a quorum is not achieved, the meeting may be adjourned to a place and time as determined by the Board no later than fifteen (15) days following the date of the first meeting and is valid, irrespective of whether a majority of the Company's share capital is represented. The invitation for the second meeting shall be published in Arabic on QSE's website, the Company's website or by any other means of communication at least fifteen (15) days prior to the date of the meeting. The second meeting shall be deemed valid regardless of the number of shares represented therein.

Resolutions of the OGA are passed by a majority of votes on the show of hands unless a poll is demanded. An OGA must be convened at least once a year. An OGA may be called by the Board or by requisition of Shareholders holding at least 10% of the share capital.

An EGA meeting may be convened by invitation of the Board of Directors or by requisition of Shareholders holding at least 25% of the Company's share capital. A meeting of the EGA is not valid unless it is attended by a number of Shareholders representing at least 75% of the share capital of the Company. If this quorum is not achieved, the EGA shall be called for another meeting to be held within the thirty (30) days following the date of the first meeting.

The second meeting shall be deemed valid if shareholders, representing 50% out of the Company's share capital, attend it. If this quorum is not achieved in the second meeting, the assembly has to be called for a third meeting to be held after the lapse of thirty (30) days since the date has been determined the second meeting. The third meeting shall be deemed valid regardless of the number of attendants. If the matter pertains to taking the resolution concerning the dissolution, liquidation, transformation, acquisition or merger of the Company with another Company or the sale or disposal of the entire project for which the Company was established, the meeting shall be considered valid only if it is attended by shareholders representing at least 75% out of the Company's share capital. EGA decisions are taken by the majority of attending or represented shareholders.

The EGA shall exclusively decide on the following matters which remain reserved to it:

- the amendment of the Company's Articles of Association;
- the increase or decrease of the Company's capital;
- the extension of the Company's duration;
- the liquidation, dissolution, conversion, merger, acquisition of the Company, the sale or disposal of the Company's business;
- The sale of the project for which the Company was created, or disposing of it in any manner;
- Any transaction or business or several related transactions or businesses aiming to sell the Company's assets or making any further disposal on those assets, or the assets that the Company will acquire if the total value of the transaction or the businesses, transactions or related businesses is equal to a total of (51%) or more of the Company's market value or the value of its net assets according to the latest financial statements announced whichever is lower. For the purposes of this paragraph the Company's assets include the assets of any subsidiary of the Company.

The EGA is not entitled to make amendments to the Articles of Association which may increase the burdens of the Shareholders or change its nationality or transfer its location in the State to any other state. Any decision in contrary to the above will be null and void.

11.3 Founders and Principal Shareholders

Prior to the Offering, the Company had the following Founders and principal shareholders as per the Company's register of shareholders:

11.3.1 Founders

#	Name	Jurisdiction of Organization	Ownership	No. of Shares held pre-Offering	Address
1	Qatar Foundation	Qatar	80%	519,184,000	PO Box. 5825, Education City – Doha, Qatar
2	Ooredoo QPSC	Qatar	20%	129,796,000	PO Box. 217, West Bay – Doha, Qatar.
Total			**100%**	**648,980,000**	

11.3.2 Principal Shareholders

#	Name	Jurisdiction of Organization	Ownership	No. of Shares held pre-Offering	Address
1	Qatar Foundation	Qatar	80%	519,184,000	PO Box. 5825, Education City – Doha, Qatar
2	Ooredoo QPSC	Qatar	20%	129,796,000	PO Box. 217, West Bay – Doha, Qatar.
Total			**100%**	**648,980,000**	

11.4 Board of Directors

The Company shall be managed by a Board consisting of eight (8) directors. QF shall appoint and remove three (3) directors at all time. The remaining five (5) directors shall be elected by the Ordinary General Assembly by secret ballot with the participation of QF. The first Board is appointed by the Founders by virtue of the Company's Articles of Association and for a period of five (5) years starting from the date of execution of the Company's Articles of Association by the Founders. The Founders appointed the following persons as Members of the Board:

1. Sheikh Hamad Abdulla J A Al-Thani, Non-Independent Director representing QF;
2. Dr. Ahmed Khalifa ElMagarmid, Non-Independent Director representing QF;
3. Mr. Faleh Mohammed H A Al-Nasr, Non-Independent Director representing QF;
4. Mr. Saad Sabah S A Al-Kuwari, Non-Independent Director representing Ooreedo QPSC;
5. Eng. Ahmad Abdulla A A AlMuslemani, Non-Independent Director representing the employees of the Company;
6. HE Dr. Hessa Sultan J M Al- Jaber, as an Independent Director;
7. Brig. Ali Harib R H Al-Harib, as an Independent Director; and
8. Dr. Saif Mohammed S A Al-Kuwari, as an Independent Director.

Board Powers

The Board shall have full powers to manage the Company. The powers of the Board shall include, without limitation, the following:

- representing the Company before, and liaising with, governmental, judicial, administrative and other authorities; arbitration bodies; and all individuals, committees, establishments and other bodies of any kind whatsoever;
- negotiating on behalf of the Company and binding or committing it contractually, including without limitation, executing and signing for and on behalf of the Company all or any papers, contracts, agreements or other documents;

- appointing, engaging, removing and replacing managerial staff and other employees, lawyers, agents, consultants and advisors of and to the Company and determining and paying and providing their salaries, bonuses and other remuneration, fees and benefits;
- opening, closing and operating, in the name of the Company, accounts with banks and other financial institutions, whether at any particular time such accounts are in debit or in credit; transacting all kinds of banking operations in connection with the business of the Company; and drawing, accepting, signing, endorsing, establishing and otherwise dealing with any cheques, promissory notes, letters of credit and other instruments of whatsoever nature, including without limitation loan facilities and agreements, guarantees and indemnities, assignments of rights, and mortgages of all or any of the Company's assets;
- paying, collecting, receiving, enforcing, releasing and obtaining or giving valid receipts and discharges for any and all debts or obligations of or owing to or by the Company;
- leasing, sub-letting, maintaining and surrendering business, commercial, residential and other premises of all kinds;
- purchasing or selling assets, equipment, vehicles, materials and goods of all descriptions;
- instituting, suing, defending, compromising or abandoning any legal or administrative proceedings, accepting service of legal process on behalf of the Company, submitting to jurisdiction or arbitration, giving security and indemnifying for costs, paying money into court and obtaining money paid into court;
- resolving and signing all resolutions in respect of adding and removing activities from the Commercial Register and any other licences, renewing the Commercial Register and any other licences, adding and cancelling branches of the Company, appointing and removing managers and authorised signatories in the Company and signing any application in this respect;
- executing any share purchase or sale agreement in the name of the Company in other companies;
- pledging, mortgaging, selling, assigning and transferring in any way and for the benefit of any person or any entity of any kind, any and all movable and immovable assets of the Company, including but not limited to, real estates, accounts, equipment, factories, licences, shares and rights. The Board of Directors shall also have the right to issue and sign any and all agreements, notices and documents before any private and public departments, Ministries and relevant authorities in relation thereto; and
- incorporating any kind of companies and/or branches on behalf of the Company, in the QSTP, the State of Qatar and outside the State of Qatar, and executing all kind of articles of association and documents in this respect and further executing any amendments to the articles of association to any of the above mentioned companies.

Current composition of the Board as of May 2023

The Board has been assembled in accordance with the QFMA Governance Code and its Articles which state that at least one-third of the Board members shall be independent, and that the majority of the Board members shall be non-executive members:

Name	Position	Independent/ Non-Independent	Executive/ Non-Executive
Sheikh Hamad Abdulla J A Al-Thani	Chairman	Non-independent	Non-executive
H.E. Dr. Hessa Sultan J M Al-Jaber	Vice-Chairman	Independent	Non-executive
Mr. Saad Sabah S A Al-Kuwari	Vice-Chairman	Non-independent	Non-executive
Dr. Ahmed Khalifa ElMagarmid	Member	Non-independent	Non-executive
Mr. Faleh Mohammed H A Al-Nasr	Member	Non-independent	Non-executive
Eng. Ahmad Abdulla A A AlMuslemani	Member	Non-independent	Executive
Brig. Ali Harib R H Al-Harib	Member	Independent	Non-executive
Dr. Saif Mohammed S A Al-Kuwari	Member	Independent	Non-executive

Source: Management Information

Mandatory declarations of the Board of Directors

By issuing this Offering Prospectus, the Board of Directors declare:

1. There has not been any interruption in the business of the Company or its Onshore Subsidiary which may have or has had a significant effect on the financial position in the last (12) months.

2. Other than what is within the ordinary course of business, no commissions, discounts, brokerage fees, or any non-cash compensation have been granted by the Company or its Onshore Subsidiary within the last two financial years immediately preceding the date of the application for the Offering.

3. There has not been any material adverse change in the financial and trading position of the Company or its Onshore Subsidiary in the last two financial years immediately preceding the date of the application for the Offering, in addition to the period covered by the independent auditor's report up to and including the date of approval of this Offering Prospectus.

4. Other than what has been mentioned in Paragraph 13 of this Offering Prospectus, the Directors or any of their relatives do not have any shares or interest of any kind in the company or in any of its subsidiaries (if any).

5. The Offering does not constitute a breach of the relevant laws and regulations of the State of Qatar.

6. The Offering does not constitute a breach of any material contracts or agreements entered into by the Company.

7. All material legal information concerning the Company has been disclosed in this Offering Prospectus.

8. Other than what has been mentioned in Section 19 of this Offering Prospectus, the Company and its Onshore Subsidiary are not subject to any claims, litigious cases or any other type of legal proceedings that could individually or collectively have a material adverse effect on the business of the Company or its Onshore Subsidiary or its or their respective financial positions.

11.5 Biographies of Board of Directors

Member
Sheikh Hamad Abdulla J A Al-Thani
Dr. Ahmed Khalifa ElMagarmid
Mr. Faleh Mohammed H A Al-Nasr
Mr. Saad Sabah S A Al-Kuwari
Mr. Ahmad Abdulla A A AlMuslemani
H.E. Dr. Hessa Sultan J M Al-Jaber
Brig. Ali Harib R H Al Harib
Dr. Saif Mohammed S A Al-Kuwari

Sheikh Hamad Abdulla J A Al-Thani, Chairman

Sheikh Hamad acts as the Chairman of the Board of Directors of the Company. Prior to being appointed as the CEO of Vodafone Qatar, Sheikh Hamad served as the Chief Operating Officer of Vodafone Qatar and was responsible for Customer Operations, HR, Legal & Regulatory, and external affair functions. During his tenure as COO of Vodafone Qatar, he contributed on ensuring that the company provides the best services to its customers by executing a number of projects and programs in relation to customer experience and operational excellence programs. Since joining Vodafone Qatar in 2013, he has served in several key roles including Senior Business Development Manager, Head of Public Sector Sales, and Sales Director. Under his leadership, Vodafone Qatar becomes a central ICT service provider to the market. Prior to joining Vodafone Qatar, he served in the Oil & Gas sector where he worked in various areas such as industrial network engineering and control system engineering.

Dr. Ahmed Khalifa ElMagarmid, Board Member

Dr. Ahmed is a member of the Board of Directors of the Company and also the Executive Director of Qatar Computing Research Institute, a member of Qatar Foundation. Prior to joining Qatar Foundation, he held a number of prestigious positions in academia and industry. He also held faculty positions at Pennsylvania State University, the University of Padova, and Purdue University, where he had been actively involved in teaching and research for 25 years. He currently serves as the Chair of the IT Executive Committee of Sidra Medical and Research Centre. Previously, Dr. Ahmed served as a Chief Scientist in HP's office of Strategy and Technology and worked for several companies such as IBM and Harris. He is an accomplished and well-published scientist, authoring six books and more than 180 papers. He holds a Master's and Ph.D. from Ohio State University as well as a Bachelor's in Computer Science from the University of Dayton.

Mr. Faleh Mohammed H A Al-Nasr, Board Member

Mr. Faleh is a member of the Board of Directors of the Company and also the Secretary of Projects and senior member of the team of the Emiri Diwan, reporting directly to His Highness on all major national projects and investments under his stewardship. Mr. Faleh is also the Chief Investment Officer of Qatar Foundation Endowment, the endowment investment fund for Qatar Foundation. He holds board seats as non-executive director with AKI (an investment company responsible for managing Aspire foundation and Katara culture village foundation investments), Epidaure (a French manufacturer of luxury leather goods) and Tornado Tower Company (owner and manager of Tornado Tower, Doha's premium office building). He holds a Master's from HEC Paris and Qatar in Strategic Business Unit Management as well as a Bachelor's in Business & Management from Oxford Brookes University.

Mr. Saad Sabah S A Al-Kuwari, Board Member

Mr. Saad Sabah S A Al-Kuwari acts as the Vice-Chairman of the Board of Directors of the Company and also an executive director in Ooredoo who is responsible for the network and IT services delivery. With his 12 years of experience in telecommunication and project management, he has successfully led and built large multifunctional technical and business teams. Previously, Saad led the Project Management offices with the responsibility of managing projects and corporate initiatives in both Qatar Foundation and Ooredoo. He holds a double major Bachelor's in Computer Science and Business Information Systems from Leeds Beckett University as well as a Master's in Leadership, Policy & Innovation from Georgetown University.

Eng. Ahmad Abdulla A A AlMuslemani, Board Member and CEO

Eng. Ahmad Abdulla A A AlMuslemani is a member of the Board of Directors of the Company as well as the Chief Executive Officer, leading the IT Services, Operations, Sales & Marketing and Finance Team Departments. In this capacity, he is also responsible for corporate initiatives for MEEZA's executive team.

Eng. Ahmad Abdulla A A AlMuslemani brings with him mixture of background experience from Telecommunication and Government sectors and proven ability to build, lead and mentor large multifunctional technical and business teams.

Eng. Ahmad Abdulla A A AlMuslemani has worked within the I.T. and telecom sectors for more than 18 years. Before his appointment as CEO, Eng. AL-Muslemani was the Chief Sales and Marketing Officer, leading Sales, Pre-Sales, Business Relationship Management and Marketing departments in MEEZA. He is also responsible for the commercial strategy and all the activities related to Sales and Marketing.

Prior to joining MEEZA, Eng. Ahmad Abdulla A A AlMuslemani was working for Qatar National Broadband Network Company (QNBN) as the Chief Commercial Officer, leading Sales, Account Management, Product Development and Business Development teams. Prior to that, he worked as Director of Engineering Design Department at QNBN.

Prior to QNBN, Eng. Ahmad Abdulla A A AlMuslemani was the Section Manager at the Industry Development Department at Ministry of Information and Communication Technology (MOICT), he also worked at the Technical department at Communication and Regulations Authority (CRA).

Eng. Ahmad Abdulla A A AlMuslemani holds a Master degree in communication systems from the Swiss Institute of Technology, and a Master degree in Management from HEC Paris. He also holds BCS of Science in Electrical and Computer Engineering, from Ohio State University, Columbus, USA.

H.E. Dr. Hessa Sultan J M Al-Jaber, Independent Board Member

Dr. Hessa acts as the Vice-Chairman of the Board of Directors of the Company and also the Chairperson of Qatar Satellite Company, Malomatia, the leading provider of IT services in Qatar, and of Trio Investment, a technology investment company, as well as being a Qatari engineer, academic, and politician. Dr. Hessa is a former Minister of Information and Communications Technology in Qatar. Prior to becoming Minister, she held the position such as Secretary General of the Supreme Council of Information and Communications since its inception in 2005. During her tenure, she had led the liberalization of Qatar's telecommunications market and modernized the ICT infrastructure in Qatar. In addition, she also executed numerous initiatives to make Qatar a more inclusive society through ICT with the establishment of Qatar Assistive Technology Centre. Currently, she is a member of several boards including Volkswagen Supervisory Board in Germany, Qatar University's Board of Regents, and Board of Trustee at Qatar Museums, Silatech, Qatar National Library, and American School. Furthermore, she is a member of the Shura Council, the legislative body of Qatar and United Nations ITU Broadband Commission for sustainable development as well as the Co-Chairperson of Broadband Working Group on Disinformation and Hate Speech. Dr. Hessa holds a Bachelor's degree in Engineering from Kuwait University and a Master's and Ph.D. in Computer Science from George Washington University.

Brig. Ali Harib R H Al-Harib, Independent Board Member

Brig. Ali is an independent member of the Board of Directors of the Company and also Deputy Commander of the Qatari Emiri Signal Corps, Commander of the Cyber Security Unit and Chairman of the Steering Committee of Project 401 and Brooq Project. He holds several positions including Head of the Russian-Qatari Cooperation Team in the field of cyber security at the National Security Council, Director of Communications and Infrastructure at the National Security Shield Project. Brig. Ali holds an electronics and communications diploma from Britain and participated to many courses and workshops in the field and developed a global expertise through the collaboration with renowned international companies such as Boeing, Air Bus, Thales, Ericsson, Raytheon, Lockheed Martin. He was awarded a Medal of the Gulf War and the Liberation of Kuwait.

Dr. Saif Mohammed S A Al-Kuwari, Independent Board Member

Mr. Saif is an independent member of the Board of Directors of the Company and an Assistant Professor at the College of Science and Engineering at Hamad Bin Khalifa University. He published several academic papers with a focus on computational forensics and cryptography and was presented several awards, including two platinum awards for outstanding academic performance and two MESA-CISCO100 Government Security Leader awards. He is a member of Qatar's National Information Security Committee, and a member of the Scientific Advisory Committee of Qatar Computing Research Institute. Previously, he worked as a Director of the Department of Information Technology at the Ministry of Foreign Affairs where he was responsible for the overall IT strategy and operations for 6 years. Mr. Saif holds two PhD's in Computer Science from the University of Bath and Royal Holloway, University of London as well as a Bachelor of Engineering in Computer Engineering from the University of Essex.

11.6 Senior Executive Management of the Company

Name	Position	Nationality
Eng. Ahmad Abdulla A A AlMuslemani	Chief Executive Officer	Qatari
Mr. Faisal Abdulla A Kh AlKuwari	Chief Technology Officer	Qatari
Mr. Mohsin Nasser M A Al Marri	Chief Operations Officer	Qatari
Dr. Eng. Fadi Nasser	Chief Commercial Officer	Canadian
Eng. Albert McIntosh	Chief Information Officer	UK
Mr. James Richard Corby	Chief Financial Officer	UK

Source: Management Information

Eng. Ahmad Abdulla A A AlMuslemani, CEO

As the Chief Executive Officer, Eng. Ahmad Abdulla A A AlMuslemani leads the IT Services, Operations, Sales & Marketing and Finance Team Departments. In this capacity, he is also responsible for corporate initiatives for MEEZA's executive team.

Eng. Ahmad Abdulla A A AlMuslemani brings with him mixture of background experience from Telecommunication and Government sectors and proven ability to build, lead and mentor large multifunctional technical and business teams.

Eng. Ahmad Abdulla A A AlMuslemani has worked within the I.T. and telecom sectors for more than 18 years. Before his appointment as CEO, Eng. AL-Muslemani was the Chief Sales and Marketing Officer, leading Sales, Pre-Sales, Business Relationship Management and Marketing departments in MEEZA. He is also responsible for the commercial strategy and all the activities related to Sales and Marketing.

Prior to joining MEEZA, Eng. Ahmad Abdulla A A AlMuslemani was working for Qatar National Broadband Network Company (QNBN) as the Chief Commercial Officer, leading Sales, Account Management, Product Development and Business Development teams. Prior to that, he worked as Director of Engineering Design Department at QNBN.

Prior to QNBN, Eng. Ahmad Abdulla A A AlMuslemani was the Section Manager at the Industry Development Department at Ministry of Information and Communication Technology (MOICT), he also worked at the Technical department at Communication and Regulations Authority (CRA).

Eng. Ahmad Abdulla A A AlMuslemani holds a Master degree in communication systems from the Swiss Institute of Technology, and a Master degree in Management from HEC Paris. He also holds BCS of Science in Electrical and Computer Engineering, from Ohio State University, Columbus, USA.

Mr. Faisal Abdulla A Kh AlKuwari, CTO

As Chief Technology Officer, Faisal Abdulla A Kh AlKuwari is an experienced and innovative CTO with a proven track record in creating strategic technology designs that yield impactful results. He specializes in driving leading-edge technology transformations from proof of concept to product realization through agile management practices. Steering the service portfolio design and architecture teams at MEEZA, Faisal Abdulla A Kh AlKuwari consistently promotes service excellence for clients and plays an integral role in shaping the Company's technology strategy.

Faisal Abdulla A Kh AlKuwari brings over 25 years of experience in the IT industry to the table, having worked at leading commercial and government entities like the Ministry of Education and Higher Education and Qatargas. He later held multiple supervisory and management roles at KAHRAMAA in IT Operations and Systems Support before his appointment as Head of Networking and Telecoms. Prior to joining MEEZA in 2010, Faisal Abdulla A Kh AlKuwari led the managed services product development at Ooredoo.

Faisal Abdulla A Kh AlKuwari holds a Master's degree in Leadership from Georgetown University's McDonough School of Business, USA, and an Executive Master of Business Administration from HEC Paris, France.

Mr. Mohsin Nasser M A Al Marri, COO

As Chief Operations Officer, Mr. Mohsin Nasser M A Al Marri is handling the Business Operations team in MEEZA.

He has a full understanding of the market and strategic business, driven by over 20 years of experience in legal, contract management, procurement and business planning. He also has the ability to set policies and implement regulatory and administrative changes to achieve the Company's goals.

Mr. Mohsin Nasser M A Al Marri joined MEEZA in 2012, when he handled the Procurement Department, where he worked on the development of strategies for the Procurement Department and also worked on reviewing all of the policies and procedures as well as cost reduction initiatives.

Prior to joining MEEZA, Mr. Mohsin Nasser M A Al Marri worked in Qatar Foundation in the Procurement Directorate and, prior to that, he worked in the Legal Department in Ras Gas for 5 years.

Mr. Mohsin Nasser M A Al Marri holds a Master degree in Business Administration (MBA) from the University of Aberdeen, a Bachelor Degree in Law from Qatar University, and he is a Qatar Leadership Centre Alumni, in addition to holding multiple certifications in Leadership, Operations & Purchasing Management, Risk Management in Supply Chain and Logistics Management.

Dr. Eng. Fadi Nasser, CCO

As Chief Commercial Officer, Dr. Eng. Fadi Nasser is responsible for the management of all of MEEZA's commercial activities including sales, pre-sales, marketing, alliances, bid management, advanced services and commercial strategy.

Dr. Eng. Fadi Nasser has more than 26 years of experience in the IT and technology industry. Prior to joining MEEZA, Fadi founded the new ICT business unit at Omantel part of the Omantel-Zain group of companies, one of the MENA region's largest telcos by revenue, serving as General Manager and senior advisor to the CEO. There, he delivered one of the region's most successful telecom digital transformations, leading the ICT group, joining the boards of joint ventures and aligning all subsidiaries to bring clients an unprecedented integrated value. The group introduced services ranging from cloud computing to big data, IOT platforms to blockchain, Big Data analytics and smart contact centres. Prior to moving to Oman, Dr. Fadi served as Chief Alliances Officer at MEEZA.

Dr. Eng. Fadi Nasser has an Executive MBA from HEC Paris and recently completed his Doctorate in Nationwide Digital Transformation Frameworks across the GCC.

Eng. Albert McIntosh, CIO

Eng. Albert McIntosh is the esteemed Chief Information Officer at MEEZA, where he spearheads Data Centre and ITS Operations, Delivery, Governance and Information Security. In his role, he employs his extensive experience to build and shape technology and operations strategies, drawing on his background in leading regional and global IT development, delivery, and support teams. Eng. Albert McIntosh's leadership has been instrumental in successfully implementing transformative digital strategies for large corporations and agile start-ups alike.

Eng. Albert McIntosh began his illustrious career as an AI Software Developer at the prestigious

Turing Institute in the UK, working with the late Professor Donald Michie, a pioneer in the early development of AI. He then transitioned to roles of increasing responsibility at renowned organizations such as Baxter Healthcare, Vodafone, and Motorola. This culminated in Albert working as a consultant for two years prior to his tenure at MEEZA, advising CEOs, CFOs, and COOs of large organizations and government departments on technology, process, and organizational strategy. His work spans various sectors, including Pharma/Healthcare, Manufacturing, Telecommunications, Retail, and IT-Service-Provider, with a particular focus on leading and managing large, geographically dispersed teams.

Eng. Albert McIntosh holds an honours degree in Electrical Engineering from Dundee/ Abertay University in the UK. His proven success in governing, leading, and managing effective change programs, along with his ability to navigate companies through successful acquisitions, showcases his exceptional leadership in the IT sector.

Mr. James Richard Corby, CFO

As Chief Financial Officer at MEEZA, Mr. James Richard Corby is responsible for managing all of the finance activities of the Company and leads the finance department, including Finance Operations, Budgeting and Forecasting, FP&A, Financial Reporting, Treasury, Tax, Financial Regulatory Compliance and Investor Relations.

Mr. James Richard Corby brings with him over 21 years of international finance experience at multinational private and public companies, primarily in the industries of Telecoms (Vodafone & Digicel), IT and Insurance covering Financial Reporting, Finance Operations, Treasury, Investor Relations, FP&A and Business Intelligence. Prior to becoming Chief Financial Officer, Mr. James Richard Corby held a number of Head of Finance roles and he started his finance career in London working in practice specializing in audit and corporate restructuring.

Mr. James Richard Corby has a Bachelor's Degree in Geography from Southampton University and is a Fellow Chartered Accountant (ICAEW) from the UK. He also holds an ICAEW Diploma in IFRS and an Admired Leaders certification from the Institute of Leadership and Management.

Source: Management Information

11.7 Risk Management and Corporate Governance

The Company's Board is committed to the highest standards of risk management and corporate governance. Upon the Offering, the Company will adhere to the QFMA Corporate Governance Code.

Board Committees

In accordance with the QFMA Corporate Governance Code, the Company established the following Board committees:

(a) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of four Board members. As part of good corporate governance, the Nomination and Remuneration Committee recommends Board member appointments and nominations for re-elections in order to comply with the QFMA Corporate Governance Code and to separate the nomination process to promote transparency.

The Nomination and Remuneration Committee will also consider and make recommendations on the remuneration policy relating to the Chairman, Directors and members of Senior Executive Management. The policy set by the Nomination and Remuneration Committee shall then be approved by the Shareholders at the OGA, which shall also determine the precise remuneration and incentive payments (including bonuses) of the Chairman, Directors and members of Senior Executive Management.

(b) Audit and Risk Committee

The Audit and Risk Committee is composed of three Board members and chaired by an independent director. The purpose of the Audit and Risk Committee is to assist the Board in fulfilling its oversight responsibilities for the internal and external audit functions, risk management functions, compliance functions, financial reporting process, internal control systems and the Company's process for monitoring compliance with all relevant laws and regulations (including the QSE Rulebook and the QFMA Corporate Governance Code).

11.8 Material Contracts

The Group Members are party to several material contracts with unrelated third parties, as discussed below.

No.	Counterparty	Contract purpose	Estimated value (QAR)
1.	*Confidential Counterparty*	Data centre extension works	Over 30 million
2.	Debbas Enterprise Qatar WLL	Facilities management services at certain MEEZA data centres	Over 8 million
3.	BCT Technologies LLC	Customer and billing support services	Over 2 million
4.	*Confidential Counterparty*	ICT products	Over 2 million
5.	Mannai Trading Company WLL	HP software and support services	Over 2 million
6.	ARC Contracting and Consulting, Trade and Real Estate Services WLL	Fit-out services for the Subsidiary's headquarters in Msheireb	Over 8 million
7.	*Confidential Counterparty*	Network infrastructure services	Over 8 million

No.	Counterparty	Contract purpose	Estimated value (QAR)
8.	*Confidential Counterparty*	Application security static and dynamic testing solutions	Over 3 million
9.	*Confidential Counterparty*	Application code analyser services	Over 1 million
10.	*Confidential Counterparty*	Supply, delivery, installation, support and maintenance, disaster recovery and data migration services and bespoke hardware and software	Over 45 million
11.	*Confidential Counterparty*	Managed network and security infrastructure services	Over 1 million
12.	*Confidential Counterparty*	Security operation services	Over 5 million
13.	*Confidential Counterparty*	Managed services	Over 10 million
14.	*Confidential Counterparty*	Data centre services	Over 14 million
15.	Gulf Bridge International QSTP LLC	Data centre services	24,273,168
16.	Gulf Bridge International QSTP LLC	Managed services	2,041,798
17.	*Confidential Counterparty*	Telco infrastructure services	Over 10 million
18.	*Confidential Counterparty*	Colocation services	Over 3 million
19.	*Confidential Counterparty*	Security infrastructure services	Over 1 million
20.	*Confidential Counterparty*	Colocation racks	Over 1 million
21.	*Confidential Counterparty*	ICT services	Over 45 million
22.	*Confidential Counterparty*	Data centre services	Over 150 million
23.	*Confidential Counterparty*	Data centre and ancillary services	Over 50 million

CAPITALISATION AND INDEBTEDNESS

12. CAPITALISATION AND INDEBTEDNESS

The following tables should be read together with *Section 20 (Auditors Report and Financial Statements)* and *Section 21 (Management Discussion and Analysis)*.

12.1 Capitalization and indebtedness

The capitalisation and indebtedness of MEEZA has been extracted without any material adjustment from the audited financial statements of MEEZA as at and for the years ended 31 December 2020, 2021 and 2022..

Capitalisation and indebtedness	**Amount (QAR million)**		
Year ended 31 December	**2020**	**2021**	**2022**
Total secured debt (current portion)	-	-	(13.5)
Total secured debt (non-current portion)	(60.2)	(148.4)	(134.9)
Total debt	**(60.2)**	**(148.4)**	**(148.4)**
Shareholders' Equity/total equity (excluding accumulated losses)			
Share capital	0.2	0.2	649.0
Advance from shareholders	749.8	749.8	-
Legal reserve	3.3	3.3	8.5
Total Shareholders' Equity (excluding accumulates losses)	**753.3**	**753.3**	**657.5**
Total capitalisation and indebtedness (Sum of Total Debt and Total Shareholders' Equity (excluding accumulated losses)	**693.1**	**604.9**	**509.1**

12.2 Net Financial Indebtedness

The net financial indebtedness of MEEZA has been extracted without material adjustments from the audited financial statements of MEEZA as at and for the year ended 31 December 2020, 2021 and 2022.

Net financial indebtedness	**Amount (QAR million)**		
Year ended 31 December	**2020**	**2021**	**2022**
Cash & Cash Equivalents / Cash and Bank Balances	266.0	235.7	203.4
Liquidity (includes Cash and Cash Equivalents) (**A**)	266.0	235.7	203.4
Other current financial debt (short term borrowings)	-	-	13.5
Current financial debt (includes other current financial debt) (**B**)	-	-	13.5
Net current financial funds (**C = B - A**)	**(266.0)**	**(235.7)**	**(189.9)**
Other non-current debts	60.2	148.4	134.9
Non-current financial indebtedness (includes other non-current loans) (**D**)	**60.2**	**148.4**	**134.9**
Net financial indebtedness (**E = C + D**)	(205.8)	(87.3)	(55.0)

RELATED PARTY TRANSACTIONS

13. RELATED PARTY TRANSACTIONS

As part of its business operations, the Company enters into transactions with related parties. Related parties include entities over which the Group exercises significant influence, shareholders and key management personnel of the Group. In accordance with the QFMA Corporate Governance Code, a related party is someone who:

a. is a director of the Company or an affiliate;

b. is a member of senior executive management of the Company or an affiliate;

c. holds or controls 5% or more of the Shares or any affiliate;

d. is a relative of any natural persons mentioned in (a), (b) and (c) above;

e. is a legal entity controlled by any of the persons mentioned in (a), (b) and (d) above; or

f. is a legal entity that participated in a project or a partnership of any kind with the Company or an affiliate.

For the purpose of the financial statements, a related party is defined in line with international standards and IFRS accounting standards. As such, a related party is someone who has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the significant owners and entities over which the Company and the owners exercise significant influence, directors and senior executive management personnel of the Company, close family members and entities owned or controlled by them, associates and affiliated companies.

Pricing policies and other key terms of material related party transactions are reviewed and approved by the Board and the senior executive management endeavor to ensure that related party transactions are conducted on an arm's length commercial basis in the best interests of the Company.

Related party transactions and balances as disclosed in notes 18 and 19 of the Audited Financial Statements are shown below.

Nature of Transaction	Amount (QAR million)		
Year ended 31 December	**2020** Audited	**2021** Audited	**2022** Audited
Sales of goods and services	166.1	142.7	122.4

Source: Audited financial statements

Amounts due from related parties mainly relate to receivables due to the provision of services over the 2019 – 2021 period.

Long term agreements with related parties

The Company has entered into the following long term agreements with related parties:

	Referenced contract	Subject	Value	Duration	Renewal conditions
1	Call-off Agreement with QF effective as of 1 June 2019	Provision of managed IT services to QF and its affiliates	Initial estimated value greater than QAR 90,000,000 Additional services were commissioned by QF which increased its value as follows: (a) additional consumption pursuant to an approval with a value greater than QAR 2,000,000 (b) one year long share-point modernisation services pursuant to an approval dated 31 May 2022 with a value greater than QAR 2,000,000 and (c) a one year long service refresh program pursuant to an approval dated 14 December 2021 with a value greater than QAR 2,000,000	5 years	N/A
2	Collocation Services Agreement with QF effective as of 1 June 2019	Provision of data centre collocation services for QF entities	Greater than QAR 9,000,000	5 year term, expiring on 31 May 2024	N/A
3	Network Service Agreement with QF dated 20 July 2020	Provision of network as service for the Qatar National Library	Greater than QAR 1,000,000	Initial term expiring in June 2022 extended (i) until 31 December 2022 pursuant to a letter of award dated 6 July 2022, subsequently extended until 30 June 2023 pursuant to a letter of award dated 17 January 2023 and, thereafter extended until 31 August 2023	N/A

4	Collocation Services Agreement and a Master Services Agreement concluded with Sidra Medical and Research Center dated 8 August 2011 and individual sales orders from time to time	Provision of data centre services and ancillary services	Total revenue to date greater than QAR 25,000,000	Collocation Services Agreement extended until 31 July 2028 Master Services Agreement extended until 31 July 2023	N/A
5	Lease Agreement with QF	Lease agreement entered into between QF and the Company, pursuant to which the Company has leased parts of the ground floor level at a data centre in the QSTP.	QAR 129,180 for each 3 month period	20 years expiring on 28 February 2029	Renewal allowed subject to mutual agreement being reached no later than 60 days prior to the expiration of the term
6	Lease Agreement with QF	Lease agreement entered into between QF and the Company, pursuant to which the Company has leased the land and building situated in Umm Quarn.	QAR 7,834,020 per annum	30 years expiring on 30 June 2048	Renewal allowed subject to mutual agreement being reached no later than 180 days prior to the expiration of the term
7	Lease Agreement (for premise) with QF	Lease agreement entered into between QF and the Company, pursuant to which the Company has leased premises (parts of the ground floor level) at a data centre in the QSTP	QAR 223,236 for each 3 month period	20 years expiring on 28 February 2029	Renewal allowed subject to mutual agreement being reached no later than 60 days prior to the expiration of the term

8	Lease Agreement (for land) with QF	Lease agreement entered into between QF and the Company, pursuant to which the Company has leased premises (land) at a data centre in the QSTP.	QAR 82,560 for each 3 month period	20 years expiring on 28 February 2029	Renewal allowed subject to mutual agreement being reached no later than 60 days prior to the expiration of the term
9	Lease Agreement (for land) with QF	Lease agreement entered into between QF and the Company, pursuant to which the Company has leased premises (land) at a data centre in the QSTP.	QAR 243,408 for each 3 month period	20 years expiring on 31 January 2040	Renewal allowed subject to mutual agreement being reached no later than 60 days prior to the expiration of the term
10	Unit Lease Agreement with QF	Pursuant to which the Company has leased Tech 2 Unit 204 located on the 3rd floor on the Innovation Centre Building.	QAR 172,500 for each 3 month period	Term of this lease extended from 31 October 2017 until 31 October 2027	Renewal allowed subject to mutual agreement being reached no later than 60 days prior to the expiration of the term
11	Master Systems Integrator Consultancy Services Agreement with Msheireb Properties dated 31 January 2023 and all its future variations	The provision of master systems integrator services in relation to the Msheireb Downtown Project	Latest variation dated 31 January of 2023 stipulates that the latest renewal contract price is above QAR 20,000,000.	Latest variation dated 31 January of 2023 extends the term to a period of 5 years	Msheireb Properties WLL may extend at its discretion upon 1 month's prior written notice subject to extension terms mutually agreed
12	Master Service Framework Agreement with Vodafone QPSC dated 15 December 2020	Provision of telco infrastructure services	Above QAR 11,000,000	End date 15 December 2025	

13	Vodafone Sales Order dated 26 September 2021	Provision of rack-based collocation services	Above QAR 40,000 per month	80 months ending on 1 November 2028	N/A
14	IT Infrastructure & MCPTT Expansion proposal for Vodafone QPSC dated 20 July 2022	Provision of security projects infrastructure services	Above QAR 1,500,000	5 year term	N/A
15	Vodafone Purchase Order dated 7 July 2022	Provision of collocation rack services	Above QAR 1,000,000	5 year term	N/A
16	Subsidiary Lease with Msheireb Properties WLL dated 26 January 2022	Lease for office space at Subsidiary's headquarters in Msheireb	Average annual rent approximately QAR 2,506,056	7 years expiring on 31 December 2028	Renewal allowed at the end of the term subject to 6 months' prior written notice and mutual agreement on renewal terms

QATAR STOCK EXCHANGE

14. QATAR STOCK EXCHANGE

The QSE (formally known as the Doha Securities Market) was established in 1995 and officially started operations in 1997. In June 2009, Qatar Holding, the strategic investment arm of the Qatar Investment Authority and New York Stock Exchange Euronext signed agreements to form a strategic partnership to establish the exchange as a world-class market. In October 2013, New York Stock Exchange Euronext exited the QSE with Qatar Holding acquiring the entire share capital of the QSE.

The primary aim of the QSE is to support Qatar's economy by providing a platform for capital raising for Qatari companies and opportunity for investors to trade a variety of products in a transparent and efficient manner.

2014 marked a major milestone for the QSE as Qatar was upgraded by the Morgan Stanley Capital International ("**MSCI**") and Standard & Poor's ("**S&P**"), global index compilers, from a frontier market to an emerging market. FTSE Russell followed suit a year later in September 2015 and upgraded Qatar's status from frontier to secondary emerging market.

In addition to efforts undertaken to upgrade Qatar's status, the QSE has undertaken a number of other development initiatives to enhance the market infrastructure, product and legislative framework. These initiatives include the announcement of Qatar Stock Exchange Venture Market ("**QSEVM**") in 2015, to broaden accessibility to the public securities market. QSEVM is designed to enable small and medium sized enterprises to pursue a public listing but do not meet the financial requirements of the main market.[29]

Other developments include the launch of two Exchange Traded Funds ("ETFs") in 2018, introduction of margin trading, delivery-versus-payment system ("DVP") and voluntary reporting of Environment Social Governance ("ESG").

Currently, the QSE has a total of 50 listed companies on its QSEMM, 1 on the QSEVM and 7 licensed brokers.[30]

29 Source: Listing Requirements for QSE Venture Market, Qatar Stock Exchange

30 Source: Qatar Stock Exchange website - last visited: 15 May 2023

QATAR CENTRAL SECURITIES DEPOSITORY

15. QATAR CENTRAL SECURITIES DEPOSITORY

QCSD was established as a Qatari private shareholding company in 2014 and is owned by the Qatar Central Bank and the QSE. QCSD provides services relating to the custody, clearing and settlement of securities and other financial instruments listed on the QSE. QCSD is the sole company authorized by the QFMA to provide depositary and similar services in the State of Qatar.

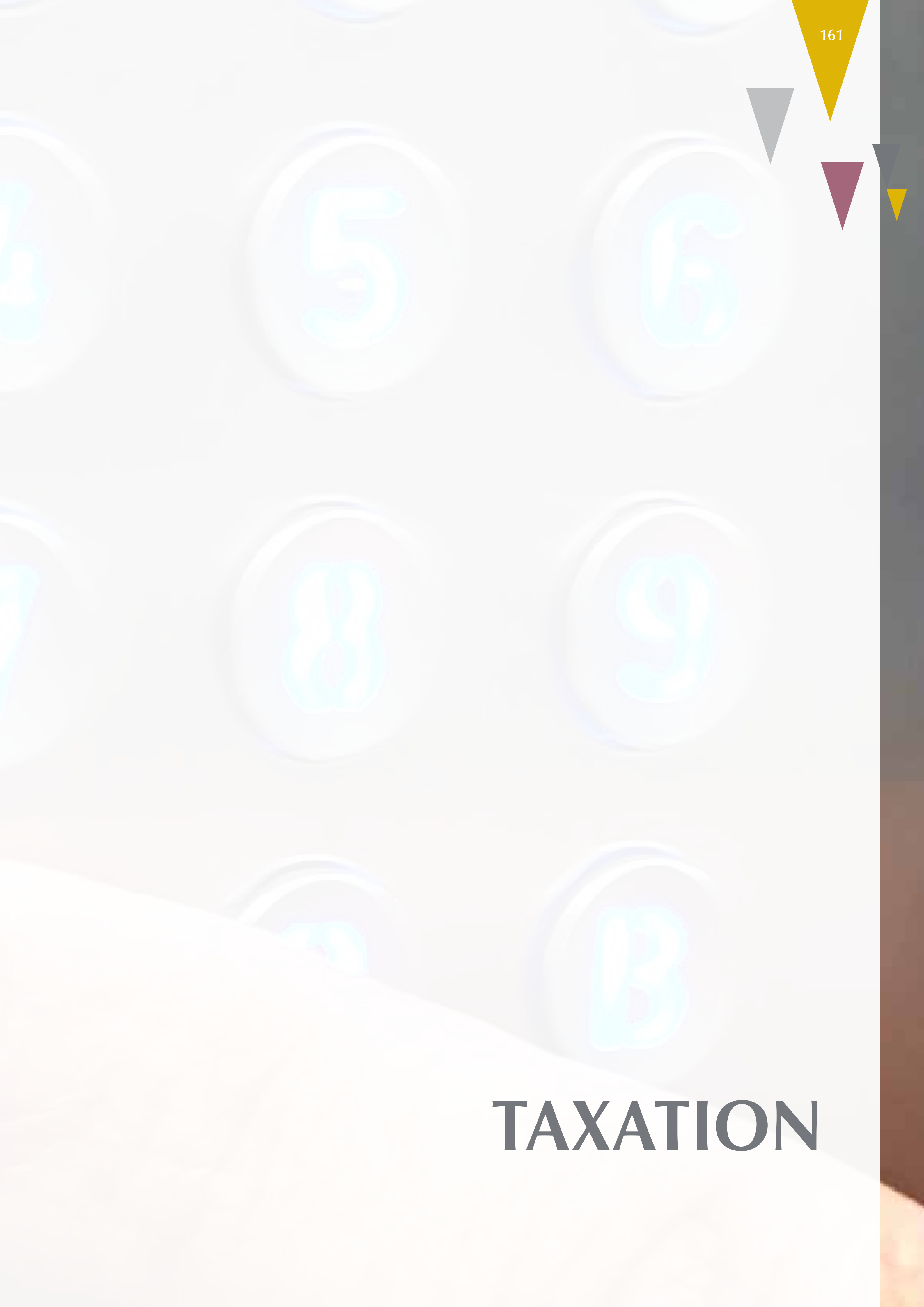
QSE's systems are linked to QCSD's systems to enable transfer of shares of companies listed on QSE between the sellers and buyers. QCSD also processes all off-market transfers, either by inheritance or by court order and is responsible for pledging and unpledging shares. In addition, QCSD offers other services including DVP implementation, securities lending and borrowing settlement, management and follow-up of the non-Qatari shareholders' equity, registration and authorization of ETFs and participation in Initial Public Offerings.

QATAR FINANCIAL MARKETS AUTHORITY

16. QATAR FINANCIAL MARKETS AUTHORITY

The QFMA is the capital markets authority in the State of Qatar. It was established as an independent regulatory and supervising authority pursuant to Law No. 33 of 2005 and subsequently replaced by Law No. 8 of 2012. The primary mission of the QFMA is to implement a robust regulatory framework for the securities markets in addition to conducting effective and responsible market oversight and supervision.

As per its mandate, QFMA is the licensing authority for the securities industry and relevant activities. It is also the listing authority in charge of overseeing and monitoring the issue of securities in the listing process on the QSE. The QFMA also has the responsibility of ensuring market integrity and transparency by enforcing market rules and regulations on market participants and conducting necessary surveillance and supervision activities.



TAXATION

17. TAXATION

The following provides an overview of the current Qatar tax legislation and is intended to provide a high-level understanding in the context of an Investor's decision to purchase, own or dispose of shares in the Company. This tax summary does not discuss the tax regime of any other jurisdiction or any specific circumstances which may be applicable to any individual Investors. This summary is not intended to, and does not, constitute tax advice. All prospective Investors should consult their own tax advisors concerning their personal situation. The information included in this *Section 17 (Taxation)* is not to be regarded as advice on the tax position of any Shareholder or of any person acquiring, selling or otherwise dealing with Shares of the Company or on any tax implications arising from the acquisition, sale or other dealings in respect of the Shares.

This *Section 17 (Taxation)* is only a summary and does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of relevant Shares and does not purport to deal with the consequences applicable to all categories of Investors, some of which may be subject to special rules. All prospective Investors should consult their own tax advisor concerning the application of the Qatar tax legislation to their particular situation as well as any consequences of the purchase, ownership and disposition of relevant shares arising under the laws of any other jurisdiction.

Tax legislation

Comments in relation to the Company are based on (a) Law No. 24/2018 (the "**Income Tax Law**"); (b) the Executive Regulations of the Income Tax Law issued in December 2019 (the "**Executive Regulations**"); and (c) the published and established practices that have been adopted and applied by the General Tax Authority (collectively with the Income Tax Law and the Executive Regulations, the "**State Tax Legislation**").

Corporation Tax implications for the Company

The prevailing corporation tax rate under the State Tax Legislation is 10%.

However, upon the Offering, as a listed company, the Company will be exempt from tax under the provisions of the State Tax Legislation. As a listed company, however, the Company will be required to contribute 2.5% of its net accounting profit to the State to support sports, cultural, social and charitable activities (the "**Sports & Social Levy**"). The Sports & Social Levy is paid out of retained earnings which accordingly reduces the amount of profit that may be distributable to Shareholders.

Dividends

Qatar does not apply withholding tax on dividends. Accordingly, dividends distributed by the Company will not be subject to withholding tax.

Dividends paid out of the profits of the Company and received by a Qatar tax resident shareholder (irrespective of nationality) are exempt from tax under the State Tax Legislation.

Capital gains

Capital gains realized by a non-Qatari national from the sale of shares in the Company are exempt from tax under the State Tax Legislation.

Capital gains realized by a Qatari national from the sale of shared in the Company will be exempt from tax under the State Tax Legislation to the extent that any of the following conditions are met:

1. the Shareholder is a natural person who does not hold those shares as part of a taxable business activity;
2. the Shareholder is tax resident in Qatar; or
3. the Shareholder is a Qatar tax resident company which is wholly owned by Qatari or other GCC nationals who are all tax resident in Qatar.

Investors and Shareholders that are nationals or residents in jurisdictions outside Qatar (both corporate and individual) should consult their own tax advisors as to the taxation or tax implications of the Offering and dividend income under the applicable local laws in those jurisdictions.

Value added tax

Qatar is expected to implement VAT and has ratified the VAT Framework Agreement of the GCC. However, the implementation date is yet to be announced. The potential introduction of VAT may also have some implications for both the Company and Investors. Please also refer to *Section 8 (Risk Factors)* for a discussion of VAT.

DIVIDEND POLICY

18. DIVIDEND POLICY

Shareholders will be entitled to receive dividends declared in respect of financial years subsequent to the financial year during which Offering occurs. The Company intends to declare and distribute annual dividends with a view to maximizing shareholder value commensurate with the ongoing capital and funding requirements of the Company. Subject to the Articles of Association, any contract or agreement binding on the Company and any applicable laws, any decision to pay dividends to Shareholders and the amount and form of such dividends will be upon the recommendation of the Board for approval by the General Assembly.

In the preceding three financial years, the Group distributed dividends in the following amounts:

Financial year	Amount distributed (QAR)
2022	33,000,000
2021	33,000,000
2020	33,000,000

The amount of any dividends may vary from year to year. The Company's ability to pay dividends is dependent on a number of factors, including, without limitation, the availability of distributable income, regulatory capital requirements, reserve requirements, capital expenditure plans, liquidity and other cash requirements in future periods and there is no assurance that the Company will pay dividends, or the amount of such dividend, if declared. There are no arrangements in existence under which future dividends are to be waived or agreed to be waived, be it cash or in-kind.

The Company's ability to pay dividends is also dependent on its ability to comply with the debt service coverage ratio (DSCR) covenant, under the terms of its facility agreement with Dukhan Bank. Dividends are not distributable unless the Company is in compliance with a 1.25x DSCR. It should be noted, that the DSCR at the end of FY2022 amounted to 22.1x, thereby allowing the Company to distribute dividends, with a significant cushion.

LITIGATION

19. LITIGATION

The Company, from time to time, is involved in litigation or proceedings that arise in the course of its business.

The below sections set out the litigation or proceedings that the Company is involved in as at date of this Offering Prospectus.

19.1 Litigation or proceedings raised by the Group:

At the date of this Offering Prospectus, there are no ongoing litigation or proceedings raised by the Group.

19.2 Litigation or proceedings raised against the Group

At the date of this Offering Prospectus, there are no ongoing litigation or proceedings raised against the Group.

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

20. AUDITOR'S REPORT AND FINANCIAL STATEMENTS

This section sets forth the auditor's report for the Audited Financial Statements.

MEEZA QSTP LLC (PUBLIC)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Deloitte.

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QR. 80846

RN: 752/SM/FY2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
MEEZA QSTP LLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of MEEZA QSTP LLC ("the Company") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements (continued)

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies' Law, we report the following:

- We are also in the opinion that proper books of account were maintained by the Company.
- We obtained all the information and explanations which we considered necessary for our audit.
- To the best of our knowledge and belief and according to the information given to us, no contraventions of the applicable provisions of Qatar Commercial Companies' Law and the Company's Articles of Associations were committed during the year which would materially affect the Company's financial position or its financial performance.

Doha – Qatar
May 18, 2023

For **Deloitte & Touche**
Qatar Branch

M. Salha

Midhat Salha
Partner
License No. 257

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2022

	Notes	**December 31, 2022 QR'000**	December 31, 2021 QR'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	**508,493**	504,852
Right-of-use assets	6	**151,941**	137,138
Other non-current assets	7	**12,102**	16,821
Total non-current assets		**672,536**	658,811
Current assets			
Prepayments and other assets	8	**33,037**	20,867
Due from related parties	19	**110,390**	142,021
Trade and other receivables	9	**132,183**	109,178
Cash and bank balances	10	**203,405**	235,695
Total current assets		**479,015**	507,761
Total assets		**1,151,551**	1,166,572
EQUITY AND LIABILITIES			
Equity			
Share capital	11	**648,980**	200
Statutory reserve	12	**8,515**	3,302
Advances from shareholders	13	**–**	749,800
Retained earnings / (Accumulated losses)		**21,687**	(60,246)
Total equity		**679,182**	693,056
Non-current liabilities			
Employees' end of service benefits	14	**10,821**	9,666
Contract liability – long term	20	**27,205**	19,308
Lease liabilities	15	**155,791**	139,552
Borrowings	16	**134,858**	148,406
Total non-current liabilities		**328,675**	316,932
Current liabilities			
Contract liability – short term	20	**3,159**	27,947
Lease liabilities	15	**8,283**	4,472
Borrowings	16	**13,548**	–
Trade and other payables	17	**118,704**	124,165
Total current liabilities		**143,694**	156,584
Total liabilities		**472,369**	473,516
Total equity and liabilities		**1,151,551**	1,166,572

Chairman
Sheikh Hamad Bin Abdulla Bin Jassim Al-Thani

Chief Executive Officer
James Corbin

DELOITTE & TOUCHE
Doha - Qatar

Signed for Identification Purposes Only

This statement has been prepared by the Group and stamped by the Auditors for identification purposes only.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2022

	Notes	2022 QR'000	2021 QR'000
Revenue	20	**352,877**	328,430
Cost of sales	21	**(246,212)**	(240,885)
Gross profit		**106,665**	87,545
General and administrative expenses	22	**(43,087)**	(35,183)
Other expenses		**(5)**	(376)
Interest income	10	**3,686**	2,187
Interest expense on lease liabilities	15	**(8,645)**	(8,070)
Finance costs	16	**(6,488)**	(2,081)
Profit for the year		**52,126**	44,022
Other comprehensive income		--	--
Total comprehensive income for the year		**52,126**	44,022

DELOITTE & TOUCHE
Doha - Qatar
18 MAY 2023
Signed for Identification Purposes Only

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2022

	Share capital	Statutory reserve	Advances from shareholders	Retained earnings/ (Accumulated losses)	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Balance at January 1, 2021	200	3,302	749,800	(104,268)	649,034
Total comprehensive income for the year	-	-	-	44,022	44,022
Balance at December 31, 2021	200	3,302	749,800	(60,246)	693,056
Total comprehensive income for the year	-	-	-	52,126	52,126
Transfer of advances from shareholders (Note 13)	648,780	-	(749,800)	101,020	-
Transfer to statutory reserve (Note 12)	-	5,213	-	(5,213)	-
Dividends declared during the period (Note 18):					
Related to year 2020	-	-	-	(33,000)	(33,000)
Related to year 2021	-	-	-	(33,000)	(33,000)
Balance at December 31, 2022	**648,980**	**8,515**	-	**21,687**	**679,182**

DELOITTE & TOUCHE
Doha - Qatar
Signed for Identification
Purposes Only

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2022

	Notes	2022 QR'000	2021 QR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**52,126**	44,022
Adjustments for:			
Depreciation of property, plant and equipment	5	**50,170**	45,951
Depreciation of right-of-use assets	6	**10,269**	6,752
Finance costs		**6,488**	2,081
Finance income		**(3,686)**	(2,187)
Interest expense on lease liabilities	15	**8,645**	8,070
Expected credit losses /(recovery) on trade receivables	9	**(269)**	3,957
Expected credit losses / (recovery) on due from related parties	19	**(242)**	(690)
Provision for employees' end of service benefits	14	**3,263**	2,571
		126,764	110,527
Movements in working capital			
Trade and other receivables		**(22,736)**	(68,824)
Prepayments and other assets		**(12,170)**	44,824
Other non-current assets		**4,719**	(3,827)
Due from related parties		**31,873**	(29,669)
Trade and other payables		**(5,461)**	27,974
Deferred revenue		**(16,891)**	24,244
Net cash generated by operations		**106,098**	105,249
Finance costs paid		**(6,488)**	(2,081)
Payment for employees' end of service benefits	14	**(2,108)**	(3,030)
Net cash generated by operating activities		**97,502**	100,138
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5	**(53,811)**	(208,181)
Finance income received		**3,686**	2,187
Net cash used in investing activities		**(50,125)**	(205,994)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	18	**(66,000)**	–
Proceeds from borrowings	16	–	88,241
Principal repayment of lease liabilities	15	**(13,667)**	(12,711)
Net cash (used in)/ generated from financing activities		**(79,667)**	75,530
Net decrease in cash and cash equivalents		**(32,290)**	(30,326)
Cash and cash equivalents at the beginning of the year		**235,695**	266,021
Cash and cash equivalents at the end of the year	10	**203,405**	[illegible]

DELOITTE & TOUCHE
Doha - Qatar
18 MAY 2023
Signed for Identification Purposes Only

This statement has been prepared by the Group and stamped by the Auditors for identification purposes only.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

1. INCORPORATION AND ACTIVITIES

MEEZA QSTP LLC (the "Company") is registered as a limited liability company under the Qatar Science and Technology Park (QSTP) Free Zone Regulations with license number 20080309-1 pursuant to law number 36 of 2005.

The Company is owned by Qatar Foundation for Education, Science and Community Development, and by Ooredoo Q.P.S.C up to 80% and 20%, respectively.

The Company is engaged in Information Technology services. The address of the Company's registered office is Qatar Science and Technology Park Free Zone, Level 1, Tech 2, Gharafa Street, P.O. Box 892, Doha, State of Qatar.

The Company's fully owned subsidiary, MEEZA Information Technology W.L.L. (the "Subsidiary") business activities, which commenced in 2021, include software designing and programming, trading in computer network equipment, designing electronic sites, information technology consultancy, storage of data and documents, trading in computer networking devices and trading via internet.

The Company and its subsidiary (together "the Group") operate mainly in the State of Qatar.

As at the date of the issuance of these financial statements, the Group have formally initiated the process of listing on the Qatar Stock Exchange and is planned to be completed before end of July 2023, subject to relevant regulatory approvals.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1 New and amended IFRS Standards and interpretations that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2022, have been adopted in these financial statements.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 3 – Reference to the Conceptual Framework In May 2020 the IASB issued amendments to update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.	Beginning on or after January 1, 2022

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.1 New and amended IFRS Standards and interpretations that are effective for the current year (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 16 Property, Plant and Equipment— Proceeds before Intended Use	January 1, 2022

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The Company measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statutory statement of profit or loss and other comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statutory statement of profit or loss and other comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the Company first applies the amendments.

The Company shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Amendments to IAS 37 Onerous Contracts—Cost of Fulfilling a Contract	January 1, 2022

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.1 New and amended IFRS Standards and interpretations that are effective for the current year (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 37 Onerous Contracts—Cost of Fulfilling a Contract (continued)	January 1, 2022
The amendments apply to contracts for which the Company has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the Company first applies the amendments. Comparatives are not restated.	
Instead, the Company shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.	
Annual Improvements to IFRS Standards 2018–2020	January 1, 2022
The Annual Improvements include amendments to four Standards.	
IFRS 1 First-time Adoption of International Financial Reporting Standards-Subsidiary as a first time adopter	
The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Accounting Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).	
IAS 41 Agriculture	
The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 *Fair Value Measurement* to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.	

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRS Standards and interpretations that are effective for the current year

The Company has not early adopted the following new and amended standards and interpretations that have been issued but are not yet effective.

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS 17 Insurance Contracts (including the June 2020 and December 2021 amendments to IFRS 17)	January 1, 2023

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the IASB issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Available for optional adoption/ effective date deferred indefinitely
The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.	
Amendments to IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Non-current	January 1, 2023. Early application permitted

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

In November 2022, IAS 1 has been amended to specify that only covenants an entity must comply with on or before the reporting period should affect classification of the corresponding liability as current or noncurrent.

An entity is required to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The 2022 amendments deferred the effective date of the amendments to *IAS 1 Classification of Liabilities as Current or Non-current* published in January 2020 by one year to annual reporting periods beginning on or after 1 January 2024.The amendments are applied retrospectively.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies	January 1, 2023. Early application permitted

The IASB has amended IAS 1 require entities to disclose its "material accounting policies" instead of its 'significant accounting policies' with 'material accounting policy information'. Further amendments to IAS 1 are made to explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are also added.

To support the amendments, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. The amendments to IAS 1 are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates	January 1, 2023. Early application permitted

The IASB has amended IAS 8 to define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". Accounting policies may require items in financial statements to be measured in a way that involves measurement uncertainty—that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

The IASB has retained the concept of changes in accounting estimates in the Standard, even though the definition was deleted, with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023. Early application permitted

The amendments provide a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The IASB also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  - Right-of-use assets and lease liabilities
  - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 16 Leases: Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024. Early application permitted
The amendments requires a seller-lessee to subsequently measure lease liabilities by determining "lease payments" and "revised lease payments" arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.	
Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.	
A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.	

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments as highlighted in previous paragraphs, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"), the Company's Articles of Association, and the Qatar Science and Technology Park regulations.

The consolidated financial statements comply with the requirements of Qatar Commercial Companies Law No.11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021. Management is in the process of taking necessary actions needed to ensure full compliance with the amended law, including amending the Articles of Association of the Company where necessary, and has concluded that any non-compliance as at the reporting date does not have a material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis. These consolidated financial statements are presented in Qatari Riyals (QR), which is the Group's presentation currency. All amounts are expressed in thousands Qatari Riyals unless otherwise stated.

The principal accounting policies are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary) made up to reporting date each year. Control is achieved when the Company:

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

Non-controlling interests in subsidiaries, if any, are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in the consolidated statement of profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Property, plant and equipment

Recognition and measurement

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. 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 during the financial period in which they are incurred.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

Subsequent costs

Subsequent costs that can be reliably measured 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.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values, if applicable, using the straight-line method over their estimated useful lives commencing when the assets are ready for their intended use and is generally recognised in the consolidated statement of profit or loss.

The estimated useful lives of property, plant and equipment is presented in Note 5 and are as follows:

Data centre and network assets	3 - 25 years
Building and leasehold improvements	5 - 20 years
Office furniture and other equipment	3 - 5 years

Management has determined the estimated useful lives of each asset and/ or category of assets based on the expected usage of the assets, physical wear and tear depending on operational and environmental factors and legal or similar limits on the use of the assets. Depreciation methods and useful lives are reviewed at each reporting date and adjusted if appropriate, on a prospective basis.

Derecognition

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Profits and losses on disposals of items of property and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts and are recognised net within the consolidated statement of profit or loss.

Capital work in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

Impairment of tangible assets

At each statement of financial position date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible assets (continued)

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Post-employment benefits

Employees' end of service benefits

A provision is made for employees' end of service benefits which is payable on completion of employment. The provision is calculated in accordance with Qatari Labour Law based on employees' salary and accumulated period of service as at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Defined contribution pension plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company pays contributions to publicly administered pension insurance plans on a mandatory basis for all Qatari employees and GCC nationals in accordance with Qatar Pensions and Retirement Law No. 24 of 2002 and other relevant laws. The Company has no further pension payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Amortised cost and effective interest rate method (continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in consolidated statement of profit or loss and is included in the "finance income" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade receivables, unbilled revenue, due from related parties and bank balances. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, due from related parties and unbilled revenue. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

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

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90-days past due for trade receivables (other than governmental entities) and 365-days past due for due from related parties, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets (continued)

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in consolidated statement of profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to the consolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to the consolidated statement of profit or loss, but is transferred to retained earnings.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The Group does not have any financial liability measured at FVTPL.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

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

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit or loss.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the consolidated statement of profit or loss for financial liabilities that are not part of a designated hedging relationship.

Revenue recognition

Rendering of services

The Group principally obtains revenue from selling the following IT related services:

- Data centre and managed services
- Workplace services
- Solutions services
- Master system integrator services
- Cloud services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognize revenue when it transfers control over goods and services to its customer.

Revenues from the above mentioned services, expect Solutions services, are typically based on a fixed monthly fee and recognised upon the performance obligation is satisfied over time. The Group uses output method and recognise the revenue on straight line basis over the term of the contract, since output (number of months over the term of the contract) are consumed evenly throughout the term of the contract.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Revenues from solution services are typically recognised at a point in time upon control of the goods or service is transferred to the customer.

Contract liability:

When a customer pays up-front for requested services, a contract liability is recognised for revenues associated with these services at the time of initial sale and is released over the service period.

Contract asset:

When payment for services performed to date is not due from the customer based on the agreed-upon performance-related milestones, a contract asset is recognised over the period in which the services are performed representing the Group's right to consideration for the services performed to date.

Non-refundable upfront fee

The Group charge non-refundable fees associated to projects charged to customers. These fees are recognised as revenue when the related services are provided to the customers over the term of the contract.

Interest income

Interest income is accrued on a time basis with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discount estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Group's shareholders.

Leases

The Group as lessee

The Group assesses whether contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group as lessee (continued)

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "General and administrative expenses" in the consolidated statement of profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group as lessee (continued)

As a practical expedient, IFRS16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group used this practical expedient.

Cash and cash equivalent

Cash and cash equivalents comprise bank balances and short-term deposits with original maturities of three months or less, if any, net of any outstanding balances and are used by the Group in the management of its short-term commitments.

Foreign exchange difference

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgments in applying accounting policies

The preparation of the financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Capitalisation of costs

Management determines whether the Group will recognise an asset from the costs incurred to fulfil a contract and costs incurred to obtain a contract if the costs meet all the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
b) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
c) the costs are expected to be recovered.

Such asset will be amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Judgment in determining the timing of satisfaction of performance obligations

The Group generally recognise revenue over time as it performs continuous transfer of control of goods or services to the customers. Because customers simultaneously receives and consumes the benefits provided and the control transfer takes place over time, revenue is also recognised based on the extent of transfer/completion of transfer of each performance obligation. In determining the method for measuring progress for these POs, we have considered the nature of these goods and services as well as the nature of its performance.

For performance obligations satisfied at a point in time, the Group considers the general requirements of control (i.e. direct the use of asset and obtain substantially all benefits) and the following non-exhaustive list of indicators of transfer of control:

- Entity has present right to payment
- Customer has legal title
- Entity has transferred legal possession
- Customer has significant risk and rewards
- Customer has accepted the asset

In making its judgement, the Management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Group has transferred control of the goods to the customer. Following the detailed quantification of the Group's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, the directors are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Judgment in determining the timing of satisfaction of performance obligations (continued)

Significant judgements are made by management when concluding whether the Group is transacting as an agent or a principal. The assessment is performed for each separate revenue stream in the Group. The assessment requires an analysis of key indicators, specifically whether the Group:

- carries any inventory risk;
- has the primary responsibility for providing the goods or services to the customer;
- has the latitude to establish pricing; and
- bears the customer's credit risk.

These indicators are used to determine whether the Group has exposure to the significant risks and rewards associated with the sale of goods or rendering of services.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Significant increase in credit risk

An entity shall always measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables or contract assets that result from transactions that are within the scope of IFRS 15, and that do not contain a significant financing component in accordance with IFRS 15 (or when the entity applies the practical expedient in accordance with paragraph 63 of IFRS 15.

Judgment in identifying whether a contract includes a lease

The Group has entered into a contracts with lessors for the lease of land, data centre space and office space.

Management has assessed whether or not the Group has contracted for the rights to substantially all of the lease of land and data centre space and office space and whether the contracts contains a lease.

Management assessed that the Group have the right to obtain substantially all of the economic benefits for the use of the assets. As stated, the Group has concluded that the contract contains a lease.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Determining the lease term

In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows of have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). Management has applied judgments and estimates to determine the IBR at the commencement of the lease.

Going concern

The Group's 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. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue a going concern. Therefore, the financial statements are prepared on a going concern basis.

4.2 Key sources of estimation uncertainty

Estimates

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

Impairment of tangible assets and useful lives

The Group's management tests annually whether there is an indication that tangible assets (including capital work in progress) have suffered impairment in accordance with accounting policies stated in Note 3.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.2 Key sources of estimation uncertainty (continued)

Estimates (continued)

Estimated useful lives of property, plant and equipment

The costs of items of property, plant and equipment are depreciated on a systematic basis over the estimated useful lives of the assets. Management has determined the estimated useful lives of each asset and/ or category of assets based on the following factors:

- Expected usage of the assets,
- Expected physical wear and tear, which depends on operational and environmental factors; and
- Legal or similar limits on the use of the assets.

Management has not made estimates of residual values for any items of property, plant and equipment at the end of their useful lives as these have been deemed to be insignificant.

Calculation of loss allowance

An estimate of the collectible amount of trade receivables and due from related parties is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time the amount has been due.

When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default 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.

The sensitivity of ECL on the profit of the company could be presented as follows:

	Increase/(decrease) in basis points	**Effect on profit (QR)**
December 31, 2022		
Expected Credit Losses	**50**	**5,298**
	(50)	**(5,298)**
December 31, 2021		
Expected Credit Losses	50	8,800
	(50)	(8,800)

Assessment as to whether the right-of-use assets is impaired

Management assessed that there are no events or changes in circumstances that indicate that the carrying amount of the right-of-use assets is impaired. Impairment indicators factored in the management's assessment are, but not limited to, the following: Physical condition of the right-of-use assets, adverse effect on the Company's performance impacting the usage of the right-of-use assets, future commitments needed to support the function of the right-of-use assets, and any significant drop in the external market value of the right-of-use assets.

5. PROPERTY, PLANT AND EQUIPMENT

	Data centre and network assets	Buildings and leasehold improvements	Office furniture & other equipment	Assets under construction	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Cost:					
At January 1, 2021	958,180	2,070	10,061	138,581	1,108,892
Additions	85	--	22	208,074	208,181
Transfer	338,266	--	77	(338,343)	--
Reclassification	649	--	(649)	--	--
At January 1, 2022	1,297,180	2,070	9,511	8,312	1,317,073
Additions	--	--	--	53,811	53,811
Transfers	45,886	--	2,766	(48,652)	--
At December 31, 2022	**1,343,066**	2,070	**12,277**	**13,471**	**1,370,884**
Accumulated depreciation:					
At January 1, 2021	755,256	1,960	9,054	--	766,270
Depreciation expense	45,670	36	245	--	45,951
At January 1, 2022	800,926	1,996	9,299	--	812,221
Depreciation expense	49,779	36	355	--	50,170
At December 31, 2022	**850,705**	**2,032**	**9,654**	--	**862,391**
Carrying amount:					
At December 31, 2022	**492,361**	**38**	**2,623**	**13,471**	**508,493**
At December 31, 2021	496,254	74	212	8,312	504,852
Depreciation rate 2022	**4% - 33%**	**5% - 20%**	**33% - 20%**		
Depreciation rate 2021	4% - 33%	5% - 20%	20%		

Depreciation expense of QR 49.78 million (2021: QR 45.67 million) has been charged in cost of sales, QR 0.39 million (2021: QR 0.28 million) in general and administrative expenses. The borrowing cost capitalised during the year amounted to Nil (2021: 3.61 million), (Note 16).

6. RIGHT-OF-USE ASSETS

Group as a Lessee

The Group leases several assets including land and data centre building, and office space. The average lease term for land ranges from 20 to 30 years while the office space is for 7 years.

The Group's obligations are secured by the lessor's title to the leased assets for such leases.

	Right-of-use assets		
	Land and data centre building	**Office space**	**Total**
	QR'000	**QR'000**	**QR'000**
January 1, 2021	134,064	3,750	137,814
Additions	6,076	--	6,076
Depreciation expense (Notes 21, 22)	(6,203)	(549)	(6,752)
December 31, 2021	133,937	3,201	137,138
Additions	12,269	12,803	25,072
Depreciation expense (Notes 21, 22)	(7,891)	(2,378)	(10,269)
December 31, 2022	**138,315**	**13,626**	**151,941**

Amounts recognised in consolidated statement of profit or loss:

	2022	2021
	QR'000	QR'000
Depreciation of right-of-use assets	**10,269**	6,752
Interest expense on lease liabilities	**8,645**	8,070
Expense relating to short-term leases	**1,798**	1,467
	20,712	16,289

As at December 31, 2022, the Group is committed to Nil (2021: QR 0.37 million) short-term leases.

7. OTHER NON-CURRENT ASSETS

	2022	2021
	QR'000	QR'000
Security deposit	**1,143**	249
Others	**10,959**	16,572
	12,102	16,821

8. PREPAYMENTS AND OTHER ASSETS

	2022 QR'000	2021 QR'000
Prepayments	**18,655**	12,728
Advance to suppliers (i)	**6,704**	4,570
Other debit balances (ii)	**7,678**	3,569
	33,037	20,867

(i) The 2022 balance pertains to the advance payments made to the vendors for the costs of the construction of data centres and solution services contracts.

(ii) The 2022 balance includes QR 4.78 million due from Shareholders (2021: Nil) representing amounts paid by the Company on behalf of the Shareholders in connection with the listing process.

9. TRADE AND OTHER RECEIVABLES

	2022 QR'000	2021 QR'000
Trade receivables	**126,567**	108,771
Less: Loss allowance	**(5,256)**	(5,525)
Trade receivables – net	**121,311**	103,246
Contract assets	**10,872**	5,932
	132,183	109,178

The Group measures the loss allowance for trade receivables and unbilled revenue at an amount equal to lifetime ECL. The expected credit losses on trade receivables and unbilled revenue are estimated using a provision matrix by reference to past default experience of the customers and an analysis of the customer's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

As at December 31, the ageing of account receivables is as follows:

Expected credit loss rate	**0%**	**1%**	**2%**	**13%**	**4%**
December 31, 2022	**Less than 90 Days QR'000**	**91 to 180 Days QR'000**	**181 to 365 days QR'000**	**More than 365 days QR'000**	**Total QR'000**
Estimated total gross carrying amount at default	**46,318**	**18,172**	**26,015**	**36,062**	**126,567**
Lifetime ECL	**(18)**	**(163)**	**(432)**	**(4,643)**	**(5,256)**
Net receivable	**46,300**	**18,009**	**25,583**	**31,419**	**121,311**

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

December 31, 2021	Less than 90 Days	91 to 180 Days	181 to 365 days	More than 365 days	Total
Expected credit loss rate	0%	6%	7%	49%	5%
	QR'000	QR'000	QR'000	QR'000	QR'000
Estimated total gross carrying amount at default	70,827	19,578	11,009	7,357	108,771
Lifetime ECL	(4)	(1,127)	(787)	(3,607)	(5,525)
Net receivable	70,823	18,451	10,222	3,750	103,246

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9, all collectively assessed:

	2022	2021
	QR'000	QR'000
Balance as at January 1,	**5,525**	1,568
(Recovery)/provision during the year	**(269)**	3,957
Balance as at December 31,	**5,256**	5,525

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

	2022	2021
	QR'000	QR'000
Cash on hand	**5**	5
Bank balances	**43,400**	55,504
Time deposits	**160,000**	180,186
Cash and cash equivalents	**203,405**	235,695

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Qatar Central Bank. Accordingly, Management estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the Management has assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

Time deposits generated interest income of QR 3.69 million for the year ended December 31, 2022 recorded under interest income in the statement of profit or loss and other comprehensive income (QR 2.19 million for the year ended December 31, 2021).

11. SHARE CAPITAL

	2022 QR'000	2021 QR'000
Authorised, issued and fully paid		
200 shares of nominal value 1,000 QR each	--	200
648,980 shares of nominal value 1,000 QR each (Note 13)	**648,980**	--

In accordance with the recent amendment of the QSTP company regulations dated October 18, 2022, and unanimous shareholder resolution, the Company will be reducing the nominal value per share to QR 1 as required by the QFMA for entities listed on the QSE. As of the date of issuance of these financial statements , the reduction of the nominal value per share to QR 1 was not finalised.

12. STATUTORY RESERVE

As required by the Company's Articles of Association, 10% of the profit for the year is to be transferred to the statutory reserve until the reserve reaches a minimum of 50% of the paid up share capital. As at December 31, 2022, the statutory reserve amounted QR 8.52 million (2021: QR 3.30 million). This reserve is not available for distribution.

13. ADVANCES FROM SHAREHOLDERS

This represented funds received from the shareholders to fund the working capital requirements of the Group. These funds were non-current in nature, interest free, unsecured and subordinated to all the liabilities of the Group.

Main shareholders of the Group have contributed the following:

	2022 QR'000	2021 QR'000
Qatar Foundation for Education, Science and Community Development	--	599,840
Ooredoo Q.P.S.C.	--	149,960
	--	749,800

During the year 2022, the Shareholders of the Group resolved to convert the advances from shareholders as follows:

	2022 QR'000
Transferred to share capital	**648,780**
Transferred to retained earnings	**101,020**
	749,800

14. EMPLOYEES' END OF SERVICE BENEFITS

Movement in the employees' end of service benefits were as follows:

	2022	2021
	QR'000	QR'000
Balance as at January 1,	**9,666**	10,125
Expense for the year	**3,263**	2,571
Payments during the year	**(2,108)**	(3,030)
Balance as at December 31,	**10,821**	9,666

15. LEASE LIABILITIES

	2022	2021
	QR'000	QR'000
Balance as at January 1,	**144,024**	142,589
Additions/modifications	**25,072**	6,076
Accretion of finance cost	**8,645**	8,070
Lease payments	**(13,667)**	(12,711)
Balance as at December 31,	**164,074**	144,024

Presented in the consolidated financial position as follows:

	2022	2021
	QR'000	QR'000
Non-current lease liabilities	**155,791**	139,552
Current lease liabilities	**8,283**	4,472
	164,074	144,024

	2022	2021
	QR'000	QR'000
Maturity analysis		
Not later than 1 year	**8,283**	4,472
Later than 1 year and not later than 5 years	**33,666**	19,611
Later than 5 years	**122,125**	119,941
	164,074	144,024

The Group does not face a significant liquidity risk with regard to its liabilities. Lease liabilities are monitored within the Group's treasury function.

16. BORROWINGS

	2022	2021
	QR'000	QR'000
Non-current borrowings	134,858	148,406
Current borrowings	13,548	--
	148,406	148,406

The Group entered into a Facility Agreement with Dukhan Bank for QR 150 million on December 10, 2020 ("the facility") at Qatar Market Lending Rate (QMRL) subject to a minimum of 3.5% per annum, payable quarterly. The facility is repayable in 31 equal quarterly instalments of QR 3.39 million starting March 2023 and one final bullet payment of QR 45 million (30% of facility amount) in December 2030. The facility is secured by the assignment of the full contract values of each of MV2 & MV4 Colocation and Data Centre Leases with Microsoft QSTP LLC ("Microsoft") and Ministry of Communications and Information Technology ("MCIT") (previously "Ministry of Transport and Communications") favouring Dukhan Bank.

Borrowing finance costs incurred during the year amounted to QR 5.67 million (2021: QR 4.95 million). Amount recognized in the consolidated statement of profit or loss is QR 5.67 million (2021: QR 1.34 million) and the remaining has been capitalized as cost of property, plant and equipment (Note 5).

17. TRADE AND OTHER PAYABLES

	2022	2021
	QR'000	QR'000
Trade payables (i)	28,113	27,416
Accrued expenses (ii)	78,139	78,657
Retention payable	7,458	10,632
Contract liability	4,924	7,208
Other current liabilities	70	252
	118,704	124,165

(i) As at December 31, 2022, the balance includes due to related parties amounting QR 2.29 million (2021: Nil). (Note 19)

(ii) As at December 31, 2022, the balance includes accrued assets of QR 20.92 million (2021: QR 20.03 million).

18. DIVIDEND

During the year 2022, the Board of Directors had proposed a cash dividend of QR 66 million related to the financial results of the years 2021 and 2020, amounting to QR 33 million each year. This was subsequently approved by the shareholders during the Annual General Assembly held during the year and was also paid out in 2022.

19. RELATED PARTY DISCLOSURES

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosures*, include associate companies, major shareholders, directors and other key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties.

a) Trading transactions

The following are the transactions with related parties:

	2022	2021
	QR'000	QR'000
Sale of goods and services:		
Shareholders	**63,679**	69,496
Other affiliated companies	**58,763**	73,177
	122,442	142,673

b) Balances arising from sales of goods/services

The following are the balances arising on transactions with related parties:

	2022	2021
	QR'000	QR'000
Due from related parties:		
Shareholders	**86,677**	90,039
Other affiliates	**32,243**	60,754
	118,920	150,793
Provision for loss allowance	**(8,530)**	(8,772)
At December 31	**110,390**	142,021
Due to related parties (Note 17):		
Shareholders	**1,369**	--
Other affiliates	**917**	--
At December 31	**2,286**	--

The due from related parties arise mainly from sale of goods and services transactions. The receivables are unsecured in nature and earn no interest.

The Group measures the loss allowance for due form related parties at an amount equal to lifetime ECL. The expected credit losses on due from related parties are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

19. RELATED PARTY DISCLOSURES (CONTINUED)

The following table shows the movement in lifetime ECL that has been recognised for due from related parties in accordance with the simplified approach set out in IFRS 9 all collectively assessed:

	2022	2021
	QR'000	QR'000
Balance as at January 1	**8,772**	9,462
Recovery during the year	**(242)**	(690)
Balance as at December 31	**8,530**	8,772

c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2022	2021
	QR'000	QR'000
Short-term benefits	**13,377**	10,914
Long-term benefits	**88**	--
	13,465	10,914

20. REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major revenue streams.

	2022	2021
	QR'000	QR'000
Revenue – at a point of time:		
Solutions services	**56,691**	57,678
Master system integrator services	**--**	686
Revenue – over time:		
Data centre and managed services	**231,220**	198,187
Workplace services	**16,888**	25,244
Solutions services	**21,736**	23,901
Master system integrator services	**14,898**	14,579
Cloud services	**11,444**	8,155
	352,877	328,430

The current portion of the deferred revenue referred as "contract liability" in the consolidated statement of financial position amounting to QR 3.16 million (2021: QR 27.95 million) is expected to be recognised as revenue during 2023. The non-current portion of contract liability is expected to be recognized as revenue at least after 12-months from the reporting date.

The unsatisfied performance obligation as at reporting date amounted to QR 1,282.35 million (2021: QR 1,360.64 million).

21. COST OF SALES

	2022	2021
	QR'000	QR'000
Software, hardware and license cost	**76,443**	67,783
Outsourcing and third party cost	**54,190**	58,466
Depreciation of property, plant and equipment (Note 5)	**49,779**	45,670
Salaries, wages and other benefits	**37,377**	38,031
Data centre management costs	**20,409**	24,613
Depreciation of right-of-use assets (Note 6)	**7,891**	6,203
Others	**123**	119
	246,212	240,885

22. GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
	QR'000	QR'000
Staff costs and allowances	**30,833**	22,978
Professional fees	**2,915**	3,024
Depreciation of right-of-use assets (Note 6)	**2,378**	549
Rent	**1,798**	1,467
Insurance	**1,146**	844
Marketing costs	**1,083**	229
Directors' remuneration	**631**	567
Office expenses	**540**	546
Depreciation of property, plant and equipment (Note 5)	**391**	281
(Recovery)/loss allowance (Notes 9 and 19)	**(511)**	3,267
Others	**1,883**	1,431
	43,087	35,183

23. COMMITMENTS AND CONTINGENT LIABILITIES

	2022	2021
	QR'000	QR'000
Performance guarantee	**59,705**	61,975
Tender and other guarantees	**43,228**	65,533

24. FINANCIAL INSTRUMENTS

Financial instruments represent any contractual agreement that creates a financial asset, financial liability or an equity instrument.

(a) Fair value measurements

Financial assets consist of bank balances, due from related parties and trade receivable. Financial liabilities consist of trade payables, lease liabilities and borrowings.

Management believes that the fair values of financial instruments are not materially different from their carrying values largely due to the short-term maturities of these instruments or are regularly repriced at market rates.

(b) Reconciliation of liabilities arising from financing activities

The below table details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

	At January 1, 2022	**Financing cash flows**	**Non-cash changes**	**At December 31, 2022**
	QR'000	**QR'000**	**QR'000**	**QR'000**
Dividend paid	--	**(66,000)**	--	**(66,000)**
Lease liabilities	**144,024**	**(13,667)**	**33,717**	**164,074**
Borrowings	**148,406**	--	--	**148,406**
	292,430	**(79,667)**	**33,717**	**246,480**

	At January 1, 2021	Financing cash flows	Non-cash changes	At December 31, 2021
	QR'000	QR'000	QR'000	QR'000
Lease liabilities	142,589	(12,711)	14,146	144,024
Borrowings	60,165	88,241	--	148,406
	202,754	75,530	14,146	292,430

25. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to the shareholders.

The capital structure of the Group comprises of capital, reserves, and retained earnings. The Company sets the amount of capital in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

26. FINANCIAL RISK MANAGEMENT

Market risk management

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

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed by entering the transactions substantially in Qatari Riyal (QR) and United States Dollar (USD), which is pegged to Qatari riyal.

Interest rate risk management

The Group's exposure to interest rate risk is limited as it borrows and deposits funds at market rates. The loan appearing in the books of the Company (Note 16) is carried at floating rate and the borrowing finance cost incurred during 2022 is QR 5.67 million (2021: QR 4.95 million). Interest income during 2022 is QR 3.69 million (2021: QR 2.19 million).

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. As at December 31, 2022, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group has tasked its management to develop and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default.

The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk management (continued)

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and considering the historical default experience and the current credit ratings of the banks, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	When there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired
In default	When there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that there is a severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Group's financial assets by credit risk rating grades:

December 31, 2022	**Note**	**12-month or lifetime ECL**	**Gross carrying**	**Loss allowance**	**Net carrying Amount**
			QR '000	**QR '000**	**QR '000**
Bank balances	10	12-month ECL	**203,405**	**--**	**203,405**
Trade receivables	9	Lifetime ECL	**126,567**	**(5,256)**	**121,311**
Unbilled revenue	9	Lifetime ECL	**10,872**	**--**	**10,872**
Due from related parties	19	Lifetime ECL	**118,920**	**(8,530)**	**110,390**

December 31, 2021	Note	12-month or lifetime ECL	Gross carrying	Loss allowance	Net carrying Amount
			QR '000	QR '000	QR '000
Bank balances	10	12-month ECL	235,695	--	235,695
Trade receivables	9	Lifetime ECL	108,771	(5,525)	103,246
Unbilled revenue	9	Lifetime ECL	5,932	--	5,932
Due from related parties	19	Lifetime ECL	150,793	(8,772)	142,021

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk management

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 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.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table are the contractual discounted cash flows. Balances due within 12 months are equal to their carrying balances as the impact of discounting is not significant.

At December 31, 2022	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	QR'000	**QR'000**	**QR'000**	**QR'000**	**QR'000**
Trade payables	**28,113**	--	--	--	**28,113**
Lease liabilities	**8,283**	**8,619**	**25,047**	**122,125**	**164,074**
Borrowings	**13,548**	**13,548**	**40,644**	**80,666**	**148,406**
	49,944	**22,167**	**65,691**	**202,791**	**340,593**

At December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Trade payables	27,416	--	--	--	27,416
Lease liabilities	4,472	4,700	14,911	119,941	144,024
Borrowings	--	13,548	40,644	94,214	148,406
	31,888	18,248	55,555	214,155	319,846

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At December 31, 2022	**Less than 1 year**	**Between 1 and 2 years**
	QR'000	**QR'000**
Trade and other receivables	**132,183**	--
Due from related parties	**110,390**	--
	242,573	--

At December 31, 2021	Less than 1 year	Between 1 and 2 years
	QR'000	QR'000
Trade and other receivables	109,178	--
Due from related parties	142,021	--
	251,199	--

27. SUBSEQUENT EVENT

The Group is in advanced stages of undergoing an Initial Public Offering (IPO) on the Qatar Stock Exchange Main Market. Book building to Qualified Investors (as defined by the Qatar Financial Markets Authority) was concluded on 6 March 2023, and the Group is now undergoing the necessary regulatory filings to proceed with the public subscription to individual and corporate investors.

28. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 18, 2023.

MEEZA QSTP LLC (PUBLIC)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Deloitte.

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QR. 80846

RN: 1033/SM/FY2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
MEEZA QSTP LLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of MEEZA QSTP LLC ("the Company") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2021, and its financial activities and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and for such internal control as management 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, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Doha – Qatar
April 25, 2022

For **Deloitte & Touche**
Qatar Branch

M. Salha

Midhat Salha
Partner
License No. 257

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2021

	Notes	December 31, 2021 QR'000	December 31, 2020 QR'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	504,852	342,622
Right-of-use assets	6	137,138	137,814
Other non-current assets	7	249	2,803
Total non-current assets		642,239	483,239
Current assets			
Prepayments and other assets	8	37,439	75,882
Due from related parties	18	142,021	111,662
Trade and other receivables	9	109,178	44,311
Cash and bank balances	10	235,695	266,021
Total current assets		524,333	497,876
Total assets		1,166,572	981,115
EQUITY AND LIABILITIES			
Equity			
Share capital	11	200	200
Statutory reserve	12	3,302	3,302
Advances from shareholders	13	749,800	749,800
Accumulated losses		(60,246)	(104,268)
Total equity		693,056	649,034
Non-current liabilities			
Employees' end of service benefits	14	9,666	10,125
Deferred revenue – long term	19	19,308	8,799
Lease liabilities	15	139,552	139,305
Borrowings	16	148,406	60,165
Total non-current liabilities		316,932	218,394
Current liabilities			
Deferred revenue – short term	19	27,947	14,212
Lease liabilities	15	4,472	3,284
Trade and other payables	17	124,165	96,191
Total current liabilities		156,584	113,687
Total liabilities		473,516	332,081
Total equity and liabilities		1,166,572	981,115

Chairman
Sheikh Hamad Bin Abdulla Bin Jassim Al-Thani

Chief Financial Officer
James Corby

DELOITTE & TOUCHE
Doha - Qatar
25 APR 2022
Signed for Identification Purposes Only

This statement has been prepared by the Group and stamped by the Auditors for identification purposes only.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2021

	Notes	2021 QR'000	2020 QR'000
Revenue	19	**328,430**	284,839
Cost of sales	20	**(240,885)**	(211,532)
Gross profit		**87,545**	73,307
General and administrative expenses	21	**(35,183)**	(34,057)
Other (expense)/income		**(376)**	913
Finance income		**2,187**	3,477
Interest expense on lease liabilities	15	**(8,070)**	(7,992)
Finance costs	16	**(2,081)**	(861)
Profit for the year		**44,022**	34,787
Other comprehensive income		**--**	--
Total comprehensive income for the year		**44,022**	34,787

DELOITTE & TOUCHE
Doha-Qatar
25 APR 2022
Signed for Identification Purposes Only

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2021

	Share capital	Statutory reserve	Advances from shareholders	Accumulated losses	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Balance at January 1, 2020	200	3,302	749,800	(106,055)	647,247
Total comprehensive income for the year	--	--	--	34,787	34,787
Dividends during the year	--	--	--	(33,000)	(33,000)
Balance at December 31, 2020	200	3,302	749,800	(104,268)	649,034
Total comprehensive income for the year	--	--	--	44,022	44,022
Balance at December 31, 2021	**200**	**3,302**	**749,800**	**(60,246)**	**693,056**

DELOITTE & TOUCHE
Doha - Qatar
25 APR 2022
Signed for Identification
Purposes Only

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MEEZA QSTP LLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2021

	Notes	2021 QR'000	2020 QR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		44,022	34,787
Adjustments for:			
Depreciation of property, plant and equipment	5	45,951	57,518
Depreciation of right-of-use assets	6	6,752	7,181
Write off of property, plant and equipment	5	--	730
Write off of trade receivables	9	--	3,200
Finance costs		2,081	861
Finance income		(2,187)	(3,477)
Interest expense on lease liabilities	15	8,070	7,992
Loss/(Recovery) allowance on trade receivables	9	3,957	(2,215)
Recovery allowance on due from related parties	18	(690)	(1,226)
Provision for employees' end of service benefits	14	2,571	3,092
		110,527	108,443
Movements in working capital			
Trade and other receivables		(68,824)	25,636
Prepayments and other assets		38,443	(44,796)
Contract costs		--	5,142
Other non-current assets		2,554	(483)
Due from related parties		(29,669)	31,139
Other liabilities		--	(1,289)
Trade and other payables		27,974	18,410
Deferred revenue		24,244	(25,520)
Net cash generated by operations		105,249	116,682
Finance costs paid		(2,081)	(861)
Payment for employees' end of service benefits	14	(3,030)	(3,173)
Net cash generated by operating activities		100,138	112,648
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5	(208,181)	(157,658)
Finance income received		2,187	3,477
Net cash used in investing activities		(205,994)	(154,181)
CASH FLOWS FROM FINANCING ACTIVITIES (i)			
Dividends paid		--	(33,000)
Proceeds from borrowings	16	88,241	60,165
Principal repayment of lease liabilities	15	(12,711)	(12,858)
Net cash from financing activities		75,530	14,307
Net decrease in cash and cash equivalents		(30,326)	(27,226)
Cash and cash equivalents at the beginning of the year		266,021	293,247
Cash and cash equivalents at the end of the year	10	235,695	266,021

(i) Notes to cash flow statement:
During 2021, the Group have addition to right-of-use assets and lease liabilities amounting to QR 6.08 million (2020: QR 23.02 million) (Note 6). This transaction is considered as noncash activity and are not reflected in the consolidated statement of cash flows.

This statement has been prepared by the Group and stamped by the Auditors for identification purposes only.

DELOITTE & TOUCHE
Doha - Qatar
25 APR 2022
Signed for Identification Purposes Only

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. INCORPORATION AND ACTIVITIES

MEEZA QSTP LLC (the "Company") is registered as a limited liability company under the Qatar Science and Technology Park (QSTP) Free Zone Regulations with license number 20080309-1 pursuant to law number 36 of 2005.

The Company is engaged in Information Technology services. The address of the Company's registered office is Qatar Science and Technology Park Free Zone, Level 1, Tech 2, Gharafa Street, P.O. Box 892, Doha, State of Qatar.

During the year, the Company's fully owned subsidiary, MEEZA Information Technology W.L.L. (the "Subsidiary") partially started its commercial operations. The Subsidiary's business activities include software designing and programming, trading in computer network equipment, designing electronic sites, information technology consultancy, storage of data and documents, trading in computer networking devices and trading via internet.

The Company and its subsidiary (together "the Group") operate mainly in the State of Qatar. These financial statements represent the first set of consolidated financial statements prepared by the Group.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1 New and amended IFRS Standards and interpretations that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2021, have been adopted in these financial statements.

New and revised IFRSs	Effective for annual periods beginning on or after
Impact of the initial application of COVID-19-Related Rent Concessions beyond June 30, 2021—Amendment to IFRS 16 On May 28, 2020, the IASB issued Covid 19 – related rent concessions – amendments to IFRS 16 Leases, which provides relief to lessees from applying IFRS 16 on lease modification accounting for rent concessions arising as a direct consequence of the Covid 19 pandemic by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before June 30, 2021. On March 31, 2021, the Board published Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendment to IFRS 16) that extends, by one year until June 30, 2022, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The amendment is effective for annual reporting periods beginning on or after April 1, 2021, with an early application permitted. In the current financial year, the Group has applied the amendment to IFRS 16 in advance of its effective date.	Beginning on or after June 1, 2020

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONTINUED)

2.1 New and amended IFRS Standards and interpretations that are effective for the current year (continued)

<u>New and revised IFRSs</u>	**Effective for annual periods <u>beginning on or after</u>**
Interest Rate Benchmark Reform—Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 1, 2021

The amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to: – changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities; and – hedge accounting.

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

2.2 New and amended IFRSs in issue but not yet effective and not early adopted

The Group has not early adopted the following new and amended standards and interpretations that have been issued but are not yet effective.

<u>New and revised IFRSs</u>	**Effective for annual periods <u>beginning on or after</u>**
Amendments to IFRS 3 – Reference to the Conceptual Framework	January 1, 2022

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract	January 1, 2022 with early application permitted

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Annual Improvements to IFRS Standards 2018–2020	January 1, 2022. Early application permitted.

The Annual Improvements include amendments to four Standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition on financial liabilities

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use	January 1, 2022. Early application permitted.

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the consolidated statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the consolidated statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
IFRS 17 Insurance Contracts	January 1, 2023

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the IASB issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 8 – Definition of Accounting Estimates	January 1, 2023

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

• A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:

– Right-of-use assets and lease liabilities

– Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset

• The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the consolidated statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.	January 1, 2023. Early application is permitted.
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.	Available for optional adoption/ effective date deferred indefinitely

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments as highlighted in previous paragraphs, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the applicable provisions of the Company's Article of Association and the Qatar Science and Technology Park regulations.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis. These consolidated financial statements are presented in Qatari Riyals (QR), which is the Group's functional and presentation currency. The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiary) made up to reporting date each year. Control is achieved when the Company:

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation (continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries, if any, are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. 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 during the financial period in which they are incurred.

Depreciation is calculated based on the estimated useful lives of the applicable assets on a straight-line basis commencing when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation methods are reviewed at each statement of financial position date, with the effect of any changes in estimate accounted for on a prospective basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates. The depreciation expense on fixed assets with finite lives is recognised in the consolidated statement of income on a straight-line basis.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

Capital work in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

Impairment of tangible assets

At each statement of financial position date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Employees' end of service benefits

A provision is made for employees' end of service benefits which is payable on completion of employment. The provision is calculated in accordance with Qatari Labour Law based on employees' salary and accumulated period of service as at the reporting date.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in consolidated statement of profit or loss and is included in the "finance income" line item.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade receivables, unbilled revenue, due from related parties and bank balances. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, due from related parties and unbilled revenue. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90-days past due for trade receivables and 365-days past due for due from related parties, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in consolidated statement of profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The Group does not have any financial liability measured at FVTPL.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

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

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (continued)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the consolidated statement of profit or loss for financial liabilities that are not part of a designated hedging relationship.

Revenue recognition

Rendering of services

The Group principally obtains revenue from selling the following IT related services:

- Network management and maintenance services
- Data centre services
- Service desk and field services
- Network infrastructure and installation services
- Other ad hoc IT consultancy services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognize revenue when it transfers control over goods and services to its customer.

Revenue from network management and maintenance services and data centre services are based on a fixed monthly fee and recognised upon the performance obligation is satisfied over time. The Group uses output method and recognise the revenue on straight line basis over the term of the contract, since output (number of months over the term of the contract) are consumed evenly throughout the term of the contract.

Revenues for other bespoke IT service agreements are recognised at a point in time upon control of the goods or service is transferred to the customer.

Revenues associated with services not yet performed are deferred (“deferred revenue”) and recognised when control over the goods or services is transferred to the customer.

Non-refundable upfront fee

The Group charge non-refundable fees associated to projects charged to customers. These fees are recognised as revenue at the time the related services are provided to the customers over the term of the contract.

Interest income

Interest income is accrued on a time basis with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discount estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

Leases

The Group as lessee

The Group assesses whether contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "General and administrative expenses" in the consolidated statement of profit or loss.

As a practical expedient, IFRS16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group used this practical expedient.

Foreign exchange difference

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in this financial statements:

Revenue recognition

Management considers recognizing revenue over time, if one of the following criteria is met, otherwise revenue will be recognized at a point in time:

a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
c) the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Capitalisation of costs

Management determines whether the Group will recognise an asset from the costs incurred to fulfil a contract and costs incurred to obtain a contract if the costs meet all the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
b) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and
c) the costs are expected to be recovered.

Such asset will be amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Judgment in determining the timing of satisfaction of performance obligations

The Group generally recognise revenue over time as it performs continuous transfer of control of goods or services to the customers. Because customers simultaneously receives and consumes the benefits provided and the control transfer takes place over time, revenue is also recognised based on the extent of transfer/completion of transfer of each performance obligation. In determining the method for measuring progress for these POs, we have considered the nature of these goods and services as well as the nature of its performance.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Judgment in determining the timing of satisfaction of performance obligations

For performance obligations satisfied at a point in time, the Group considers the general requirements of control (i.e. direct the use of asset and obtain substantially all benefits) and the following non-exhaustive list of indicators of transfer of control:

- Entity has present right to payment
- Customer has legal title
- Entity has transferred legal possession
- Customer has significant risk and rewards
- Customer has accepted the asset

In making its judgement, the Management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Group has transferred control of the goods to the customer. Following the detailed quantification of the Group's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, the directors are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate warranty provision for the rectification costs.

Significant judgements are made by management when concluding whether the Group is transacting as an agent or a principal. The assessment is performed for each separate revenue stream in the Group. The assessment requires an analysis of key indicators, specifically whether the Group:
- carries any inventory risk;
- has the primary responsibility for providing the goods or services to the customer;
- has the latitude to establish pricing; and
- bears the customer's credit risk.

These indicators are used to determine whether the Group has exposure to the significant risks and rewards associated with the sale of goods or rendering of services. For example, any sale relating to inventory that is held by the Group, not on consignment, is a strong indicator that the Group is acting as a principal.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Judgment in identifying whether a contract includes a lease

The Group has entered into a contracts with lessors for the lease of land, data centre space and office space.

Management has assessed whether or not the Group has contracted for the rights to substantially all of the lease of land and data centre space and office space and whether the contracts contains a lease.

Management assessed that the Group have the right to obtain substantially all of the economic benefits for the use of the assets. As stated, the Group has concluded that the contract contains a lease.

Determining the lease term

In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows of have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.2 Key sources of estimation uncertainty

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

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). Management has applied judgments and estimates to determine the IBR at the commencement of lease/at initial application date for existing lease contract as of January 1, 2019.

Impairment of tangible assets and useful lives

The Group's management tests annually whether there is an indication that tangible assets (including capital work in progress) have suffered impairment in accordance with accounting policies stated in Note 3.

Estimated useful lives of property, plant and equipment

The costs of items of property, plant and equipment are depreciated on a systematic basis over the estimated useful lives of the assets. Management has determined the estimated useful lives of each asset and/ or category of assets based on the following factors:

- Expected usage of the assets,
- Expected physical wear and tear, which depends on operational and environmental factors; and
- Legal or similar limits on the use of the assets.

During 2020, the Group conducted a review of the expected Estimated Useful Lives ("EUL") of its assets. The change in the accounting estimate for the EUL has resulted in a decrease in the depreciation charge for the year by QR 13.05 million for the year ended December 31, 2020.

Management has not made estimates of residual values for any items of property, plant and equipment at the end of their useful lives as these have been deemed to be insignificant.

Calculation of loss allowance

An estimate of the collectible amount of trade receivables and due from related parties is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time the amount has been due.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.2 Key sources of estimation uncertainty (continued)

Calculation of loss allowance (continued)

When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default 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.

Assessment as to whether the right-of-use assets is impaired

In estimating the recoverable amount of the right-of-use asset, the management have made assumptions about the achievable market rates for similar properties with similar lease terms. Management assessed that there is no impairment on right-of-use assets as of reporting date.

5. PROPERTY, PLANT AND EQUIPMENT

	Data centre and network assets	Buildings and leasehold improvements	Office furniture & other equipment	Assets under construction	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Cost:					
At January 1, 2020	932,190	2,070	9,204	17,407	960,871
Additions	4,863	--	857	151,938	157,658
Transfer	30,764	--	--	(30,764)	--
Disposals	(9,637)	--	--	--	(9,637)
At January 1, 2021	958,180	2,070	10,061	138,581	1,108,892
Additions	85	--	22	208,074	208,181
Transfers	338,266	--	77	(338,343)	--
Reclassification	649	--	(649)	--	--
At December 31, 2021	**1,297,180**	**2,070**	**9,511**	**8,312**	**1,317,073**
Accumulated depreciation:					
At January 1, 2020	706,892	1,924	8,843	--	717,659
Disposal	(8,907)	--	--	--	(8,907)
Depreciation expense	57,271	36	211	--	57,518
At January 1, 2021	755,256	1,960	9,054	--	766,270
Depreciation expense	45,670	36	245	--	45,951
At December 31, 2021	**800,926**	**1,996**	**9,299**	**--**	**812,221**
Carrying amount:					
At December 31, 2021	**496,254**	**74**	**212**	**8,312**	**504,852**
At December 31, 2020	202,924	110	1,007	138,581	342,622
Depreciation rate 2021	**4% - 33%**	**5% - 20%**	**20%**		
Depreciation rate 2020	4% - 33%	5% - 20%	20%		

Depreciation expense of QR 45.67 million (2020: QR 57.27 million) has been charged in cost of sales, QR 0.28 million (2020: QR 0.25 million) in general and administrative expenses. The borrowing cost capitalized during the year amounted to QR. 3.61 million (2020: Nil). The capitalization rate used to determine the amount of borrowing costs for capitalization is based on the borrowings rate (Note 16).

6. RIGHT-OF-USE ASSETS

Group as a Lessee

The Group leases several assets including land and data centre building, and office space. The average lease term for land ranges from 20 to 30 years while the office space is for 7 years.

The Group's obligations are secured by the lessor's title to the leased assets for such leases.

	Right-of-use assets			
	Land and data centre building	**Office space**	**Total**	**Lease liabilities**
	QR'000	**QR'000**	**QR'000**	**QR'000**
January 1, 2020	118,123	3,856	121,979	(124,439)
Additions/modifications	21,292	1,724	23,016	(23,016)
Depreciation expense (Notes 20, 21)	(5,351)	(1,830)	(7,181)	--
Finance costs	--	--	--	(7,992)
Principal payment	--	--	--	12,858
December 31, 2020	134,064	3,750	137,814	(142,589)
Additions	6,076	--	6,076	(6,076)
Depreciation expense (Notes 20, 21)	(6,203)	(549)	(6,752)	--
Finance costs	--	--	--	(8,070)
Principal payment	--	--	--	12,711
December 31, 2021	**133,937**	**3,201**	**137,138**	**(144,024)**

<u>Amounts recognised in consolidated statement of profit and loss:</u>

	2021	2020
	QR'000	QR'000
Depreciation of right-of-use assets	**6,752**	7,181
Interest expense on lease liabilities	**8,070**	7,992
Expense relating to short-term leases	**1,467**	1,245
	16,289	16,418

As at December 31, 2021, the Group is committed to QR 0.37 million (2020: QR 0.43 million) for short-term leases.

7. OTHER NON-CURRENT ASSETS

	2021	2020
	QR'000	QR'000
Security deposit	**249**	243
Retention receivable (i)	--	1,760
Vehicle loan advances	--	710
Furniture grants	--	90
	249	2,803

(i) This balance pertains to retentions that were billed to customer in 2021.

8. PREPAYMENTS AND OTHER ASSETS

	2021	2020
	QR'000	QR'000
Prepayments	**24,087**	10,789
Advance to suppliers (i)	**4,570**	57,600
Other current assets	**8,782**	7,493
	37,439	75,882

(i) The 2020 balance pertains to the advance payments made to the vendors for the cost of construction, internal modification and extension of data centres.

9. TRADE AND OTHER RECEIVABLES

	2021	2020
	QR'000	QR'000
Trade receivables	**108,771**	29,812
Less: Loss allowance	**(5,525)**	(1,568)
Trade receivables – net	**103,246**	28,244
Unbilled revenue	**5,932**	16,067
	109,178	44,311

The Group measures the loss allowance for trade receivables and unbilled revenue at an amount equal to lifetime ECL. The expected credit losses on trade receivables and unbilled revenue are estimated using a provision matrix by reference to past default experience of the customers and an analysis of the customer's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. In 2021, additional specific provisions were provided for certain customers. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

As at December 31, the ageing of account receivables is as follows:

Expected credit loss rate	**--%**	**6%**	**7%**	**49%**	**5%**
December 31, 2021	**Less than 90 Days**	**91 to 180 Days**	**181 to 365 days**	**More than 365 days**	**Total**
	QR'000	**QR'000**	**QR'000**	**QR'000**	**QR'000**
Estimated total gross carrying amount at default	**70,827**	**19,578**	**11,009**	**7,357**	**108,771**
Lifetime ECL	**(4)**	**(1,127)**	**(787)**	**(3,607)**	**(5,525)**
Net receivable	**70,823**	**18,451**	**10,222**	**3,750**	**103,246**

Expected credit loss rate	5%	5%	5%	5%	5%
December 31, 2020	Less than 90 Days	91 to 180 Days	181 to 365 days	More than 365 days	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Estimated total gross carrying amount at default	9,383	4,372	4,994	11,063	29,812
Lifetime ECL	(493)	(230)	(263)	(582)	(1,568)
Net receivable	8,890	4,142	4,731	10,481	28,244

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9, all collectively assessed:

	2021	2020
	QR'000	QR'000
Balance as at January 1,	**1,568**	6,983
Written off	**--**	(3,200)
Provision/(recovery) during the year	**3,957**	(2,215)
Balance as at December 31,	**5,525**	1,568

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

	2021	2020
	QR'000	QR'000
Cash on hand	**5**	5
Bank balances	**55,504**	110,874
Time deposits	**180,186**	155,142
Cash and cash equivalents	**235,695**	266,021

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Qatar Central Bank. Accordingly, Management estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the Management has assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

11. SHARE CAPITAL

	2021	2020
	QR'000	QR'000
Authorised, issued and fully paid		
200 shares of nominal value 1,000 QR each	**200**	200

12. STATUTORY RESERVE

As required by the Company's Articles of Association, 10% of the profit for the year is to be transferred to the statutory reserve until the reserve reaches a minimum of 50% of the paid up share capital. As at December 31, 2021, the statutory reserve amounted QR 3.30 million (2020: QR 3.30 million), representing 1,651% of the paid up share capital and therefore no additional reserve provided during the year. This reserve is not available for distribution.

13. ADVANCES FROM SHAREHOLDERS

This represents funds received from the shareholders to fund the working capital requirements of the Group. These funds are of a non-current in nature, interest free, unsecured and subordinated to all the liabilities of the Group. These advances will be converted to share capital after the necessary formalities for the increase in share capital are complied with.

Main shareholders of the Group have contributed the following:

	2021	2020
	QR'000	QR'000
Qatar Foundation for Education, Science and Community Development (previously "Qatar Foundation Endowment Fund")	**599,840**	599,840
Ooredoo Q.P.S.C.	**149,960**	149,960
	749,800	749,800

14. EMPLOYEES' END OF SERVICE BENEFITS

Movement in the employees' end of service benefits were as follows:

	2021	2020
	QR'000	QR'000
Balance as at January 1,	**10,125**	10,206
Expense for the year	**2,571**	3,092
Payments during the year	**(3,030)**	(3,173)
Balance as at December 31,	**9,666**	10,125

15. LEASE LIABILITIES

	2021	2020
	QR'000	QR'000
Balance as at January 1,	**142,589**	124,439
Additions/modifications	**6,076**	23,016
Accretion of finance cost	**8,070**	7,992
Principal payment	**(12,711)**	(12,858)
Balance as at December 31,	**144,024**	142,589

	2021	2020
	QR'000	QR'000
Maturity analysis		
Not later than 1 year	**4,472**	3,284
Later than 1 year and not later than 5 years	**19,611**	15,062
Later than 5 years	**119,941**	124,243
	144,024	142,589

The Group does not face a significant liquidity risk with regard to its liabilities. Lease liabilities are monitored within the Group's treasury function.

16. BORROWINGS

	2021	2020
	QR'000	QR'000
Borrowings	**148,406**	60,165

The Group entered into a Facility Agreement with Dukhan Bank for QR 150 million on December 10, 2020 ("the facility") at Qatar Market Lending Rate (QMRL) subject to a minimum of 3.5% per annum, payable quarterly. The facility is repayable in 31 equal quarterly instalments of QR 3.39 million starting March 2023 and one final bullet payment of QR 45 million (30% of facility amount) in December 2030. An amount of QR 88.24 million (2020: QR 60.17 million) was drawdown on the facility during the year. The facility is secured by the assignment of the full contract values of each of MV2 & MV4 Colocation and Data Centre Leases with Microsoft QSTP LLC ("Microsoft") and Ministry of Communications and Information Technology ("MCIT") (previously "Ministry of Transport and Communications") favouring Dukhan Bank.

Finance costs incurred during the year amounted to QR 4.95 million (2020: Nil). Amount recognized in the consolidated statement of profit or loss is QR 1.34 million (2020: Nil) and the remaining has been capitalized as cost of property, plant and equipment (Note 5).

17. TRADE AND OTHER PAYABLES

	2021	2020
	QR'000	QR'000
Trade payables	**27,416**	39,902
Accrued expenses (i)	**78,657**	48,954
Retention payable	**10,632**	7,272
Advance from customers	**7,208**	--
Other current liabilities	**252**	63
	124,165	96,191

(i) As at December 31, 2021, the balance includes accrued assets of QR 20.03 million (2020: QR 5.57 million).

18. RELATED PARTY DISCLOSURES

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosures*, include associate companies, major shareholders, directors and other key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties.

a) Trading transactions

The following are the balances arising on transactions with related parties:

	2021	2020
	QR'000	QR'000
Sale of goods and services:		
Shareholders	**69,496**	90,544
Other affiliated companies	**73,177**	75,570
	142,673	166,114

b) Balances arising from sales of goods/services

The following are the balances arising on transactions with related parties:

	2021	2020
	QR'000	QR'000
Due from related parties: (Refer Note below)		
Shareholders	**90,039**	80,235
Other affiliates	**60,754**	40,889
	150,793	121,124
Provision for loss allowance	**(8,772)**	(9,462)
At December 31	**142,021**	111,662

The due from related parties arise mainly from sale of goods and services transactions. The receivables are unsecured in nature and earn no interest.

The Group measures the loss allowance for due form related parties at an amount equal to lifetime ECL. The expected credit losses on due from related parties are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The following table shows the movement in lifetime ECL that has been recognised for due from related parties in accordance with the simplified approach set out in IFRS 9 all collectively assessed:

	2021	2020
	QR'000	QR'000
Balance as at January 1	**9,462**	10,688
Recovery during the year	**(690)**	(1,226)
Balance as at December 31	**8,772**	9,462

18. RELATED PARTY DISCLOSURES (CONTINUED)

c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2021	2020
	QR'000	QR'000
Short-term benefits	**10,914**	11,600
Long-term benefits	**--**	64
	10,914	11,664

19. REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major revenue streams.

	2021	2020
	QR'000	QR'000
Revenue – at a point of time:		
Master system integrator services	**686**	5,064
Solutions services	**81,579**	40,561
Revenue – over time:		
Data centre and managed services	**198,187**	175,520
Workplace services	**25,244**	47,839
Master system integrator services	**14,579**	15,748
Cloud services	**8,155**	107
	328,430	284,839

The 2021 balance includes revenue from the Subsidiary amounting QR 3.70 million.

The current portion of the unearned revenue referred as "deferred revenue" in the consolidated statement of financial position amounting to QR 27.95 million (2020: QR 14.21 million) is expected to be recognised as revenue during 2022. The non-current portion of deferred revenue is expected to be recognized as revenue at least after 12-months from the reporting date.

The unsatisfied performance obligation relating to the contract between Microsoft and MCIT to provide Colocation and Data Centre Services amounted to QR 732.67 million (2020: QR 763.26 million) as at reporting date. Unsatisfied performance obligation for rest of the open contracts amounted to QR 627.97 million (2020: QR 705.58 million).

20. COST OF SALES

	2021	2020
	QR'000	QR'000
Software, hardware and license cost	**67,783**	42,203
Outsourcing and third party cost	**58,466**	51,683
Depreciation of property, plant and equipment (i) (Note 5)	**45,670**	54,168
Salaries, wages and other benefits	**38,031**	44,873
Data centre management costs	**24,613**	12,965
Depreciation of right-of-use assets (Note 6)	**6,203**	5,351
Others	**119**	289
	240,885	211,532

(i) In 2020, a reversal of long outstanding accruals was made for QR 3.10 million with one of the Group's vendors which has been fully depreciated in prior years.

The 2021 cost of sales include cost from the Subsidiary amounting QR 2.22 million.

21. GENERAL AND ADMINISTRATIVE EXPENSES

	2021	2020
	QR'000	QR'000
Staff costs and allowances	**22,978**	25,295
Loss/(Recovery) allowance (Notes 9 and 18)	**3,267**	(3,441)
Professional fees	**3,024**	3,576
Rent	**1,467**	1,245
Insurance	**844**	954
Directors' remuneration	**567**	906
Depreciation of right-of-use assets (Note 6)	**549**	1,830
Office expenses	**546**	1,051
Depreciation of property, plant and equipment (Note 5)	**281**	247
Marketing costs	**229**	62
Others	**1,431**	2,332
	35,183	34,057

The 2021 general and administrative expenses include cost from the Subsidiary amounting QR 0.28 million.

22. COMMITMENTS AND CONTINGENT LIABILITIES

	2021	2020
	QR'000	QR'000
Performance guarantee	**61,975**	69,617
Tender and other guarantees	**65,533**	18,793

23. COMMITMENTS UNDER OPERATING LEASES

The Group has entered into a non-cancellable short-term lease agreement for the lease of the premises for office space. The rental costs in respect of these properties are accounted for as operating leases.

The future lease commitments in respect of the above lease agreements are as follows:

	2021	2020
	QR'000	QR'000
Not later than 1 year	**365**	434

24. FINANCIAL INSTRUMENTS

Financial instruments represent any contractual agreement that creates a financial asset, financial liability or an equity instrument.

(a) Fair value measurements

Financial assets consist of bank balances, unbilled revenue, due from related parties and trade receivable. Financial liabilities consist of trade payables, lease liabilities and borrowings.

Management believes that the fair values of financial instruments are not materially different from their carrying values largely due to the short-term maturities of these instruments or are regularly repriced at market rates.

(b) Reconciliation of liabilities arising from financing activities

The below table details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

	At January 1, 2021	**Financing cash flows**	**Non-cash changes**	**At December 31, 2021**
	QR'000	**QR'000**	**QR'000**	**QR'000**
Lease liabilities	**142,589**	**(12,711)**	**14,146**	**144,024**
Borrowings	**60,165**	**88,241**	**--**	**148,406**
	202,754	**75,530**	**14,146**	**292,430**

	At January 1, 2020	Financing cash flows	Non-cash changes	At December 31, 2020
	QR'000	QR'000	QR'000	QR'000
Dividend paid	--	(33,000)	--	(33,000)
Lease liabilities	124,439	(12,858)	31,008	142,589
Borrowings	--	60,165	--	60,165
	124,439	14,307	31,008	169,754

25. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to the shareholders.

The capital structure of the Group comprises of capital, reserves, advances from shareholders and accumulated losses. The Group reviews the capital structure on an annual basis. As part of this review, the Group considers the cost of capital and the risks associated with capital. The Shareholders has confirmed its support to the Group should the capital proves to be insufficiently funded.

26. FINANCIAL RISK MANAGEMENT

Market risk management

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

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed by entering the transactions substantially in Qatari Riyal (QR) and United States Dollar (USD), which is pegged to Qatari riyal.

Interest rate risk management

The Group's exposure to interest rate risk is very limited as it borrows and deposits funds at fixed interest rates. This loan is carried at floating rate however the interest incurred during 2021 is QR. 1.34 million.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. As at December 31, 2021, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group has tasked its management to develop and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default.

The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk management (continued)

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and considering the historical default experience and the current credit ratings of the banks, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	When there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired
In default	When there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that there is a severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Group's financial assets by credit risk rating grades:

December 31, 2021	**Note**	**12-month or lifetime ECL**	**Gross carrying**	**Loss allowance**	**Net carrying Amount**
			QR '000	**QR '000**	**QR '000**
Bank balances	10	12-month ECL	**235,695**	**--**	**235,695**
Trade receivables	9	Lifetime ECL	**108,771**	**(5,525)**	**103,246**
Unbilled revenue	9	Lifetime ECL	**5,932**	**--**	**5,932**
Due from related parties	18	Lifetime ECL	**150,793**	**(8,772)**	**142,021**

December 31, 2020	Note	12-month or lifetime ECL	Gross carrying	Loss allowance	Net carrying Amount
			QR '000	QR '000	QR '000
Bank balances	10	12-month ECL	266,021	--	266,021
Trade receivables	9	Lifetime ECL	29,812	(1,568)	28,244
Unbilled revenue	9	Lifetime ECL	16,067	--	16,067
Due from related parties	18	Lifetime ECL	121,124	(9,462)	111,662

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk management

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 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.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At December 31, 2021	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	QR'000	**QR'000**	**QR'000**	**QR'000**	**QR'000**
Trade payables	**27,416**	**--**	**--**	**--**	**27,416**
Lease liabilities	**4,472**	**4,700**	**14,911**	**119,941**	**144,024**
Borrowings	**--**	**13,548**	**40,644**	**94,214**	**148,406**
	31,888	**18,248**	**55,555**	**214,155**	**319,846**

At December 31, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Trade payables	39,902	--	--	--	39,902
Lease liabilities	3,284	7,125	7,937	124,243	142,589
Borrowings	--	--	37,258	22,907	60,165
	43,186	7,125	45,195	147,150	242,656

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At December 31, 2021	**Less than 1 year**	**Between 1 and 2 years**
	QR'000	**QR'000**
Trade and other receivables	**109,178**	**--**
Due from related parties	**142,021**	**--**
	251,199	**--**

At December 31, 2020	Less than 1 year	Between 1 and 2 years
	QR'000	QR'000
Trade and other receivables	44,311	--
Due from related parties	111,662	--
	155,973	--

27. IMPACT OF COVID-19

The outbreak of Novel Coronavirus continues to disrupt business operations and economic activity globally. The extent and duration of the impacts depend highly on future events that cannot be accurately predicted. As the situation is rapidly evolving, the impact on the Group's activities and operations is uncertain and accordingly management estimates in the measurement of amounts reported in these financial statements remain sensitive to market fluctuations.

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

Going concern

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

The Group will continue to closely monitor its impact of COVID-19 as the situation progresses to manage the potential business disruption COVID-19 outbreak may have on its 'operations and financial performance in 2022.

29. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for issue on April 25, 2022.

MEEZA QSTP LLC (PUBLIC)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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QR. 80846

RN: 1835/SV/FY2020

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
MEEZA QSTP LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MEEZA QSTP LLC ("the Company"), which comprise the statement of financial position as at December 31, 2020, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial activities and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Doha – Qatar
April 27, 2021

For **Deloitte & Touche**
Qatar Branch

Midhat Salha
Partner
License No. 257

MEEZA QSTP LLC

STATEMENT OF FINANCIAL POSITION

As at December 31, 2020

	Notes	**December 31, 2020 QR'000**	December 31, 2019 QR'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	**342,622**	243,212
Right-of-use assets	6	**137,814**	121,979
Other non-current assets	7	**2,803**	2,320
Total non-current assets		**483,239**	367,511
Current assets			
Prepayments and other assets	8	**75,882**	31,086
Contract costs	9	**--**	5,142
Due from related parties	19	**111,662**	141,575
Trade and other receivables	10	**44,311**	70,932
Cash and bank balances	11	**266,021**	293,247
Total current assets		**497,876**	541,982
Total assets		**981,115**	909,493
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**200**	200
Statutory reserve	13	**3,302**	3,302
Advances from shareholders	14	**749,800**	749,800
Accumulated losses		**(104,268)**	(106,055)
Total equity		**649,034**	647,247
Non-current liabilities			
Employees' end of service benefits	15	**10,125**	10,206
Deferred revenue – long term		**8,799**	10,303
Lease liabilities	16	**139,305**	119,940
Borrowings	17	**60,165**	--
Other liabilities		**--**	1,289
Total non-current liabilities		**218,394**	141,738
Current liabilities			
Deferred revenue – short term	20	**14,212**	38,228
Lease liabilities	16	**3,284**	4,499
Trade and other payables	18	**96,191**	77,781
Total current liabilities		**113,687**	120,508
Total liabilities		**332,081**	262,246
Total equity and liabilities		**981,115**	909,493

Chairman

Sheikh Hamad Bin Abdulla Bin Jassim Al-Thani

Chief Financial Officer

James Corby

DELOITTE & TOUCHE
Doha-Qatar
27 APR 2021
Signed for Identification Purposes Only

This statement has been prepared by the Company and stamped by the Auditors for identification purposes only.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MEEZA QSTP LLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2020

	Notes	**2020**	2019
		QR'000	QR'000
Revenue	20	**284,839**	356,272
Cost of sales	21	**(211,532)**	(284,000)
Gross profit		**73,307**	72,272
General and administrative expenses	22	**(34,057)**	(35,380)
Other income		**913**	33
Finance income		**3,477**	5,352
Interest expense on lease liabilities	16	**(7,992)**	(7,387)
Finance costs		**(861)**	(873)
Profit for the year		**34,787**	34,017
Other comprehensive income		**--**	--
Total comprehensive income for the year		**34,787**	34,017

DELOITTE & TOUCHE
Doha-Qatar
27 APR 2021
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Purposes Only

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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

MEEZA QSTP LLC

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2020

	Share capital	Statutory reserve	Advances from shareholders	Accumulated losses	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Balance at January 1, 2019	200	3,302	749,800	(140,072)	613,230
Total comprehensive income for the year	--	--	--	34,017	34,017
Balance at December 31, 2019	200	3,302	749,800	(106,055)	647,247
Total comprehensive income for the year	--	--	--	34,787	34,787
Dividends during the year	--	--	--	(33,000)	(33,000)
Balance at December 31, 2020	**200**	**3,302**	**749,800**	**(104,268)**	**649,034**

DELOITTE & TOUCHE
Doha-Qatar
27 APR 2021
Signed for Identification
Purposes Only

This statement has been prepared by the Company and stamped by the Auditors for identification purposes only.

MEEZA QSTP LLC

STATEMENT OF CASH FLOWS

For the year ended December 31, 2020

	Notes	2020 QR'000	2019 QR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**34,787**	34,017
Adjustments for:			
Depreciation of property, plant and equipment	5	**57,518**	104,970
Depreciation of right-of-use assets	6	**7,181**	6,937
Write off of property, plant and equipment	5	**730**	--
Write off of trade receivables	10	**3,200**	--
Finance costs		**861**	873
Finance income		**(3,477)**	(5,352)
Interest expense on lease liabilities	16	**7,992**	7,387
Recovery allowance on trade receivables	10	**(2,215)**	(519)
Recovery allowance on due from related parties	19	**(1,226)**	(10,190)
Loss allowance on cash and cash equivalents	11	**--**	(454)
Provision for employees' end of service benefits	15	**3,092**	3,460
		108,443	141,129
Movements in working capital			
Trade and other receivables		**25,636**	(29,007)
Prepayments and other assets		**(44,796)**	(5,762)
Contract costs		**5,142**	18,517
Other non-current assets		**(483)**	(1,402)
Due from related parties		**31,139**	13,535
Other liabilities		**(1,289)**	--
Trade and other payables		**18,410**	(6,439)
Deferred revenue		**(25,520)**	(63,385)
Net cash generated by operations		**116,682**	67,186
Finance costs paid		**(861)**	(873)
Payment for employees' end of service benefits	15	**(3,173)**	(9,437)
Net cash generated by operating activities		**112,648**	56,876
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5	**(157,658)**	(22,076)
Finance income received		**3,477**	1,752
Net cash used in investing activities		**(154,181)**	(20,324)
CASH FLOWS FROM FINANCING ACTIVITIES (i)			
Dividends paid		**(33,000)**	--
Proceeds from borrowings		**60,165**	--
Principal repayment of lease liabilities		**(12,858)**	(16,089)
Net cash from / (used in) financing activities		**14,307**	(16,089)
Net (decrease) / increase in cash and cash equivalents		**(27,226)**	20,463
Cash and cash equivalents at the beginning of the year		**293,247**	272,784
Cash and cash equivalents at the end of the year	11	**266,021**	293,247

(i) Notes to cash flow statement:

During 2020, the Company have addition to right-of-use assets and lease liabilities amounting to QR 23.02 million (Note 6). This transaction is considered as noncash activity and are not reflected in the statement of cash flows.

This statement has been prepared by the Company and stamped by the Auditors for identification purposes only.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. INCORPORATION AND ACTIVITIES

MEEZA QSTP LLC (the "Company") is registered as a limited liability company under the Qatar Science and Technology Park (QSTP) Free Zone Regulations with license number 20080309-1 pursuant to law number 36 of 2005.

The Company is engaged in Information Technology services. The address of the Company's registered office is Qatar Science and Technology Park Free Zone, Level 1, Tech 2, Gharafa Street, P.O. Box 892, Doha, State of Qatar.

In December 2019, the Company entered into a contract between Microsoft QSTP LLC ("Microsoft") and Ministry of Transport and Communications ("MOTC") to provide Colocation and Data Centre Services. The total contract value is QR 764.75 million for a period of 15 years with an option for a 10 year extension valued at QR 499.32 million. Partial revenue contribution commenced in December 2020.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1 New and amended IFRS Standards that are effective for the current year

Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7

In September 2019, the IASB issued Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.

The application of these amendments to IFRS 9 and IFRS 7 has not had any material impact on the amounts reported for the current year since the Company do not had such hedges.

Impact of the initial application of Covid-19-Related Rent Concessions Amendment to IFRS 16

In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID- 19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.1 New and amended IFRS Standards that are effective for the current year (continued)

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

c) There is no substantive change to other terms and conditions of the lease.

The application of this amendment to IFRS 16 has not had any material impact on the amounts reported for the current year since the Company do not had such concessions.

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to References to the Conceptual Framework in IFRS Standards	January 1, 2020
The Company has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncements with regard to references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.	
The Standards which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.	
Amendments to IFRS 3 Definition of a business	January 1, 2020
The Company has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.	

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.2 New and amended IFRS applied with no material effect on the financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2020, have been adopted in these financial statements.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 3 Definition of a business (continued) The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired. The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.	January 1, 2020
Amendments to IAS 1 and IAS 8 Definition of material The Company has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency.	January 1, 2020

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS 17 Insurance Contracts	January 1, 2023

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the IASB issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 3 – Reference to the Conceptual Framework	January 1, 2022
The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.	
Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.	
The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.	
Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use	January 1, 2022. Early application permitted.
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.	
The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.	

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use (continued)	January 1, 2022. Early application permitted.
If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.	
The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.	
The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.	
Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract	January 1, 2022. Early application permitted.
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).	
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 1, 2021
The amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to: – changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities; and – hedge accounting.	

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Change in basis for determining cash flows	
The amendments will require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability. The Company do not expense material impact of these amendments on its financial statements.	
Hedge accounting	January 1, 2021
The amendments provide exceptions to the hedge accounting requirements in the following areas. – Allow amendment of the designation of a hedging relationship to reflect changes that are required by the reform. – When a hedged item in a cash flow hedge is amended to reflect the changes that are required by the reform, the amount accumulated in the cash flow hedge reserve will be deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined. – When a group of items is designated as a hedged item and an item in the group is amended to reflect the changes that are required by the reform, the hedged items are allocated to subgroups based on the benchmark rates being hedged. – If an entity reasonably expects that an alternative benchmark rate will be separately identifiable within a period of 24 months, it is not prohibited from designating the rate as a non-contractually specified risk component if it is not separately identifiable at the designation date.	
As at December 31, 2020 the Company do not hold any cash flow hedges and accordingly there is no material impact of these amendments on Company's financial statements	
Disclosure	
The amendments will require the Company to disclose additional information about the entity's exposure to risks arising from interest rate benchmark reform and related risk management activities. The Company do not expect any material impact of these amendments on its financial statements	

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.	
Annual Improvements to IFRS Standards 2018–2020 The Annual Improvements include amendments to four Standards.	
IFRS 1 First-time Adoption of International Financial Reporting Standards The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).	January 1, 2022. Early application permitted.
IFRS 9 Financial Instruments The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.	January 1, 2022. Early application permitted.
IFRS 16 Leases The amendment removes the illustration of the reimbursement of leasehold improvements.	

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted (continued

New and revised IFRSs	Effective for annual periods beginning on or after
IAS 41 Agriculture The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.	January 1, 2022. Early application permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments as highlighted in previous paragraphs, may have no material impact on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the applicable provisions of the Company's Article of Association and the Qatar Commercial Companies' Law.

Basis of preparation

The financial statements have been prepared on the historical cost basis. These financial statements are presented in Qatari Riyals (QR), which is the Company's functional and presentation currency. The principal accounting policies are set out below.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. 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 Company 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 statement of profit or loss during the financial period in which they are incurred.

Depreciation is calculated based on the estimated useful lives of the applicable assets on a straight-line basis commencing when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation methods are reviewed at each statement of financial position date, with the effect of any changes in estimate accounted for on a prospective basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates. The depreciation expense on fixed assets with finite lives is recognised in the statement of income on a straight-line basis.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Capital work in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

Impairment of tangible assets

At each statement of financial position date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Employees' end of service benefits

A provision is made for employees' end of service benefits which is payable on completion of employment. The provision is calculated in accordance with Qatari Labour Law based on employees' salary and accumulated period of service as at the reporting date.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in statement of profit or loss and is included in the "finance income" line item.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on trade receivables, unbilled revenue, due from related parties and bank balances. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables, due from related parties and unbilled revenue. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90-days past due for trade receivables and 365-days past due for due from related parties, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The Company does not have any financial liability measured at FVTPL.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

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

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (continued)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the statement of profit or loss for financial liabilities that are not part of a designated hedging relationship.

Revenue recognition

Rendering of services

The Company principally obtains revenue from selling the following IT related services:

- Network management and maintenance services
- Data centre services
- Service desk and field services
- Network infrastructure and installation services
- Other ad hoc IT consultancy services

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognize revenue when it transfers control over goods and services to its customer.

Revenue from network management and maintenance services and data centre services are based on a fixed monthly fee and recognised upon the performance obligation is satisfied over time. The Company uses output method and recognise the revenue on straight line basis over the term of the contract, since output (number of months over the term of the contract) are consumed evenly throughout the term of the contract.

Revenues for other bespoke IT service agreements are recognised at a point in time upon control of the goods or service is transferred to the customer.

Revenues associated with services not yet performed are deferred (“deferred revenue”) and recognised when control over the goods or services is transferred to the customer.

Non-refundable upfront fee

The Company charge non-refundable fees associated to projects charged to customers. These fees are recognised as revenue at the time the related services are provided to the customers over the term of the contract.

Interest income

Interest income is accrued on a time basis with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discount estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Leases

The Company as lessee

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the statement of financial position.

The Company applies IAS36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "General and administrative expenses" in the statement of profit or loss.

As a practical expedient, IFRS16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company used this practical expedient.

Foreign exchange difference

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in this financial statements:

Revenue recognition

Management considers recognizing revenue over time, if one of the following criteria is met, otherwise revenue will be recognized at a point in time:

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

Capitalisation of costs

Management determines whether the Company will recognise an asset from the costs incurred to fulfil a contract and costs incurred to obtain a contract if the costs meet all the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify;
b) the costs generate or enhance resources of the Company that will be used in satisfying performance obligations in the future; and
c) the costs are expected to be recovered.

Such asset will be amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Judgment in determining the timing of satisfaction of performance obligations

The Company generally recognise revenue over time as it performs continuous transfer of control of goods or services to the customers. Because customers simultaneously receives and consumes the benefits provided and the control transfer takes place over time, revenue is also recognised based on the extent of transfer/completion of transfer of each performance obligation. In determining the method for measuring progress for these POs, we have considered the nature of these goods and services as well as the nature of its performance.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Judgment in determining the timing of satisfaction of performance obligations

For performance obligations satisfied at a point in time, the Company considers the general requirements of control (i.e. direct the use of asset and obtain substantially all benefits) and the following non-exhaustive list of indicators of transfer of control:

- Entity has present right to payment
- Customer has legal title
- Entity has transferred legal possession
- Customer has significant risk and rewards
- Customer has accepted the asset

In making its judgement, the Management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Company has transferred control of the goods to the customer. Following the detailed quantification of the Company's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, the directors are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate warranty provision for the rectification costs.

Significant judgements are made by management when concluding whether the Company is transacting as an agent or a principal. The assessment is performed for each separate revenue stream in the Company. The assessment requires an analysis of key indicators, specifically whether the Company:

- carries any inventory risk;
- has the primary responsibility for providing the goods or services to the customer;
- has the latitude to establish pricing; and
- bears the customer's credit risk.

These indicators are used to determine whether the Company has exposure to the significant risks and rewards associated with the sale of goods or rendering of services. For example, any sale relating to inventory that is held by the Company, not on consignment, is a strong indicator that the Company is acting as a principal.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical judgments in applying accounting policies (continued)

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Judgment in identifying whether a contract includes a lease

The Company has entered into a contracts with lessors for the lease of land, data centre space and office space.

Management has assessed whether or not the Company has contracted for the rights to substantially all of the lease of land and data centre space and office space and whether the contracts contains a lease.

Management assessed that the Company have the right to obtain substantially all of the economic benefits for the use of the assets. As stated, the Company has concluded that the contract contains a lease.

Determining the lease term

In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows of have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.2 Key sources of estimation uncertainty

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

Discounting of lease payments

The lease payments are discounted using the Company's incremental borrowing rate ("IBR"). Management has applied judgments and estimates to determine the IBR at the commencement of lease/at initial application date for existing lease contract as of January 1, 2019.

Impairment of tangible assets and useful lives

The Company's management tests annually whether there is an indication that tangible assets (including capital work in progress) have suffered impairment in accordance with accounting policies stated in Note 3.

Estimated useful lives of property, plant and equipment

The costs of items of property, plant and equipment are depreciated on a systematic basis over the estimated useful lives of the assets. Management has determined the estimated useful lives of each asset and/ or category of assets based on the following factors:

- Expected usage of the assets,
- Expected physical wear and tear, which depends on operational and environmental factors; and
- Legal or similar limits on the use of the assets.

During the year, the Company conducted a review of the expected Estimated Useful Lives ("EUL") of its assets. The change in the accounting estimate for the EUL has resulted in a decrease in the depreciation charge for the year by QR 13.05 million.

Management has not made estimates of residual values for any items of property, plant and equipment at the end of their useful lives as these have been deemed to be insignificant.

Calculation of loss allowance

An estimate of the collectible amount of trade receivables and due from related parties is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time the amount has been due.

4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.2 Key sources of estimation uncertainty (continued)

Calculation of loss allowance (continued)

When measuring ECL the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default 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.

Assessment as to whether the right-of-use assets is impaired

In estimating the recoverable amount of the right-of-use asset, the management have made assumptions about the achievable market rates for similar properties with similar lease terms. Management assessed that there is no impairment on right-of-use assets as of reporting date.

5. PROPERTY, PLANT AND EQUIPMENT

	Data centre and network assets	Buildings and leasehold improvements	Office furniture & other equipment	Assets under construction	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Cost:					
At January 1, 2019	862,512	1,888	9,204	65,191	938,795
Additions	8,376	--	--	13,700	22,076
Disposals	61,302	182	--	(61,484)	--
At January 1, 2020	932,190	2,070	9,204	17,407	960,871
Additions	4,863	--	857	151,938	157,658
Transfers	30,764	--	--	(30,764)	--
Disposals	(9,637)	--	--	--	(9,637)
At December 31, 2020	**958,180**	**2,070**	**10,061**	**138,581**	**1,108,892**
Accumulated depreciation:					
At January 1, 2019	602,177	1,888	8,624	--	612,689
Depreciation expense	104,715	36	219	--	104,970
At January 1, 2020	706,892	1,924	8,843	--	717,659
Disposals	(8,907)	--	--	--	(8,907)
Depreciation expense	57,271	36	211	--	57,518
At December 31, 2020	**755,256**	**1,960**	**9,054**	**--**	**766,270**
Carrying amount:					
At December 31, 2020	**202,924**	**110**	**1,007**	**138,581**	**342,622**
At December 31, 2019	225,298	146	361	17,407	243,212
Depreciation rate 2019	10% - 33%	5% - 20%	20%		
Depreciation rate 2020	4% - 33%	5% - 20%	20%		

Depreciation expense of QR 57.27 million (2019: QR 104.72 million) has been charged in cost of sales, QR 0.25 million (2019: QR 0.26 million) in general and administrative expenses.

6. RIGHT-OF-USE ASSETS

Company as a Lessee

The Company leases several assets including land and data centre building, and office space. The average lease term for land ranges from 20 to 30 years while the office space is for 7 years.

The Company's obligations are secured by the lessor's title to the leased assets for such leases.

	Right-of-use assets			
	Land and data centre building	Office space	Total	Lease liabilities
	QR'000	QR'000	QR'000	QR'000
January 1, 2019 (initial application)	122,974	5,942	128,916	(133,141)
Depreciation expense (Notes 21, 22)	(4,851)	(2,086)	(6,937)	--
Finance costs	--	--	--	(7,387)
Principal payment	--	--	--	16,089
December 31, 2019	118,123	3,856	121,979	(124,439)
Additions/modifications	21,292	1,724	23,016	(23,016)
Depreciation expense (Notes 21, 22)	(5,351)	(1,830)	(7,181)	--
Finance costs	--	--	--	(7,992)
Principal payment	--	--	--	12,858
December 31, 2020	**134,064**	**3,750**	**137,814**	**(142,589)**

Amounts recognised in profit and loss:

	2020	2019
	QR'000	QR'000
Depreciation of right-of-use assets	**7.181**	6,937
Interest expense on lease liabilities	**7,992**	7,387
Expense relating to short-term leases	**1,245**	3,295
	16,418	17,619

As at December 31, 2020, the Company is committed to QR 0.43 million (December 31, 2019: QR 2.28 million) for short-term leases.

7. OTHER NON-CURRENT ASSETS

	2020	2019
	QR'000	QR'000
Retention receivables	**2,003**	2,003
Furniture grants	**90**	251
Vehicle loan advances	**710**	66
	2,803	2,320

8. PREPAYMENTS AND OTHER ASSETS

	2020	2019
	QR'000	QR'000
Advance to suppliers (i)	**57,600**	--
Prepayments	**10,789**	21,179
Other current assets	**7,493**	9,907
	75,882	31,086

(i) This balance pertains to the advance payments made to the vendors for the cost of construction, internal modification and extension of data centres.

9. CONTRACT COSTS

	2020	2019
	QR'000	QR'000
Contract costs	**--**	5,142

Deferred contract cost primary relates to the cost of goods and services already incurred by the Company for site wide projects but no corresponding revenue recognized yet as at reporting date. In 2020 site wide projects were completed.

10. TRADE AND OTHER RECEIVABLES

	2020	2019
	QR'000	QR'000
Trade receivables	**29,812**	54,582
Less: Loss allowance	**(1,568)**	(6,983)
Trade receivables – net	**28,244**	47,599
Unbilled revenue	**16,067**	23,333
	44,311	70,932

The Company measures the loss allowance for trade receivables and unbilled revenue at an amount equal to lifetime ECL. The expected credit losses on trade receivables and unbilled revenue are estimated using a provision matrix by reference to past default experience of the customers and an analysis of the customer's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

10. TRADE AND OTHER RECEIVABLES (CONTINUED)

As at December 31, the ageing of account receivables is as follows:

Expected credit loss rate	**5%**	**5%**	**5%**	**5%**	**5%**
December 31, 2020	**Less than 90 Days**	**91 to 180 Days**	**181 to 365 days**	**More than 365 days**	**Total**
	QR'000	**QR'000**	**QR'000**	**QR'000**	**QR'000**
Estimated total gross carrying amount at default	**9,383**	**4,372**	**4,994**	**11,063**	**29,812**
Lifetime ECL	**(493)**	**(230)**	**(263)**	**(582)**	**(1,568)**
Net receivable	**8,890**	**4,142**	**4,731**	**10,481**	**28,244**

Expected credit loss rate	2%	3%	6%	48%	13%
December 31, 2019	Less than 90 Days	91 to 180 Days	181 to 365 days	More than 365 days	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Estimated total gross carrying amount at default	21,927	11,982	8,450	12,223	54,582
Lifetime ECL	(344)	(313)	(475)	(5,851)	(6,983)
Net receivable	21,583	11,669	7,975	6,372	47,599

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9, all collectively assessed:

	2020	2019
	QR'000	QR'000
Balance as at January 1,	**6,983**	7,502
Written off	**(3,200)**	--
Recovery during the year	**(2,215)**	(519)
Balance as at December 31,	**1,568**	6,983

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2020	2019
	QR'000	QR'000
Cash on hand	**5**	5
Bank balances	**110,874**	259,442
Time deposits	**155,142**	33,800
Cash and cash equivalents	**266,021**	293,247

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Qatar Central Bank. Accordingly, Management estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the Management has assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

The following table shows the movement in 12 month ECL that has been recognised for cash and cash equivalents in accordance with the simplified approach set out in IFRS 9; all collectively assessed:

	2020	2019
	QR'000	QR'000
Balance as at January 1,	**--**	454
Recovery during the year	**--**	(454)
Balance as at December 31,	**--**	--

12. SHARE CAPITAL

	2020	2019
	QR'000	QR'000
Authorised, issued and fully paid		
200 shares of nominal value 1,000 QR each	**200**	200

13. STATUTORY RESERVE

As required by the Company's Articles of Association, 10% of the profit for the year is to be transferred to the statutory reserve until the reserve reaches a minimum of 50% of the paid up share capital. This reserve is not available for distribution.

14. ADVANCES FROM SHAREHOLDERS

This represents funds received from the shareholder to fund the working capital requirements of the Company. These funds are of a non-current in nature, interest free, unsecured and subordinated to all the liabilities of the Company. These advances will be converted to share capital after the necessary formalities for the increase in share capital are complied with.

Main shareholders of the Company have contributed the following:

	2020	2019
	QR'000	QR'000
Qatar Foundation Endowment Fund	**599,840**	599,840
Ooredoo Q.S.C.	**149,960**	149,960
	749,800	749,800

15. EMPLOYEES' END OF SERVICE BENEFITS

Movement in the employees' end of service benefits were as follows:

	2020	2019
	QR'000	QR'000
Balance as at January 1,	**10,206**	16,183
Expense for the year	**3,092**	3,460
Payments during the year	**(3,173)**	(9,437)
Balance as at December 31,	**10,125**	10,206

16. LEASE LIABILITIES

	2020	**2019**
	QR'000	QR'000
Balance as at January 1,	**124,439**	133,141
Additions/modifications	**23,016**	--
Accretion of finance cost	**7,992**	7,387
Principal payments	**(12,858)**	(16,089)
Balance as at December 31,	**142,589**	124,439

	2020	2019
	QR'000	QR'000
Maturity analysis		
Not later than 1 year	**3,284**	4,499
Later than 1 year and not later than 5 years	**15,062**	14,462
Later than 5 years	**124,243**	105,478
	142,589	124,439

The Company does not face a significant liquidity risk with regard to its liabilities. Lease liabilities are monitored within the Company's treasury function.

17. BORROWINGS

	2020 QR'000
Borrowings	**60,165**

The Company entered into a Facility Agreement with Dukhan Bank for QR 150 million on 10 December 2020 ("the facility") at Qatar Market Lending Rate (QMRL) subject to a minimum of 3.5% per annum, payable quarterly. The facility is repayable in 31 equal quarterly instalments of QR 3.39 million starting March 2023 and one final bullet payment of QR 45 million (30% of facility amount) in December 2030. An amount of QR 60.17 million was drawdown on the facility during the year. The facility is secured by the assignment of the full contract values of each of MV2 & MV4 Colocation & Data Centre Leases with Microsoft and MOTC favouring Dukhan Bank.

18. TRADE AND OTHER PAYABLES

	2020	2019
	QR'000	QR'000
Trade payables	**39,902**	35,217
Accrued expenses	**48,954**	41,848
Other liabilities	**7,335**	716
	96,191	77,781

19. RELATED PARTY DISCLOSURES

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosures*, include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

a) Trading transactions

The following are the balances arising on transactions with related parties:

	2020	2019
	QR'000	QR'000
Sale of goods and services:		
Shareholders	**90,544**	126,808
Other affiliated companies	**75,570**	97,029
	166,114	223,837

19. RELATED PARTY DISCLOSURES (CONTINUED)

b) Balances arising from sales of goods/services

The following are the balances arising on transactions with related parties:

	2020	2019
	QR'000	QR'000
Due from related parties: (Refer Note below)		
Shareholders	**80,235**	108,957
Other affiliates	**40,889**	43,306
	121,124	152,263
Provision for loss allowance	**(9,462)**	(10,688)
At December 31	**111,662**	141,575

The due from related parties arise mainly from sale of goods and services transactions. The receivables are unsecured in nature and earn no interest.

The Company measures the loss allowance for due form related parties at an amount equal to lifetime ECL. The expected credit losses on due from related parties are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The following table shows the movement in lifetime ECL that has been recognised for due from related parties in accordance with the simplified approach set out in IFRS 9 all collectively assessed:

	2020	2019
	QR'000	QR'000
Balance as at January 1	**10,688**	20,878
Recovery during the year	**(1,226)**	(10,190)
Balance as at December 31	**9,462**	10,688

c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2020	2019
	QR'000	QR'000
Short-term benefits	**11,600**	13,526
Long-term benefits	**64**	231
	11,664	13,757

20. REVENUE

The Company derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major revenue streams.

	2020	2019
	QR'000	QR'000
Revenue – at a point of time:		
Master system integrator services	**5,064**	12,476
Solutions services	**40,561**	44,967
Revenue – over time:		
Data centre and managed services	**175,520**	154,330
Workplace services	**47,839**	126,890
Master system integrator services	**15,748**	17,487
Cloud services	**107**	122
	284,839	356,272

The current portion of the unearned revenue referred as "deferred revenue" in the statement of financial position amounting to QR 14.21 million is expected to be recognised as revenue during 2021. The unsatisfied performance obligation relating to the contract between Microsoft and MOTC to provide Colocation and Data Centre Services amounted to QR 763.26 million as at reporting date (Note 1).

21. COST OF SALES

	2020	2019
	QR'000	QR'000
Depreciation of property, plant and equipment (i) (Note 5)	**54,168**	104,715
Consumables	**46,383**	55,783
Salaries, wages and other benefits	**44,873**	49,427
Professional services	**18,145**	30,035
License fees	**17,147**	13,545
Date centre related costs	**12,965**	12,239
Subcontract costs	**12,211**	13,311
Depreciation of right-of-use assets (Note 6)	**5,351**	4,851
Others	**289**	94
	211,532	284,000

(i) This includes a reversal of long outstanding accruals for QR 3.10 million with one of the Company's vendors which has been fully depreciated in prior years.

22. GENERAL AND ADMINISTRATIVE EXPENSES

	2020	2019
	QR'000	QR'000
Staff costs and allowances	**25,295**	30,495
Professional fees	**3,576**	3,015
Depreciation of right-of-use assets (Note 6)	**1,830**	2,086
Rent	**1,245**	3,295
Office expenses	**1,051**	905
Insurance	**954**	1,187
Directors' remuneration	**906**	548
Depreciation of property, plant and equipment (Note 5)	**247**	255
Marketing costs	**62**	2,268
(Recovery)/Loss allowance (Notes 10, 11 and 19)	**(3,441)**	(11,163)
Others	**2,332**	2,489
	34,057	35,380

23. COMMITMENTS AND CONTINGENT LIABILITIES

	2020	2019
	QR'000	QR'000
Performance guarantee	**69,617**	52,828
Tender and other guarantees	**18,793**	32,431

24. COMMITMENTS UNDER OPERATING LEASES

The Company has entered into a non-cancellable short-term lease agreement for the lease of the premises for office space. The rental costs in respect of these properties are accounted for as operating leases.

The future lease commitments in respect of the above lease agreements are as follows:

	2020	2019
	QR'000	QR'000
Not later than 1 year	**434**	2,275

25. FINANCIAL INSTRUMENTS

Financial instruments represent any contractual agreement that creates a financial asset, financial liability or an equity instrument.

(a) Fair value measurements

Financial assets consist of bank balances, unbilled revenue, due from related parties and trade receivable. Financial liabilities consist of trade payables, lease liabilities and borrowings.

Management believes that the fair values of financial instruments are not materially different from their carrying values largely due to the short-term maturities of these instruments or are regularly repriced at market rates.

(b) Reconciliation of liabilities arising from financing activities

The below table details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes.

	At January 1, 2020	Financing cash flows	Non-cash changes	At December 31, 2020
	QR'000	QR'000	QR'000	QR'000
Dividend paid	--	(33,000)	--	--
Lease liabilities	124,439	(12,858)	31,008	142,589
Borrowings	--	60,165	--	60,165
	124,439	(14,307)	31,008	202,754

	At January 1, 2019	Financing cash flows	Non-cash changes	At December 31, 2019
	QR'000	QR'000	QR'000	QR'000
Lease liabilities	133,141	(16,089)	7,387	124,439
	133,141	(16,089)	7,387	124,439

26. CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to the shareholders.

The capital structure of the Company comprises of capital, reserves, advances from shareholders and accumulated losses. The Company reviews the capital structure on an annual basis. As part of this review, the Company considers the cost of capital and the risks associated with capital. The Shareholders has confirmed its support to the Company should the capital proves to be insufficiently funded.

27. FINANCIAL RISK MANAGEMENT

Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The company's activities expose it primarily to the financial risks of changes in foreign currency risks and interest rate risks.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed by entering the transactions substantially in Qatari Riyal (QR) and United States Dollar (USD), which is pegged to Qatari riyal.

Interest rate risk management

The Company's exposure to interest rate risk is very limited as it borrows and deposits funds at fixed interest rates. This loan is carried at floating rate however the interest incurred during 2020 is immaterial (2019: Nil).

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. As at December 31, 2020, the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

In order to minimise credit risk, the Company has tasked its management to develop and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default.

The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and considering the historical default experience and the current credit ratings of the banks, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk management (continued)

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	When there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired
In default	When there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that there is a severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Company's financial assets by credit risk rating grades:

December 31, 2020	**Note**	**12-month or lifetime ECL**	**Gross carrying**	**Loss allowance**	**Net carrying Amount**
			QR '000	**QR '000**	**QR '000**
Bank balances	11	12-month ECL	**266,021**	**--**	**266,021**
Trade receivables	10	Lifetime ECL	**29,812**	**(1,568)**	**28,244**
Unbilled revenue	10	Lifetime ECL	**16,067**	**--**	**16,067**
Due from related parties	19	Lifetime ECL	**121,124**	**(9,462)**	**111,662**

December 31, 2019	Note	12-month or lifetime ECL	Gross carrying	Loss allowance	Net carrying Amount
			QR '000	QR '000	QR '000
Bank balances	11	12-month ECL	293,247	--	293,247
Trade receivables	10	Lifetime ECL	54,582	(6,983)	47,599
Unbilled revenue	10	Lifetime ECL	23,333	--	23,333
Due from related parties	19	Lifetime ECL	152,263	(10,688)	141,575

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity 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 Company's reputation.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At December 31, 2020	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	QR'000	**QR'000**	**QR'000**	**QR'000**	**QR'000**
Trade payables	**39,902**	**--**	**--**	**--**	**39,902**
Lease liabilities	**3,284**	**7.125**	**7,937**	**124,243**	**142,589**
Borrowings	**--**	**--**	**37,258**	**22,907**	**60,165**
	43,186	**7.125**	**45,195**	**147,150**	**242,656**

At December 31, 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	QR'000	QR'000	QR'000	QR'000	QR'000
Trade payables	35,217	--	--	--	35,217
Lease liabilities	4,499	3,568	10,894	105,478	124,439
	39,716	3,568	10,894	105,478	159,656

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At December 31, 2020	**Less than 1 year**	**Between 1 and 2 years**
	QR'000	**QR'000**
Trade and other receivables	**44,311**	**--**
Due from related parties	**111,662**	**--**
	155,973	**--**

At December 31, 2019	Less than 1 year	Between 1 and 2 years
	QR'000	QR'000
Trade and other receivables	70,932	--
Due from related parties	141,575	--
	212,507	--

28. IMPACT OF COVID-19

On March 11, 2020, Covid-19 was declared as pandemic by the World Health Organisation and is causing disruptions to businesses and economic activities. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications. The Company will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in 2020.

COVID-19 has brought about uncertainties in the global economic environment. In light of the rapidly escalating situation, the Company has considered whether any adjustments and changes in judgments, estimates and risk management are required to be considered and reported in the financial statements. The Company's business operations remain largely unaffected by the current situation. Below are the key assumptions about the future and other key sources of estimation that may have a significant risk of causing a material adjustments to the financial statements:

Going concern

The Company has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Company's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Company has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from December 31, 2019. As a result, these financial statements have been appropriately prepared on a going concern basis.

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

29. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for issue on April 27, 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

21. MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion of the financial condition and results of operations is based upon and should be read in conjunction with the Audited Financial Statements presented under Section 20: Auditor's Report and Financial Statements. This discussion contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those projected in forward-looking statements. In evaluating our business, you should carefully consider the information provided under the caption "Risk Factors" in this Offering Prospectus.

For further information on the financials of the Company, the Company has made available on its website the reviewed financial information of the first quarter of FY 2023 which can be accessed via: https://www.meeza.net/investor-relations.

21.1 Company Overview

MEEZA was founded in 2008 as the IT service provider for Qatar Foundation and expanded to provide services to the rest of the market. Built around a mature IT services framework (ITILv3), MEEZA originally offered a single data centre facility along with service monitoring and management capabilities powered by a small team of engineers and IT analysts. In doing so, MEEZA started providing 24x7 operations and support for IT infrastructure both on-premises and at customer sites, along with IT workloads hosted in its own data centre.

MEEZA was first in the country to provide public cloud computing services, starting with its Microsoft SharePoint and Email Exchange as-a-service offerings for medium and large enterprises. Subsequently, MEEZA continued to expand, its portfolio of managed IT services, expand its data centre sites into MV-3 (a high-density Tier-3 data centre design and built facility), MV-2 (disaster-recovery large scale facility located outside of Doha), MV-4 (hyperscaler hosting platform in QSTP) and, most recently, MV-5 (to boost cloud services in Qatar). MEEZA worked with ictQatar (later as the Ministry of Transportation and Communication) to host the country's first QITCOM nationwide technology conference. Other notable milestones include MEEZA's first-in-country launch of a commercial security command-and-control centre (SoC) in 2014 as well as first 4-star SDI certification for its IT service desk amongst a list of other industry firsts. In that same year, MEEZA became the country's first Smart City Master Systems Integrator having won the prestigious control to design, build and operate Qatar's largest smart city project, Msheireb Downtown Properties.

Today, MEEZA is an end-to-end provider of IT services in the country built from the ground-up on a service framework, capable of providing its customers with IT hosting, operations and support functions whether on-premise or collocated in its DCs, whether in-cloud computing services or via managed local services.

21.2 Principal Components of Operating Results

Revenue

MEEZA derives its revenue from the provision of the following IT solutions and data related services:

- Data centre services (DC services);
- Network management, maintenance and infrastructure services (Managed services);
- Other ad hoc IT integration, IT resale and installation services (Solutions services);
- Service desk and field related services (Workplace services);
- Cloud services; and
- Master Systems Integrator.

The provision of DC services has been MEEZA's primary source of income historically and mainly relates to the development, management and leasing out of physical data centres for clients to safely store their servers and data. These services are generally provided to customers through medium to long-term contracts with terms typically ranging between 3 and 15 years and priced on a "per rack" basis depending on the storage capacity and power required by a customer. During FY22, data centre services accounted for 39% of total revenue generated. Going forward, MEEZA expects this product line to remain the largest revenue contributor.

Other significant product lines include Managed services and Solutions services:

- Managed services include the provision of end-to-end IT solutions to customers. MEEZA mainly leverages its existing data centre network to deliver such services. Revenue from this product line accounted for 26% of FY22 total revenue.
- Solution services relate to ad hoc IT consultancy, integration, hardware and software resale and installation services. This product line accounted for 22% of total revenue in FY22.

Revenue Recognition

Revenue is measured based on the consideration to which MEEZA expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties such as long term technology business providers. MEEZA recognises revenue when the control of the goods and services is transferred to the customers.

Revenues from the above-mentioned services, except Solutions services, are typically based on a fixed monthly fee and recognised upon the performance obligation being satisfied over time. MEEZA uses the output method and recognises the revenue on a straight line basis over the term of the contract, since output (number of months over the term of the contract) is consumed evenly throughout the term of the contract.

Revenues from solution services are typically recognised at a point in time upon which control of the goods or service is transferred to the customer.

Cost of Sales

Cost of sales ("**CoS**") mainly comprises:

(i) Software, hardware and license costs directly sourced for the delivery of customer contracts;

(ii) Outsourced and third-party costs in relation to subcontractors / support employees for such contracts; and

(iii) Depreciation and amortisation of the data centre assets, network assets and the right-of-use assets recognized in relation to the leased lands for the data centres.

Other significant components of CoS include direct staff costs for employees, in addition to utilities, operational and maintenance costs.

Gross profit

Gross profit, which represents the residual profit after deducting the CoS from revenue, amounted to QAR 106.7 million in 2022 which is equivalent to 30.2% of the revenue in FY22 (an increase from 26.7% in FY21). Gross profit margin expanded almost 4 percentage points due to revenue mix (higher data centre and managed services revenues) and cost optimisation.

General and Administrative

General and administrative ("**G&A**") expenses primarily consist of staff expenses related to salary and benefits of MEEZA's key management and head office staff.

Other G&A expenses include professional fees (including legal fees, audit fees, and other consultancy fees), insurance costs, office rent and utility costs, marketing costs and allowance for bad debts, among others.

Depreciation and Amortisation

Depreciation is calculated using the straight-line method based on the estimated useful life ("EUL") of each asset, commencing on the date the assets are fully commissioned.

The estimated useful lives, residual values and depreciation methods are reviewed at each statement of financial position date, with the changes applied prospectively. Management revised the EUL of certain data centre and network assets in FY20.

The ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

Finance costs, net

Finance costs include interest expenses on lease liabilities, bank charges, unfunded credit facility fees and loan interest. Finance income relates to interest received on time deposits with local banks.

21.3 Key Factors Affecting Results of Operations

MEEZA believes that the following factors have had and/or will have a significant effect on its business and the results of its operations:

Capital Expenditures

Capital expenditures primarily relate to:

- Purchase of IT assets and servers for the data centres;
- Civil, MEP and fit out work at the new data centres;
- Generators for the data centres; and
- Assets in relation to a security operations centre to service certain client needs.

From 1 January 2020 to 31 December 2022, MEEZA invested QAR 419.7 million, primarily on the expansion of MEEZA Vault 2 ("MV-2"), construction of MEEZA Vault 4 ("MV-4") and MEEZA Vault 5 ("MV-5"). This expansion enabled MEEZA to increase its data centres' IT capacity from a total of 7.4MW (1,567 racks) in 2020 to 13.5 MW (2,549 racks) in 2022.

QAR million	2020	2021	2022	Total
Capital expenditure	157.7	208.2	53.8	419.7

Source: Audited Financial Statements

Expansion Plan

Due to the expected growth in data centre demand, considerable investments are expected to be made in data centre assets and infrastructure going forward. As such, MEEZA recently commissioned a fifth data centre, MEEZA Vault 5 ("MV-5"), and expects further investments in the expansion of MV-4 data centre and one new potential data centre, MEEZA Vault 6 ("MV-6"), next to MV-2. Any substantial new investments would be evaluated and approved by MEEZA based on extensive planning, market assessments and in line with the Company's internal governance procedures.

Collaborations with Hyperscalers

Hyperscalers represent large international companies that provide cloud, networking and internet services at scale by offering organizations access to infrastructure via an IaaS model.

Examples of hyperscalers in the world today include Google, Microsoft, Facebook, Alibaba and Amazon.

As part of its growth strategy, MEEZA entered into a long term business relationship/contract with a confidential counterparty in 2019 to lease out a portion of its data centres, which contributed to the increase in MEEZA's DC revenue. Going forward, MEEZA expects to enter into a new contract with another Hyperscaler, which is yet to be disclosed, and expansions with the existing confidential counterparty.

Impact of COVID-19

The COVID-19 pandemic and accompanying restrictions had a significant impact on the company's customers (particularly in the Government sector) which resulted in some taking cost cutting measures and reducing the scope of certain agreements with MEEZA, which in turn resulted in a drop of revenue during FY20 and FY21. Whilst this impacted the company's revenue, MEEZA was still able to deliver record profit and enhance its consolidated financial position.

Management closely monitored the impact of COVID-19 on the business and operations and has put in place contingency measures. MEEZA's Management believes that the business has fully recovered and is currently operating at pre-pandemic levels. Further, Management believes that the COVID-19 pandemic increased the need for hybrid models and connectivity, which in turn will lead to increased demand for MEEZA's IT solutions going forward.

Latest cybersecurity trends

Due to the nature of the IT industry, organisations are forced to rethink their cybersecurity policies on a regular basis. The recent developments in cybersecurity trends, especially post pandemic, have transformed the behaviour of market participants with the rise of remote working models and more customers focusing on operational technology ("OT") cybersecurity.

Further, given that cybersecurity risks associated with OT are increasing as the isolation of OT systems becomes more difficult; organisations now require long term solutions providers who can provide holistic services rather than piecemeal offerings.

Management expects that as the customer needs evolve, Managed services revenue will continue to grow through providing end-to-end cybersecurity offerings, especially by being the customers' preferred Managed Security Service Provider ("MSSP").

Customer retention

MEEZA has consistently been able to operate with an extremely low customer churn due to the sticky nature of its services and multi-year contracts and to achieve an industry high-end revenue retention over the FY20 to FY22 period.; as such, MEEZA's customer portfolio has remained relatively stable with minor fluctuations in revenue driven by existing account activity (through upselling or certain descoping / project completions and the acquisition of new customers). This portrays the Company's market leadership in the IT solutions and the DC / Managed services market. Management has credited this to having invested in its relationships with its top customers, the high quality of the services being delivered and being one of the few end-to-end IT solutions service providers based in Qatar.

Network as a Service ("NaaS") projects

The NaaS revenue, included in the Workplace Services product line, refers to a large workplace services agreement which consists of several projects / phases in connection with the development of a full CISCO network for Qatar Foundation and its affiliated entities. As part of the project, MEEZA was required to acquire the equipment and set up / deploy the related IT infrastructure at several customer locations.

NaaS revenue and cost details	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020**	**2021**	**2022**	**2021**	**2022**
Revenue	34.5	14.1	5.1	(59.3%)	(63.9%)
Depreciation costs	(23.5)	(7.5)	(4.5)	(67.9%)	(40.3%)
Gross profit	**11.0**	**6.5**	**0.6**	**(40.7%)**	**(91.3%)**
				Abs. Change	
Gross profit margin	32%	46%	11%	15%	(35%)

The network assets were capitalised on the company's books and depreciated over an average life of 3 years. In FY21, a portion of the project was completed which led to a decrease in revenue year on year (QAR 20.4m) and gross profit (QAR 4.5m) generated from the project. In FY22, the project continued to wind down with revenue declining by QAR 9.0m to QAR 5.1m year on year and gross profit decreasing by QAR 5.9m to QAR 0.6 million. This decline in NaaS revenue and gross profit has been replaced by increases in Data Centre and Managed Services revenue and profit.

Cost Optimisation Program

MEEZA introduced a continuous cost optimisation program in FY20 to help protect it against macro social economic conditions and a rapidly changing technological landscape, but more importantly to ensure MEEZA is fit for growth.

The company's goal is to filter differentiating capabilities allowing it to do more in the key areas and understand that it must find ways of doing the same or more for less. Key projects / initiatives to date include introducing spend guidelines, renegotiating all major contracts, consolidation of data centre connectivity and switching Managed services technologies to best in class primarily using OPEX models. Since its inception, this program has delivered savings in CoS and G&A expenses (in FY20, FY21 and FY22) which had a positive impact on profit and margins, and is expected to continue to do so, going forward.

Government regulations

Management expects the latest IT and data related government regulations to have a large impact on MEEZA's operations, as these regulations would generally dictate certain government and private sector entities' appetite and openness to migrate to cloud services and to outsource certain IT functions to solutions providers such as MEEZA. This in turn would drive demand going forward.

21.4 Income Statement Analysis for the Years Ended 31 December 2022/2021/2020

Income Statement	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Revenue	284.8	328.4	352.9	15.3%	7.4%
Cost of sales	(211.5)	(240.9)	(246.2)	13.9%	2.2%
Gross profit	**73.3**	**87.5**	**106.7**	**19.4%**	**21.8%**
G&A expenses	(34.1)	(35.2)	(43.1)	3.3%	22.5%
Other income (expenses)	0.9	(0.4)	(0.0)	(141.2%)	(98.7%)
Finance income / (costs), net	(5.4)	(8.0)	(11.4)	48.1%	43.7%
Profit for the year	**34.8**	**44.0**	**52.1**	**26.5%**	**18.4%**
EBITDA (1)	**100.8**	**105.1**	**124.0**	**4.2%**	**18.0%**
Selected ratios					
Gross profit margin	26%	27%	30%	1%	4%
EBITDA Margin (2)	35%	32%	35%	(3%)	3%
Net profit margin	12%	13%	15%	1%	1%

(1) EBITDA refers to earnings before interest, tax, depreciation and amortisation and consists of the sum of MEEZA's profit for the year, net finance costs, other income (expenses) and depreciation and amortisation. EBITDA is not a measurement of performance under IFRS or generally accepted accounting principles.

(2) The following is a reconciliation of the profit for the period/year to EBITDA for the periods below. EBITDA margin is calculated as EBITDA as a percent of Revenue.

Year ended 31 December	2020 Audited	2021 Audited	2022 Audited	2021	2022
Net profit	**34.8**	**44.0**	**52.1**	**26.5%**	**18.4%**
Added back:					
Depreciation - NaaS	23.5	7.5	4.5	(67.9%)	(40.3%)
Depreciation excluding NaaS	30.9	38.5	45.7	24.4%	18.8%
Depreciation - ROU assets	7.2	6.8	10.3	(6.0%)	52.1%
Finance income / costs, net and other income (expenses)	4.5	8.3	11.5	86.9%	37.3%
EBITDA	**100.8**	**105.1**	**124.0**	**4.2%**	**18.0%**
EBITDA margin	35.4%	32.0%	35.1%	(3.4%)	3.1%

Revenue

Breakdown of revenue	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Data Centre Services	92.7	125.6	138.2	35.6%	10.1%
Managed Services	83.0	72.5	91.0	(12.6%)	25.6%
Workplace Services	47.8	25.2	18.3	(47.2%)	(27.4%)
Solution Services	40.4	81.6	78.9	101.8%	(3.2%)
Cloud Services	0.1	8.2	11.4	7,521.5%	40.3%
Master system integrator services	20.8	15.3	14.9	(26.7%)	(2.4%)
Total revenue	**284.8**	**328.4**	**352.9**	**15.3%**	**7.4%**
As a % of revenue					
Data Centre Services	32.5%	38.3%	39.2%	5.8%	0.9%
Managed Services	29.1%	22.1%	25.8%	(7.0%)	3.7%
Workplace Services	16.8%	7.7%	5.2%	(9.1%)	(2.5%)
Solution Services	14.2%	24.8%	22.4%	10.6%	(2.5%)
Cloud Services	0.0%	2.5%	3.2%	2.4%	0.8%
Master system integrator services	7.3%	4.6%	4.2%	(2.7%)	(0.4%)
Total	**100.0%**	**100.0%**	**100.0%**	-	-

Source: Management Information

Revenue ranged between QAR 284.8 million and QAR 352.9 million over the 2020 and 2022 period; increasing in FY21 by QAR 43.6 million to QAR 328.4 million due to the full utilisation of MV-2 data centre, the extension of MV-2 and the construction of a new data centre, MV-4, combined with a growth in large Solution Service projects and then increasing by QAR 24.4 million in FY22 to QAR 352.9 million primarily due to growth in Data Centre revenue coming from a full year impact of MV-4 and growth in Managed Services.

In FY21, revenue increased by QAR 43.6 million, or 15.3%, to QAR 328.4 million from QAR 284.8 million in FY20 driven by a QAR 41.2 million increase in Solution services revenue primarily from the award and partial completion of a number of new contracts with some of MEEZA's key clients, particularly in the defence and sports sector. Further, DC revenue increased by QAR 33.0 million following the full utilisation of the MV-2 data centre, the extension of MV-2 and the construction of the MV-4 data centre as a result of a material contract executed with a confidential counterparty in December 2019.

In FY22, revenue increased by QAR 24.4 million, or 7.4%, to QAR 352.9 million from QAR 328.4 million in FY21 driven by a QAR 12.6 million increase in DC revenue from full year utilization of MV-4 and by a QAR 18.5 million increase in Managed Services revenue due to new managed services and security services contracts.

Cost of sales

Breakdown of cost of sales	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Software, hardware and license cost	42.2	67.8	76.4	60.6%	12.8%
Outsourcing and third-party cost	51.7	58.5	54.2	13.1%	(7.3%)
Depreciation of fixed assets	54.2	45.7	49.8	(15.7%)	9.0%
Salaries, and other benefits	44.9	38.0	37.4	(15.2%)	(1.7%)
Data centre management costs	13.0	24.6	20.4	89.8%	(17.1%)
Depreciation of ROU assets	5.4	6.2	7.9	15.9%	27.2%
Others	0.3	0.1	0.1	(58.8%)	3.4%
Total cost of sales	**211.5**	**240.9**	**246.2**	**13.9%**	**2.2%**
As a % of revenue					
Software, hardware and license cost	14.8%	20.6%	21.7%	5.8%	1.0%
Outsourcing and third-party cost	18.1%	17.8%	15.4%	(0.3%)	(2.4%)
Depreciation of fixed assets	19.0%	13.9%	14.1%	(5.1%)	0.2%
Salaries, and other benefits	15.8%	11.6%	10.6%	(4.2%)	(1.0%)
Remaining costs	6.5%	9.4%	8.1%	2.9%	(1.4%)
Total cost of sales	**74.3%**	**73.3%**	**69.8%**	**(0.9%)**	**(3.6%)**

Source: Audited Financial Statements

CoS increased by QAR 29.4 million, or by 14%, to QAR 240.9 million in FY21. This increase was primarily driven by the following:

- An increase in software, hardware, and license costs by QAR 25.6 million in line with the increase in revenue from Solution Services;
- A QAR 11.6 million increase in DC management costs due to additional costs relating to the MV-2 expansion and MV-4 opening; and
- An increase in outsourcing and third-party costs by QAR 6.8 million due to outsourcing of external consultants, in line with the increase in Solutions services revenue.

The above increase was partially offset by the continued decline in salaries, wages, and other benefits in FY21 (by QAR 6.8 million) due to the full year impact of the cost-optimization exercise in FY20 and a QAR 8.5 million decrease in depreciation due to the expiring NaaS project.

CoS increased by QAR 5.3 million, or by 2%, to QAR 246.2 million in FY22. This increase was primarily driven by the following:

- An increase in software, hardware, and license costs by QAR 8.7 million primarily as a result of an increase in Managed Services revenue;
- A QAR 4.1 million increase in depreciation of fixed assets due to full year depreciation charge for MV-2-Ext and MV-4;
- A QAR 1.7 million increase in depreciation of right of use assets due full year depreciation of Infrastructure as a Service equipment purchased in FY21.

The above increase was partially offset by:

- A continued decline in salaries, wages, and other benefits in FY22 (by QAR 0.7 million);
- A QAR 4.3 million decrease in outsourcing and third-party cost primarily due to lower Solution Services revenue;
- A QAR 4.2 million decrease in DC management costs due to cost optimization initiatives.

Gross profit

In FY21, gross profit increased by QAR 14.2 million to QAR 87.5 million, largely driven by the increase in DC revenue (with higher margins compared to other product lines).

In FY22, gross profit increased by QAR 19.1 million to QAR 106.7 million, primarily driven by the continuous increase in DC and Managed Services revenue (with higher margins compared to other product lines).

Overall, gross margins increased year on year during the 2020 and 2022 period, from 25.7% in FY20 to 26.7% in FY21 and 30.2% in FY22, primarily driven by revenue mix and cost optimisation.

General and administrative expenses

Breakdown of general and administrative expenses	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Staff costs and allowances	25.3	23.0	30.8	(9.2%)	34.2%
Professional fees	3.6	3.0	2.9	(15.4%)	(3.6%)
Rent	1.2	1.5	1.8	17.8%	22.6%
Insurance	1.0	0.8	1.1	(11.5%)	35.8%
Directors' remuneration	0.9	0.6	0.6	(37.4%)	11.3%
Depreciation of ROU assets	1.8	0.5	2.4	(70.0%)	333.2%
Office expenses	1.1	0.5	0.5	(48.0%)	(1.1%)
Depreciation of fixed assets	0.2	0.3	0.4	13.8%	39.1%
Marketing costs	0.1	0.2	1.1	269.4%	372.9%
Others	2.3	1.4	1.9	(38.6%)	31.6%
Total G&A expenses (excluding Expected credit loss/(recovery) allowance)	**37.5**	**31.9**	**43.6**	**(14.9%)**	**36.6%**
Expected credit loss/(recovery) allowance	(3.4)	3.3	(0.5)	(195.8%)	(115.6%)
Total G&A expenses	**34.1**	**35.2**	**43.1**	**3.2%**	**22.5%**
As a % of revenue					
Staff costs and allowances	8.9%	7.0%	8.7%	(1.9%)	1.7%
Professional fees	1.3%	0.9%	0.8%	(0.3%)	(0.1%)
Rent	0.4%	0.4%	0.5%	0.0%	0.1%
Remaining G&A expenses	1.4%	2.3%	2.1%	1.0%	(0.2%)
Total G&A expenses	**12.0%**	**10.7%**	**12.2%**	**(1.3%)**	**1.5%**

Source: Audited Financial Statements

Overall, G&A expenses excluding the impact of the expected credit loss allowance ("ECL") increased over the presented period from QAR 37.5 million in FY20 to QAR 43.6 million in FY22 driven by higher ROU depreciation cost due to shifting of office to Msheireb, higher employment cost and increase in marketing activities post COVID, offset by cost optimisation.

G&A expenses increased by QAR 1.1 million to QAR 35.2 million in FY21 due to the following:

- A provision for expected credit loss of QAR 3.3 million taken during the year as compared to a recovery of QAR 3.4 million in FY20. This increased G&A expenses by QAR 6.7 million in FY21 (as compared to FY20) which was partially offset by:

- A QAR 2.3 million decrease in staff related costs due to the full year effect of the cost optimization measures during the year;
- A decrease in ROU asset's deprecation and office related expenses by QAR 1.3 million and QAR 0.6 million, respectively due to the reduction in office space in FY21.

G&A expenses increased by QAR 7.9 million to QAR 43.1 million in FY22 primarily due to the following:

- ROU depreciation cost increased QAR 1.8 million and office rent increased QAR 0.3 million due to Msheireb office move;
- QAR 7.9 million higher employment cost from insourcing, backfills and business requirements;
- QAR 0.9 million increase in marketing activities post COVID;
- QAR 0.3 million increase in insurance (increased scope).

EBITDA

EBITDA increased by 4.2% to reach QAR 105.1 million in FY21, fuelled by an increase in revenue during the year (higher contribution from DC and Solution services). EBITDA margins however dropped further to 32.0% in FY21 primarily due to NaaS and revenue mix.

EBITDA increased by a further 18.4% to reach QAR 124.0 million in FY22, driven by an increase in revenue during the year (higher contribution from DC and Managed Services). EBITDA margin also increased to 35.1% in FY22 primarily due to an improved revenue mix, with more contribution from higher margin services.

Presented below is MEEZA's EBITDA excluding the NaaS project which largely ended in 2022:

EBITDA excluding NaaS	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020**	**2021**	**2022**	**2021**	**2022**
EBITDA	**100.8**	**105.1**	**124.0**	**4.2%**	**18.0%**
NaaS gross Profit (excluding depreciation)	34.5	14.1	5.1	(59.3%)	(63.9%)
EBITDA excluding NaaS	**66.4**	**91.0**	**119.0**	**37.0%**	**30.7%**
				Abs. change	
EBITDA margin (excluding NaaS)	27%	29%	34%	2%	5%

EBITDA excluding NaaS increased by 37.0% from QAR 66.4 million in FY20 to QAR 91.0 million in FY21 and further increased by 30.7% in FY22, reaching QAR 119.0 million. This increase was primarily driven by the DC expansions, Solution Services and Managed Services revenue.

Depreciation

Depreciation and amortisation decreased from QAR 61.6 million in FY20 to QAR 52.7 million in FY21 due to a review of EUL's. It then increased to QAR 60.4 million in FY22 primarily due to the full year depreciation impact of MV-2-Ext and MV-4, and the depreciation expense for MV-5 and the new office at Msheireb.

Finance Costs, net

Finance costs are comprised of interest expenses on lease liabilities, bank charges, unfunded credit facility fees and interest expenses paid on a bank facility. The banking facility is for QAR 150 million that was arranged from Dukhan Bank in December 2020 in relation to the construction of MV-4, see debt section (drawdown at 31 Dec 2020 of QAR 60.2 million and QAR 148.4 million at 31 Dec 2021). Finance costs (including interest or lease liability) increased from QAR 8.9 million in FY20 to QAR 10.2 million in FY21 and QAR 15.1 million in FY22, primarily due to the incremental interest costs associated with the new loan and an increase in interest rates (in FY22).

Finance income relates to interest received on time deposits with several local banks. Finance income declined from QAR 3.5 million in FY20 to QAR 2.2 million in FY21, largely due to decline in interest rates post the COVID-19 pandemic and a reduction in deposits from DC investments but increased again to QAR 3.7 million in FY22 due to the increase in interest rates throughout the year.

Net Income

NI increased by 26.5% to reach QAR 44.0 million in FY21, primarily due to the QAR 14.2 million increase in gross profit following the increase in revenue during the year, which improved the absorption of MEEZA's operating expenses, and cost optimisation initiatives.

NI increased further by 18.4% to reach QAR 52.1 million in FY22, primarily due to the QAR 19.1 million increase in gross profit following the increase in revenue during the year.

21.5 Balance Sheet Analysis as at 31 December 2020, 2021, 2022

The following table presents a summary Balance Sheet and selected financial ratios for the last three financial years ended 31 December 2020, 2021 and 2022.

Summary Balance Sheet	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Non-current assets	483.2	658.8	672.5	36.3%	2.1%
Current assets	497.9	507.8	479.0	2.0%	(5.7%)
Total assets	**981.1**	**1,166.6**	**1,151.6**	**18.9%**	**(1.3%)**
Share capital					
Capital contribution	0.2	0.2	649.0	**-**	**324,390.0%**
Legal reserve	749.8	749.8	-	**-**	**(100.0%)**
Accumulated losses	3.3	3.3	8.5	**-**	**157.9%**
EBITDA margin (excluding NaaS)	(104.3)	(60.2)	21.7	(42.2%)	(136.0%)
Total equity	**649.0**	**693.1**	**679.2**	**6.8%**	**(2.0%)**
Non-current liabilities	218.4	316.9	328.7	45.1%	3.7%
Current liabilities	113.7	156.6	143.7	37.7%	(8.2%)
Total liabilities	**332.1**	**473.5**	**472.4**	**42.6%**	**(0.2%)**
Total equity and liabilities	**981.1**	**1,166.6**	**1,151.6**	**18.9%**	**(1.3%)**
Selected ratios				**Abs. change**	
Return on assets	3.5%	3.8%	4.5%	0.2%	0.8%
Return on equity	5.4%	6.4%	7.7%	1.0%	1.3%

Source: Audited Financial Statements

Non-Current Assets

Breakdown of non-current assets	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Property, plant and equipment	342.6	504.9	508.5	47.3%	0.7%
Right-of-use assets	137.8	137.1	151.9	(0.5%)	10.8%
Other non-current assets	2.8	16.8	12.1	500.1%	(28.1%)
Total non-current assets	**483.2**	**658.8**	**672.5**	**36.3%**	**2.1%**

Source: Audited Financial Statements

Non-current assets primarily consist of fixed assets in relation to MEEZA's five data centres, such as buildings, along with the required IT equipment and servers, that are related to the Company's core operations. Non-current assets also include right-of-use assets, which mainly comprise leased land plots (5 leases with terms varying between 20 and 30 years) on which the data centres are built on as well as office spaces at QSTP and Msheireb.

Total non-current assets increased year on year from QAR 483.2 million at December 31, 2020 to QAR 658.8 million at December 31, 2021 and QAR 672.5 million at December 31, 2022 primarily due to the investment in fixed assets to modify the existing MV-2 data centre as well as expand it and construct the MV-4 and MV-5 data centres.

Current Assets

Breakdown of current assets	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Prepayments and other assets	75.9	20.9	33.0	(72.5%)	58.3%
Due from related parties	111.7	142.0	110.4	27.2%	(22.3%)
Trade and other receivables	44.3	109.2	132.2	146.4%	21.1%
Cash and bank balances	266.0	235.7	203.4	(11.4%)	(13.7%)
Total current assets	**497.9**	**507.8**	**479.0**	**2.0%**	**(5.7%)**

Source: Audited Financial Statements

At December 31, 2021, total current assets increased to QAR 507.8 million mainly due to an increase in related party balances (by QAR 30.4 million) and trade receivable balances (by QAR 64.9 million) following an increase in revenue and slowdown in collection from government entities; partially offset by a decrease in cash by QAR 30.3 million due to the investment in capital expenditures in relation to data centres MV-2 and MV-4 and a decrease of QAR 55.0 million in other assets following the utilisation of advances to contractors in relation to the aforementioned construction of the data centres.

At December 31, 2022, total current assets decreased to QAR 479.0 million mainly due to:

- Higher related party collections, with related party balances declining by QAR 31.6 million from collections during the year;
- Lower cash and bank balances (by QAR 32.3 million) due to the investment in capital expenditures primarily in MV-5 and dividend payment for last two financial years.

Partially offset by an increase in trade and other receivables (by QAR 23 million) due to the increase in revenue.

Debt

Breakdown of Total Debt	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	2020 Audited	2021 Audited	2022 Audited	2021	2022
Debt (current portion)	-	-	(13.5)	-	-
Debt (non-current portion)	(60.2)	(148.4)	(134.9)	146.7%	(9.1%)
Total debt	**(60.2)**	**(148.4)**	**(148.4)**	**146.7%**	**-**
Cash	266.0	235.7	203.4	(11.4%)	(13.7%)
Net cash	**205.9**	**87.3**	**55.0**	**(57.6%)**	**(37.0%)**

Source: Audited Financial Statements

As at December 31, 2022, total debt stood at QAR 148.4 million. This debt is related to a bank facility with Dukhan Bank which was signed on December 30, 2020 for a total balance of QAR 150 million at the Qatar Market Lending Rate (subject to a minimum of 3.5% per annum). The facility was arranged to finance 70% of the construction costs of the new data centre MV-4 and is repayable over a period of 10 years with a 30% bullet payment, including 24 months grace period.

Other Liabilities

Breakdown of Other Liabilities	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	2020 Audited	2021 Audited	2022 Audited	2021	2022
Lease liabilities	142.6	144.0	164.1	1.0%	13.9%
Trade and other payables	96.2	124.2	118.7	29.1%	(4.4%)
EOSB	10.1	9.7	10.8	(4.5%)	11.9%
Total other liabilities	**248.9**	**277.9**	**293.6**	**11.6%**	**5.7%**

Source: Audited Financial Statements

Other liabilities mainly comprise lease liabilities in relation to MEEZA's ROU assets, trade and other payables and end of service benefits (EOSB). Trade and other payables included payable balances in relation to MEEZA's operations, accrued expenses and payables in relation to the previously mentioned capital expenditures. Trade and other payables increased year on year following the increase in capex related payables (and retentions payables), utility accruals and advances received from customers.

Total Equity

	Amount (QAR million)			% Change (YoY)	
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**	**2021**	**2022**
Share capital	0.2	0.2	649.0	-	324,390.0%
Advance from shareholders	749.8	749.8	-	-	(100.0%)
Legal reserve	3.3	3.3	8.5	-	157.9%
Accumulated losses	(104.3)	(60.2)	21.7	(42.4%)	(136.0%)
Total equity	**649.0**	**693.1**	**679.2**	**6.8%**	**(2.0%)**

Source: Audited Financial Statements

Total Equity increased from QAR 649.0 million at December 31, 2020 to QAR 679.2 million at December 31, 2022 due to the generated profits during the period.

The largest component of equity pertains to advances from shareholders which represent balances received to fund the working capital requirements of the Company. Qatar Foundation contributed QAR 599.8 million while Ooredoo Q.P.S.C contributed QAR 150.0 million. These advances have now been utilised to absorb MEEZA's accumulated losses (as discussed below) with the remaining balances converted to share capital (QAR 649.0 million).

Accumulated losses resulted from losses incurred during the period 2009-2012, as MEEZA was still in its start-up stage in the years following its establishment (in 2008) and gradually ramped up its operations every year. In FY13, the Company turned profitable and has been generating net profits since and in all subsequent years (FY13-FY21).

The accumulated losses balance improved from QAR (104.3 million) in FY20 to QAR (60.2 million) in FY21 and accumulated profits of QAR 21.7 million in FY22 as the Company recorded net profit across all three years and completed the conversion of advances from shareholders to absorb accumulated losses and increase share capital.

As required by the Company's Articles of Association, 10% of the profit for the year is to be transferred to the legal reserve until the reserve reaches a minimum of 50% of the paid-up share capital.

21.6 Cash Flow Analysis for the Years Ended 31 December 2022, 2021, 2020

Cash Flows from/ (used in) Operating Activities

Cash flows from / (used in) Operating Activities	Amount (QAR million)		
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**
Net profit	34.8	44.0	52.1
Non-cash adjustments to net profit:			
Depreciation and amortisation	64.7	52.7	60.4
Write off of property, plant and equipment	0.7	-	-
Write off of trade receivables	3.2	-	-
Finance costs	0.9	2.1	6.5
Finance income	(3.5)	(2.2)	(3.7)
Interest expense on lease liabilities	8.0	8.1	8.6
Loss/(Recovery) allowance on trade receivables	(2.2)	4.0	(0.3)
Recovery allowance on due from related parties	(1.2)	(0.7)	(0.2)
Loss allowance on cash and cash equivalents	-	-	-
EOSB provision	3.1	2.6	3.3
Adjusted operating profit	**108.4**	**110.5**	**126.8**
Movements in:			
Trade and other receivables	25.6	(68.8)	(22.7)
Prepayments and other assets	(44.8)	38.4	(12.2)
Contract costs	5.1	-	-
Other non-current assets	(0.5)	2.6	4.7
Due from related parties	31.1	(29.7)	31.9
Other liabilities	(1.3)	-	-
Trade and other payables	18.4	28.0	(5.5)
Deferred revenue	(25.5)	24.2	(16.9)
Cash from operating activities	**116.7**	**105.2**	**106.1**
EOSB paid	(3.2)	(3.0)	(2.1)
Finance costs paid	(0.9)	(2.1)	(6.5)
Net cash flow from operating activities	**112.6**	**100.1**	**97.5**

Source: Audited Financial Statements

Net cash generated from operating activities decreased by QAR 12.5 million to QAR 100.1 million in FY21, primarily due to the movements in working capital components which resulted in a QAR 5.3 million cash outflow.

Net cash generated from operating activities decreased by QAR 2.6 million to QAR 97.5 million in FY22, primarily due to the movements in working capital (higher revenue impact) and the payment of higher finance costs.

Cash flows used in investing activities

Cash flows from Investing Activities	Amount (QAR million)		
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**
Acquisition of property and equipment	(157.7)	(208.2)	(53.8)
Finance income received	3.5	2.2	3.7
Net cash flow from investing activities	**(154.2)**	**(206.0)**	**(50.1)**

Source: Audited Financial Statements

The Company had increased capex requirements in FY20 and FY21 in relation to the investment in the MV-2 data centre split into the internal modification project (QAR 25.3 million, completed in FY20) and an extension project (QAR 64.6 million, completed in FY21). MEEZA also invested in the further expansion of its data centre offering by constructing a new data centre MV-4 which was constructed over the 2020 and 2021 periods, at a cost of QAR 232.5 million.

Cash flow from investing activities of QAR 53.8 million during FY22 primarily represents investment in MV-5 (new data centre in QSTP) and the Msheireb office fitout.

Cash flows from/ (used in) financing activities

Cash flows from Financing Activities	Amount (QAR million)		
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**
Dividends paid	(33.0)	-	(66.0)
Proceeds from borrowings	60.2	88.2	-
Repayment of lease liabilities	(12.9)	(12.7)	(13.7)
Net cash flow from financing activities	**14.3**	**75.5**	**(79.7)**

Source: Audited Financial Statements

In FY20, the Company borrowed QAR 60.2 million from Dukhan Bank to fund data centres related capital expenditures and paid QAR 33 million in dividends in addition to QAR 12.9 million which were used towards the repayment of lease liabilities.

In FY21, the Company generated cash inflows from financing activities of QAR 75.5 million due to further drawdowns from the same bank facility with Dukhan Bank.

In FY22, the Company had a negative cash outflow of QAR 79.7 million, mainly due to the payment of QAR 66 million in dividends for the FY20 and FY21, in addition to QAR 13.7 million which were used towards the repayment of lease liabilities.

Net cash flow

Net Cash Flows	Amount (QAR million)		
Year ended 31 December	**2020 Audited**	**2021 Audited**	**2022 Audited**
Net changes in cash and cash equivalents	**(27.2)**	**(30.3)**	**(32.3)**
Cash and cash equivalents at the beginning of the year	293.2	266.0	235.7
Cash and cash equivalents	**266.0**	**235.7**	**203.4**

Source: Audited Financial Statements

Cash and cash equivalents reached QAR 266.0 million as at December 31, 2020 and decreased to QAR 235.7 million and QAR 203.4 million in at December 31, 2021 and 2022 respectively.

The Company believes that its operating cash flows as of the date of this Offering Prospectus will be sufficient to fund working capital requirements, anticipated capital expenditures and debt service requirements for the next 12 months.

21.7 Key Operational Performance Indicators

Data centre capacity (IT Load)

Capacity (number of racks and power at year end)	2020		2021		2022	
Year ended 31 December	**Racks**	**Power (MW)**	**Racks**	**Power (MW)**	**Racks**	**Power (MW)**
MV-1	155	0.6	155	0.6	155	0.6
MV-2	1,240	4.8	1,360	5.7	1,360	5.7
MV-3	172	2.0	172	2.0	172	2

MV-4	-	-	672	4.0	672	4
MV-5	-	-	-	-	190	1.2
Total	**1,567**	**7.4**	**2,359**	**12.3**	**2,549**	**13.5**

MEEZA calculates its capacity based on the number of racks and power available in each respective data centre for rental or internal use (for managed services contracts), racks at each data centre vary in form of specifications and rack power.

Data centre capacity (IT load) increased over the 2020 and 2022 period, from a total of 7.4MW (1,567 racks) in 2020 to 13.5MW (2,549 racks) in 2022 following the commissioning of the MV-2 extension and MV-4 data centre in 2021 and the launch of MV-5 in 2022.

Data centre utilisation

Utilisation	2020	2021	2022
MV-1	93.9%	90.6%	92.3%
MV-2	54.4%	93.0%	95.0%
MV-3	97.8%	94.5%	93.0%
MV-4	-	75.0%	75.0%
MV-5	-	-	18.0%
Total	**69.3%**	**87.3%**	**81.8%**

MEEZA calculates the utilisation based on the average number of racks used per data centre divided by the average total capacity during the year; racks are considered utilized when they are either leased out to customers or utilised in managed services contracts.

Data centre rack utilisation increased over the 2020 to 2022 period from an average of 69.3% in 2020 to 81.8% in 2022 primarily due to new contracts.

21.8 Relationship with MEEZA's Shareholders, Qatar Foundation and Ooredoo

MEEZA is owned by Qatar Foundation (80%) and Ooredoo Q.P.S.C. (20%), both of which are companies incorporated in Qatar. The Company's shareholders have provided a QAR 749.8 million shareholder advance to support MEEZA's operations, working capital requirements, and expansion endeavours. In FY22, these advances were utilised to absorb MEEZA's accumulated losses with the remaining balances of QAR 649.0 million converted to share capital.

MEEZA also provides IT services to its shareholders (mostly to Qatar Foundation), revenue generated from shareholders amounted to QAR 63.7 million in FY22 (QAR 90.5 million in FY20 and QAR 69.5 million in FY21). Ongoing transactions with the two shareholders (and other affiliated companies) are subject to MEEZA's corporate governance procedures and are on an arm's length basis. At December 31, 2022, dues from Qatar Foundation and Ooredoo in relation to the provision of IT related services amounted to QAR 86.6 million and QAR 0.1 million, respectively.

SUMMARY OF THE COMPANY'S ARTICLES OF ASSOCIATION

22. SUMMARY OF THE COMPANY'S ARTICLES OF ASSOCIATION

The following is a summary of the Articles noting that a copy of the Articles of Association of the Company along with a copy of this Offering Prospectus shall be available on the website of the Company within a reasonable period before the date of the Offering.

22.1 Shareholders' Rights

All the Shares are of equal value and enjoy equal voting and other inherent rights, which, in accordance with the QSTP Companies Regulations, include:

(i) The right to receive dividends declared in the general meeting;

(ii) Preferential rights to subscribe for any new Shares, except as provided for under law;

(iii) The right to share in the distribution of the proceeds of the Company's assets on liquidation;

(iv) The right to be invited to attend the general meeting and vote in such meetings personally or by proxy in accordance with the Articles; and

(v) In addition to the requirements set out in the QSTP Companies Regulations, Articles and the QFMA Corporate Governance Code, a shareholder may only become a director if said shareholder holds at least 2% of the Shares in the capital of the Company.

22.2 Ownership Restrictions

Except for the owners of Shares in the Company prior to the Offering (as set out in *Section 11.3.1 of this Offering Prospectus*) ("**Founders**") or companies owned or controlled by the Founders, a Shareholder cannot own either directly or indirectly more than 5% of the total Shares of the Company. Non-Qatari investors may own no more than 49% of the Company's share capital.

22.3 Reports to Shareholders

The Board of Directors will prepare an annual statement for the Shareholders' consideration before the OGA meeting which will include the following information that needs to be submitted at least one week ahead of the OGA meeting:

(i) All the amounts obtained by the Chairman and each of the Directors during the financial year, such as salaries, wages, allowances, and attendance fees, expenditures and any other amounts.

(ii) The benefits in kind and in cash enjoyed by the Chairman or any of the Directors for the financial year.

(iii) The bonuses that the Board proposes to distribute to the Directors.

(iv) The amounts allocated for each current Director.

(v) Transactions and businesses in which any of the Chairman of the Board of Directors, Members of the Board and Directors of the Senior Executive Management have an interest that is contrary to the interest of the Company and requires prior disclosure or approval in accordance with the provisions of article 26 of QFMA's Corporate Governance Code for entities listed on the Main Market, in addition to the details of those transactions and businesses.

(vi) The amounts actually spent on advertising in any manner together with details of each amount.

(vii) Any donations made by the Company together with information on the beneficiary parties and details of each donation.

(viii) Allowances for any member of the Senior Executive Management.

22.4 Shareholders' Liabilities

A Shareholder's liability is limited to the amount unpaid on each Share and it is not permissible to increase such liability.

22.5 Dividend Policy

The decision to pay dividends is taken by the OGA of the Company based on the recommendation of the Board of Directors.

The Company's dividend policy is aimed at striking a balance between the interests of Shareholders and the Company's business needs. A number of factors therefore, have an impact on the decision to pay and the size and form of any dividend.

22.6 Transfer of Shares

Title of the listed Shares is to be transferred in accordance with the applicable rules of the QFMA and QSE.

22.7 OGA of Shareholders

The Board of Directors will extend an invitation to all Shareholders to attend the OGA meeting within four months of the end of the financial year. The ordinary general assembly will be responsible for the deliberation of the following:

(i) hearing and ratifying the Board's, Auditors', concerning the Company's activities and its financial position during the previous financial year;

(ii) discussing and ratifying the Company's budget and the profit and loss account;

(iii) discussing and adopting the corporate governance report;

(iv) considering the Board's suggestions with regard to the approval and distribution of profits;

(v) considering discharging and releasing the Board members from liability and payment and determining their remuneration;

(vi) considering appointing or reappointing auditors and agreeing on their fees; and

(vii) electing the Board members, when necessary.

The Board shall send invitations to the Shareholders to attend the meeting by publishing such invitation in one local newspapers which is published in Arabic, and on the website of the financial market and the website of the Company, if available, at least 21 days prior to the date of the OGA.

The invitation must be annexed with the agenda and all statements and documents pertaining to the matters to be deliberated at such meeting. When calling for a meeting of the OGA, the Chairman shall publish the invitation along with the balance sheet, profit and loss account, an adequate summary of the Board's report and the full text of the auditors' report in the one daily local newspapers which is published in Arabic, and on the website of the Company, if available. A copy of all the above documents shall be sent to the Ministry of Commerce and Industry at the same time they are sent to Shareholders.

A Shareholder may appoint in writing another Shareholder to be his proxy to attend and vote on his behalf at the general assembly meeting, but a Shareholder may not appoint a Director as his proxy and the number of Shares subject to the proxy should not exceed 5% of the Shares.

The OGA meeting shall not be deemed to have been duly convened unless attended by a number of Shareholders representing at least half of the share capital. If such quorum is not met, an invitation shall be sent for a second meeting to be held within 15 days following the first meeting by way of publication in two daily local newspapers, at least one of which is published in Arabic, and on the website of the financial market and the website of the Company, if available. The second meeting shall be considered valid regardless of the number of Shares represented therein.

The resolutions of the OGA shall be passed by absolute majority of the votes represented at such meeting.

22.8 Extraordinary General Assembly of Shareholders

An EGA will be convened to decide on the following issues:

(i) The amendment of the Company's Articles;

(ii) The increase or decrease of the Company's share capital;

(iii) The extension of the Company's term;

(iv) The dissolution, liquidation, transformation or merger with another company or acquisition of the Company;

(v) The sale of the project for which the Company was created or disposing of it in any manner; and

(vi) Any transaction or business or several related transactions or businesses aiming to sell the Company's assets or making any further disposal on those assets, or the assets that the Company will acquire if the total value of the transaction or the businesses, transactions or related businesses is equal to a total of (51%) or more of the Company's market value or the value of its net assets according to the latest financial statements announced whichever is lower. For the purposes of this paragraph the Company's assets include the assets of any subsidiary of the Company.

Nonetheless, this EGA meeting is not entitled to make amendments to the Articles which may increase the liabilities of the Shareholders or change its nationality or transfer its location from Qatar to any other state. Any decision to the contrary will be null and void.

In accordance with the Articles of the Company, the Board shall call for an EGA whenever necessary or upon a written request by a Shareholder holding at least 25% of the Company's share capital and within 15 days from the submission of the request.

The EGA will not be valid unless the meeting is attended by Shareholders and proxies representing at least 75% of the Company's share capital. If such quorum is not met, an invitation shall be sent for a second meeting to be held within 30 days following the first meeting. The second meeting shall be considered valid if attended by a number of Shareholders representing 50% of the Company's share capital. If such quorum is not met, an invitation shall be sent for a third meeting to be held after 30 days following the first meeting. The third meeting shall be considered valid regardless of the number of Shareholders present.

If the matter to be considered is the dissolution of the Company, its liquidation, its transformation or its merger or the sale of the project which the Company was set up for or disposing of the project by any means of disposal, the meeting will be considered valid only if it is attended by a number of Shareholders representing at least 75% of the Company's share capital.

EGA decisions are taken by the absolute majority of shares represented in the EGA. The Board of Directors shall publish the EGA's decisions which decide on the amendment of the Company's Articles of Association.

22.9 General Assembly Virtual Meeting

The EGA or OGA may be held, through modern technology in accordance with the Articles and applicable laws in Qatar.

22.10 Liquidation

According to the Company's Articles of Association, the Company will be subject to liquidation in any of the following events:

(i) expiry of its term, unless it is extended in conformity with the Articles;

(ii) termination of the object for which the Company was incorporated or if it becomes impossible for it to be achieved;

(iii) the transfer of all the Shares to a number of Shareholders inferior to the legal minimum;

(iv) the loss of the Company's entire share capital or most of it in a way that it becomes impossible to invest whatever is left in a useful manner;

(v) decision of the General Assembly on the dissolution of the Company prior to its expiry date;

(vi) the merger with another company or institution; or

(vii) the issuance of a court order to dissolve the Company or declare it bankrupt.

The procedure for liquidation of the Company will be detailed in the QSTP Companies Regulations.

Furthermore, the Company shall comply with the regulations applicable to listed companies in relation to liquidation.

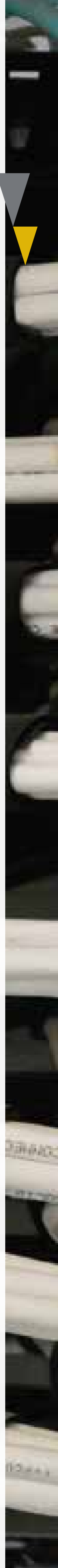
QFMA WAIVERS

23. QFMA WAIVERS

23.1 The QFMA exempted the Qatar Investment Authority and the General Retirement and Social Insurance Authority (as Qualified Investors), from the conflict of interest requirements applicable under the QFMA rules and regulations, and has provided them with a non-objection to participate in the Book Building process in preparation for the offering of the Company's securities for public subscription, provided they are in compliance with the ownership percentage stipulated in the Company's Articles of Association and other applicable laws and regulations.

23.2 Except for what has been mentioned in Paragraph 23.1 above, no waivers, exemptions or other dispensations have been sought or obtained from the QFMA in relation to this Offering Prospectus or the Offering of the Offer Shares.

GENERAL INFORMATION



24. GENERAL INFORMATION

Offering and Listing

Following the Offering, the Company will submit an application to QFMA and QSE to list 100% of its Shares on the QSEMM in accordance with the requirements of QFMA and QSE. Trading in the Shares will be effected on an electronic basis, as per the electronic trading system adopted by QSE. It is anticipated that admission will occur in the month of July which will be decided upon receiving a date confirmation from the relevant supervisory bodies.

Authorizations

The Company has obtained all consents, approvals and authorizations in Qatar in connection with the Offering.

Documents available for inspection

Copies of this Offering Prospectus, Articles, and the Financial Statements of the Company will be available for inspection free of charge, during normal business hours at the registered office of the Company, on the website of the Company and the website of QSE from the date of issuance of this Offering Prospectus.

Security code

The Qatar Stock Exchange Shares trading symbol will be confirmed at a later stage following approval of the relevant regulatory authorities.

Address of the Company: Qatar Science & Technology Park, Tech 2, Office # 203, 2nd Floor, PO Box 892, Doha Qatar.

Trading price

The Shares have a nominal or par value of QAR 1 per Share. The trading price of QAR 2.17 per Share which includes the nominal value of QAR 1 per Share plus a premium of QAR 1.16 per Share and Offering and Listing Fees of QAR 0.01 per Share at the time of admission for trading was determined by the Company. There is no guarantee that trading will open, continue or persist at this price.

Working Capital

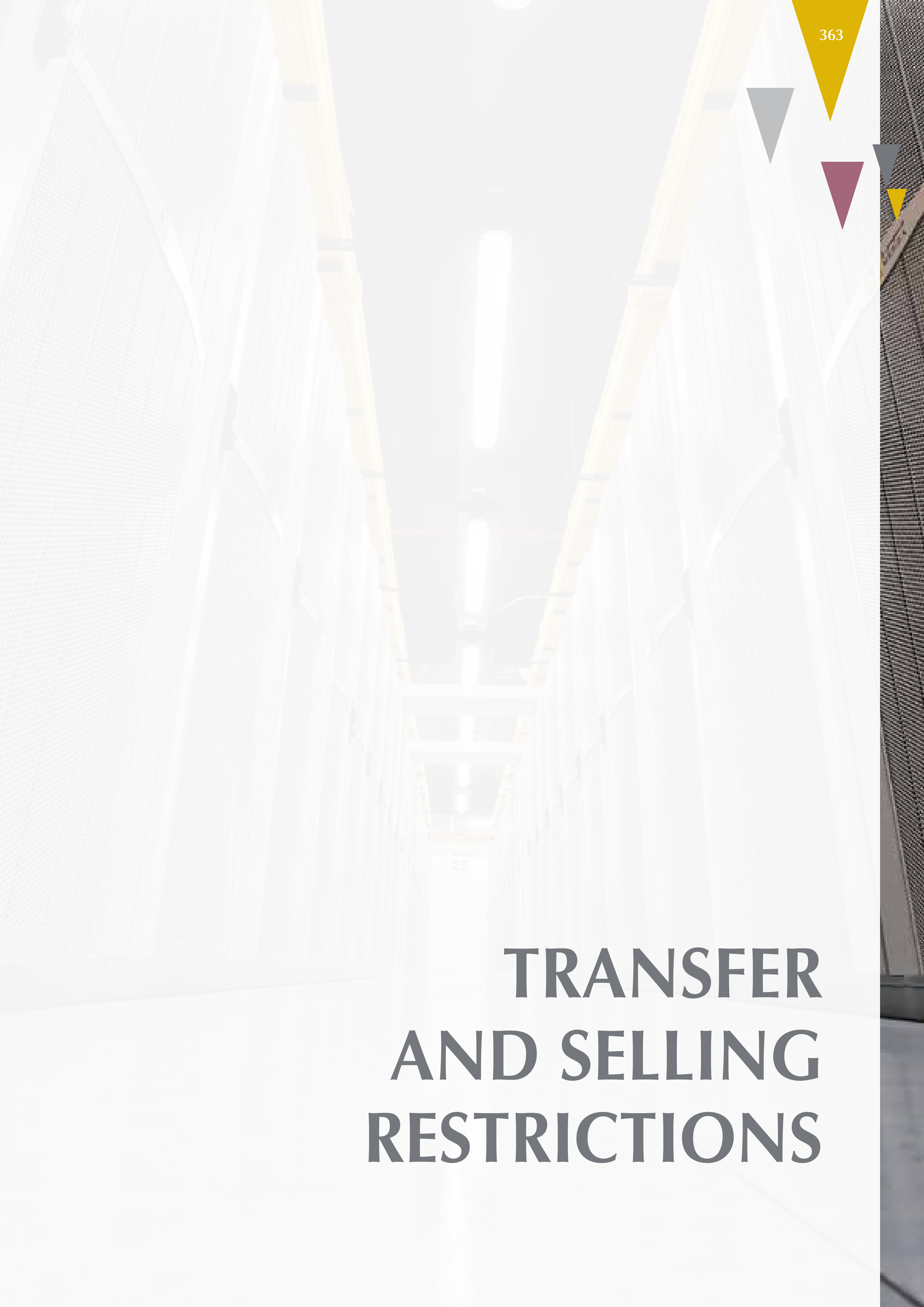
The Company has sufficient working capital to meet all obligations due for the twelve-month period from the date of approval of this Offering Prospectus by the QFMA.

EXTERNAL AUDITORS DECLARATION

25. EXTERNAL AUDITORS DECLARATION

Deloitte & Touche – Qatar Branch has been appointed as the external independent auditors of the company for a period of one year from 1 January 2023 until the OGA for the year ending 31 December 2023.

Deloitte & Touche – Qatar Branch has given and has not withdrawn its written consent to the inclusion in this Offering Prospectus of the financial statements.



TRANSFER AND SELLING RESTRICTIONS

26. TRANSFER AND SELLING RESTRICTIONS

The distribution of this Offering Prospectus and the Offering in certain jurisdictions may be restricted by law and therefore persons receiving the Offering Prospectus should consider and observe any relevant restrictions, including those set out in the paragraphs below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Shares, or possession or distribution of this Offering Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this document nor any other offering material or advertisement in connection with the Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction.

This Offering Prospectus does not constitute an offer to subscribe for or purchase any of the Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

26.1 Qatar

This Offering Prospectus has been approved by the Qatar Financial Markets Authority and is being made available to eligible investors in the State of Qatar (outside of the Qatar Financial Centre).

26.2 Qatar Financial Centre

This Offering Prospectus does not, and is not intended to, constitute an invitation or offer of securities from or within the QFC, and accordingly should not be construed as such. This Prospectus has not been reviewed or approved by or registered with the QFC Authority, the QFC Regulatory Authority, or any other competent legal body in the QFC. This Prospectus is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient hereof. The Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

26.3 United States

The Shares have not been and will not be registered under the Securities Act of 1933 (as amended, the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be, directly or indirectly, offered or sold within the United States or to or for the account or benefit of any US persons, except under an exemption from or in a transaction not subject to the registration requirements of the Securities Act.

Each Receiving Bank has agreed that:

26.3.1 it has not solicited and will not solicit offers for, or offer to sell, Shares by means of any general solicitation or advertising in the United States or otherwise in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act;

26.3.2 none of it, its affiliates or any person acting on its or their behalf, has engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Shares;

26.3.3 such Receiving Bank, or any person acting on its behalf, will offer or sell or solicit offers for the Shares as part of their initial distribution only in offshore transactions within the meaning and meeting the requirements of Rule 903 under the Securities Act.

Terms used in this Section 26.3 have the meanings given to them under Regulation S of the Securities Act.

26.4 European Economic Area

In relation to each member state of the EEA which has implemented the Prospectus Directive (each a "Relevant Member State") no Shares have been offered or will be offered to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers of Ordinary Shares may be made to the public in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

26.4.1 to any legal entity which is a qualified investor as defined under the Prospectus Directive;

26.4.2 to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Receiving Banks for any such offer; or

26.4.3 in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Share shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospective Directive in a Relevant Member State.

For the purposes of this provision, the expression an "offer to the public" in relation to any Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase any Ordinary Shares, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state. "Prospectus Directive" means Directive 2003/71/EC as amended including by Directive 2010/73/EU and includes any relevant implementing measure in each Relevant Member State.

26.5 United Kingdom

Neither this Offering Prospectus nor any other document issued in connection with the Offering may be passed on to any person in the United Kingdom. All applicable provisions of the Financial Services and Markets Act of 2000, as amended, must be complied with in respect of anything done in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

26.6 Australia

This Offering Prospectus does not constitute a disclosure document under Part 6D.2 of the Corporations Act 2001 of the Commonwealth of Australia, as amended (the "Corporations Act"), and will not be lodged with the Australian Securities and Investments Commission. The Shares will not be offered to persons who receive offers in Australia other than with the prior approval of the Listing Advisor and Offering Manager and on a basis that such offers of Shares for issue or sale do not require disclosure to investors under Part 6D.2 of the Corporations Act. Any offer of Shares received in Australia is void to the extent that it requires disclosure to investors under the Corporations Act. In particular, offers for the issue or sale of Shares will only be made in Australia in reliance on various exemptions from such disclosure to investors, as provided for by section 708 of the Corporations Act. Any person to whom Shares are issued or sold pursuant to an exemption, as provided for by section 708 of the Corporations Act, must not (within 12 months after the issue or sale) offer those Shares in Australia unless that offer is itself made in reliance on an exemption from disclosure provided by that section.

26.7 Japan

The Shares have not been, and will not be, registered under the Financial Instruments and Exchange Law, as amended (the "FIEL"). This Offering Prospectus is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan. No such offer of securities for sale will be made except with the prior approval of the Listing Advisor and Offering Manager and unless made pursuant to an exemption from the registration requirements under the FIEL. Any such offer of securities for sale shall be in compliance with the FIEL and other relevant laws and shall also be in compliance with such law and any other applicable laws, regulations or ministerial guidelines of Japan.

26.8 Other jurisdictions

The Offer Shares have not been and will not be registered under the applicable securities laws of the Kingdom of Saudi Arabia, the Kingdom of Bahrain, the United Arab Emirates, the Sultanate of Oman, and the State of Kuwait.

UNDERTAKINGS BY THE COMPANY

27. UNDERTAKINGS BY THE COMPANY

The Company undertakes to promptly inform the QFMA and the QSE about any material information that might affect the Company's Share price on the QSEMM, and to publish this information in daily newspapers in collaboration and coordination with the QSTP, MOCI, the QFMA and the QSE, clearly and accurately. The Company further undertakes to provide the QFMA and QSE with all periodic information and reports issued by the Company in the future.

The Company and the Board, acting jointly and severally, confirm that the information provided in this Offering Prospectus is true and accurate and no facts were omitted, which omission would render any statement in this undertaking or in this Offering Prospectus misleading.

LEGAL COUNSEL REPORT

28. LEGAL COUNSEL REPORT

The following constitutes a translation of text included in the Arabic Offering Prospectus:

We hereby confirm and certify that the offering of the Shares by MEEZA QSTP LLC (Public) is in accordance with the QFMA Securities Offering & Offering Rulebook issued by the Board of Directors of QFMA under decision number (4) of 2020 and that the admission of the Shares is made in accordance with the QSE Rulebook and the Company's Articles of Association.

We further confirm that all legal procedures undertaken in this respect are in accordance with applicable laws and regulations.

Name: Sami Abdullah Abou Sheikha

Title: Founder and Managing Partner of Sami Abdullah Salim Abu Shaikha Law Office

Signature: 

Doha, Qatar

Date: 29 May 2023

COMPLIANCE WITH SHARIA'A PRINCIPLES

29. COMPLIANCE WITH SHARIA'A PRINCIPLES

On 24 September 2022, His Eminence Sheikh Dr. Walid Bin Hadi, His Eminence Sheikh Dr. Mohamed Ahmaine and His Eminence Sheikh Dr. Nizam Yacouby issued a Fatwa stating that there is no Sharia'a objection on the subscription of shares in the Company, as indicated in the Fatwa text hereinafter quoted.

Report of the Sharia'a Supervisory Board on offering the shares of MEEZA QSTP LLC (Public) ("MEEZA") for subscription

Doha, Saturday 28 Safar 1444 AH, corresponding to 24 September 2022 AD,

Praise be to Allah, and prayer and peace be upon His Prophet, his family and his companions and those who follow him,

The Sharia'a Supervisory Board of QInvest has reviewed the activities of MEEZA for science and technology and examined the company's financial statements and P&L account for the financial year ended 31 December 2021 AD, and after obtaining the necessary clarifications, has found that it is one of the mixed companies that most scholars have considered lawful, therefore, the Board is of the opinion that it is permissible to subscribe to the company.

May God guide all to what he loves and accepts.

(Signed)

His Eminence Sheikh Dr. Walid Bin Hadi

(Signed)

His Eminence Sheikh Dr. Mohamed Ahmaine

(Signed)

His Eminence Sheikh Dr. Nizam Yacouby

ADVISORS TO THE COMPANY

30. ADVISORS TO THE COMPANY

Listing Advisor and Offering Manager
QInvest LLC
38th and 39th Floor, Tornado Tower, Majlis Al Tawoon Street, West Bay, Doha, Qatar

Financial Evaluator
EY Consulting LLC
P.O. Box 7448, 17th Floor, Burj Al Gassar, Majlis Al Taawon Street, Onaiza, West Bay, Doha, State of Qatar

International Legal Advisor
Eversheds Sutherland (International) LLP
Qatar Financial Centre, 12th Floor, Tower 1, P.O. Box 24148, Doha, State of Qatar

External Auditor
Deloitte & Touche – Qatar Branch
Al Ahli Bank – Head Office Building, Sheikh Suhaim bin Hamad Street, Al Sadd Area, PO Box 431, Doha, Qatar

Qatar Legal Advisor
Sami Abdullah Salim Abu Shaikha Law Office
Ariane Tower- Msheireb Area, P.O.Box 1615 Doha, Qatar

Receiving Banks

Qatar National Bank Q.P.S.C. (Lead Receiving Bank)

Al Corniche Street, Qatar National Bank Building, PO Box 1000, Doha, Qatar

Al Ahli Bank Q.P.S.C.

Suhaim Bin Hamad Street, Al Sadd, PO BOX 2309, Doha, Qatar

Arab Bank Group P.L.C.

Grand Hamad Street, PO BOX 172, Doha, Qatar

Commercial Bank P.S.Q.C.

Al Dafna area, Commercial Bank Plaza, PO BOX 3232, Doha, Qatar

Doha Bank Q.P.S.C.

Corniche Street, Doha Bank tower, PO BOX 3818, Doha, Qatar

Masraf Al Rayan Q.P.S.C.

Grand Hamad Street, PO BOX 28888, Doha, Qatar

Qatar Islamic Bank Q.P.S.C.

Grand Hamad Street, PO BOX 559, Doha, Qatar

Qatar International Islamic Bank Q.P.S.C.

Grand Hamad Street, PO BOX 664, Doha, Qatar