

Perfect Presentation for Commercial Services Company

A leading innovative ICT solutions provider in a dynamic market

1Q2023 Presentation

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Key Messages and Strategic Pillars



2P

Key Messages

2P continues to witness an improvement in performance, both operationally and financially



Strategic Pillars

For the next few years, 2P is strategically focused on three main pillars to increase its revenue

Vision

Maintaining and enhancing the Company's position as the leader in the field of technology solutions and digital transformation.

Mission

Providing technical solutions and digital transformation services centered around meeting the needs of the evolving market.

Values

- Localization
- Innovation
- Integrity
- Excellence



Investment Case



2P

A compelling investment opportunity within a dynamic and fast-growing market

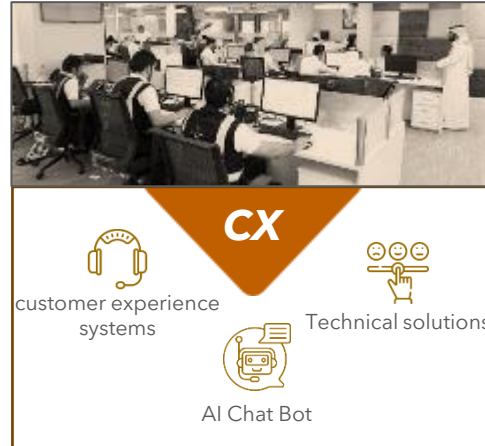
A leading innovative ICT solutions provider, offering a comprehensive suite of product and services to broad customer base



Comprehensive and Integrated Service Offering (One-Stop-Shop)

2P has strong digital capabilities and scale, offering integrated and tailored solutions, whilst being agile in meeting the changing demands of customers

Tailored Solutions for corporate clients making 2P a one-stop-shop for its customers

CX

- customer experience systems
- AI Chat Bot
- Technical solutions



O&M

- Curative maintenance
- Operate IT systems
- Preventive maintenance
- Managed IT services



SWD

- Yamamah
- SW Exclusive Selling Rights
- Wesal
- Tarasul
- Internet service provider

KPIs in 1Q2023

Customer Experience ("CX")

34 Contracts

- +125 MN Calls answered⁽²⁾
- 3 Minutes Average call duration
- 92% Customers satisfaction

Operation & Maintenance ("O&M")

94 Contracts

- 24/7 Support
- SAR 855 K Revenue per contract⁽¹⁾
- +890 On-ground engineers

Software Development ("SWD")

83 Contracts

- SAR 941 K Revenue per contract⁽¹⁾
- +13 SWD Solutions
- 80% customer retention

Solid partnerships with key public and private enterprises

2P's well-established partnerships have positioned the company to enhance its backlog and continue its growth trajectory



Customer Experience ("CX")

- ❖ Customer Experience includes **implementation of call center services** through **business process outsourcing and technology**



Operation & Maintenance ("O&M")

- ❖ O&M services involve long term arrangements which **offers management of full IT infrastructure and operations**



Software Development ("SWD")

- ❖ Software Development services include providing customers with proper **development & installations** of **packaged software**. Also, 2P offers 2-way **bulk SMS services**

Sample Clients



وزارة الصحة
Ministry of Health



هيئة السوق المالية
Capital Market Authority



جامعة أم القرى
Umm Al-Qura University



وزارة الرياضة
Ministry of Sport



هيئة تقويم التعليم والتدريب
Education & Training Evaluation Commission



الهيئة السعودية للبيانات والذكاء الاصطناعي
Saudi Data & AI Authority



الموارد البشرية والتنمية الاجتماعية



SAMI
ADVANCED ELECTRONICS
شركة الإلكترونيات المتقدمة



مستشفى الملك فيصل التخصصي ومركز الأبحاث
King Faisal Specialist Hospital & Research Centre
مستشفى الملك فيصل التخصصي ومركز الأبحاث



أمانة منطقة المدينة المنورة
Madinah Regional Municipality



جامعة الملك سعود
King Saud University



مدينة الملك عبدالعزيز للعلوم والتقنية
KACST



أمانة منطقة الرياض
RIYADH REGION MUNICIPALITY



وزارة المالية
Ministry of Finance



مصرف الراجحي
alrajhi bank

Strong underlying fundamentals

Establishing a solid foundation to generate long-term and sustainable value to shareholders

2P FY22 At a glance

Revenue CAGR

46%

2019 - 2022

Average Return on
Equity

58%

2019 - 2022

Average Gross Margin

18.6%

2019 - 2022

of Contracts Expansion

2.0x

2019 - 2022

Backlog

SAR 1.73 BN

As of 31 Dec 2022

Average RoIC

32%

2019 - 2022

Revenue

SAR 927 mn

FY2022

Net Profit

SAR 131 MN

FY2022

Active Contracts

+ 218

FY2022

Strong underlying fundamentals

Establishing a solid foundation to generate long-term and sustainable value to shareholders

1Q2023 At a glance

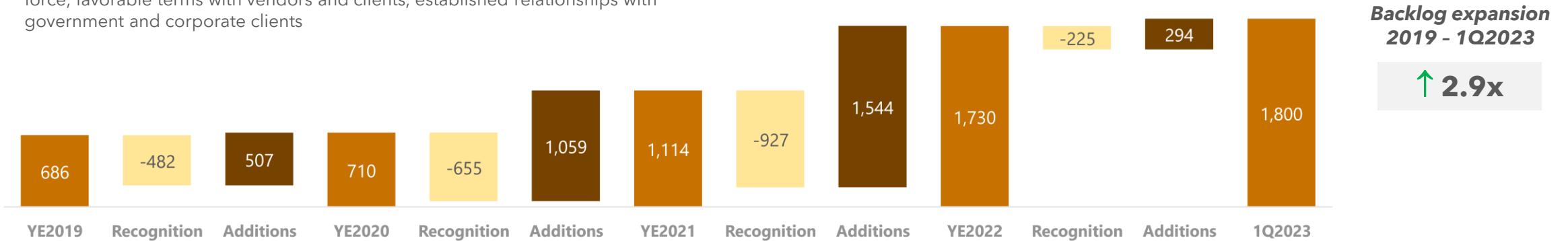
Revenue SAR 225 MN	Gross Margin 17.3%	Operating Margin 13.1%
EBITDA Margin 13.7%	Backlog Size SAR 1.8 BN <i>As of 31 Mar 2023</i>	RoIC 21.6%
Return on Equity 39.4%	Net Profit SAR 26 MN	No. Newly awarded contracts: 45 Amount: SAR 294 MN

Robust and expanding backlog

Well-diversified backlog, valued at **SAR 1.8 billion**, provides high visibility on 2P's financial performance over the next few years

Backlog Evolution (SAR Mn)

Backlog expanded by **2.9x times** over the **last 4 years** at the back of strong sales force, favorable terms with vendors and clients, established relationships with government and corporate clients



+211
Projects



Having **SAR 1.8 billion** of secured revenues, 2P has a clear vision on both short- and medium-term revenues

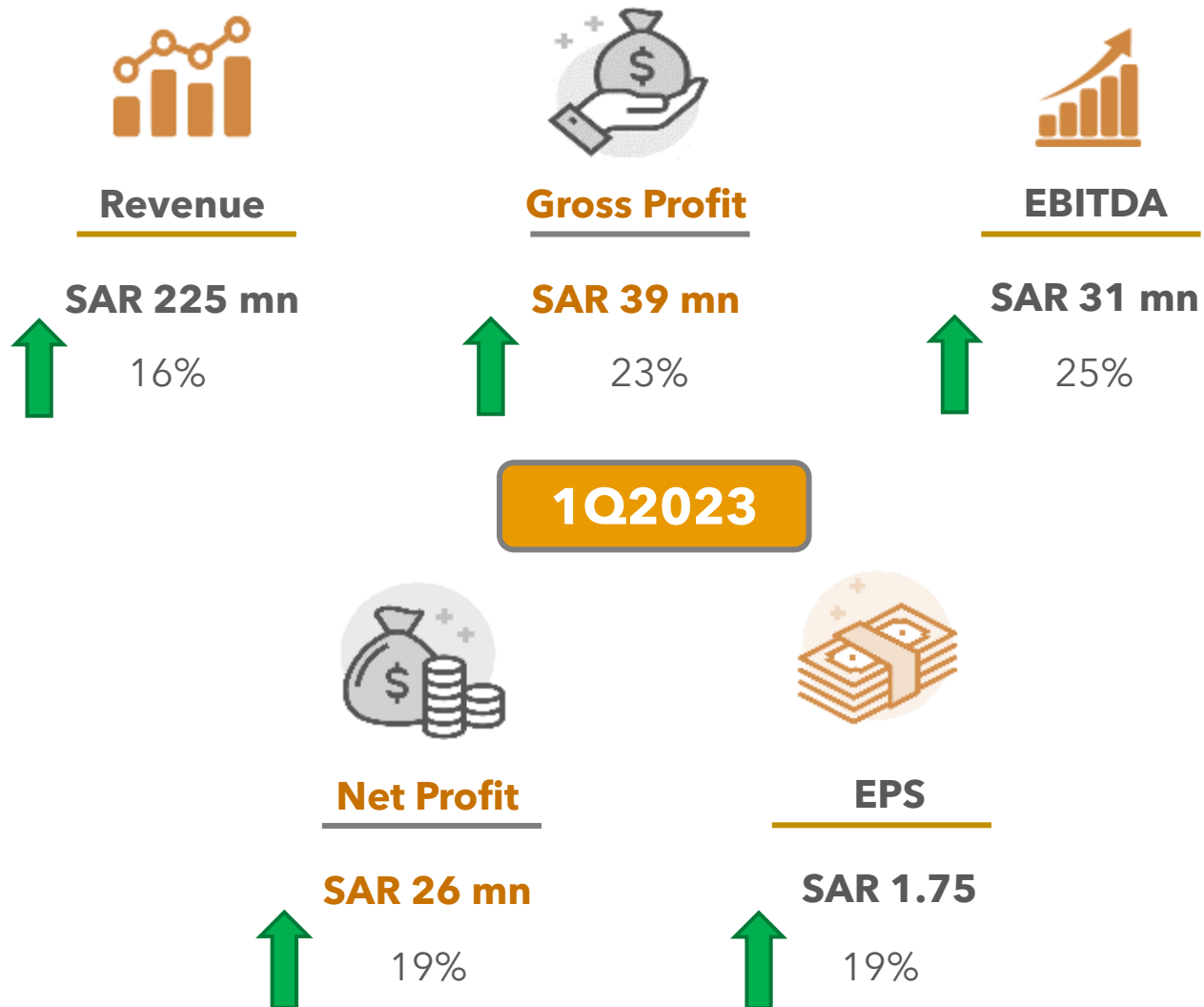
	FY2023	FY2024	FY2025	FY2026	FY2027
O&M	67%	68%	80%	79%	100%
SWD	16%	24%	16%	18%	0%
Cx	18%	8%	5%	3%	0%
Total	100%	100%	100%	100%	100%

Source: Company information, (1) based on value of contracts won divided by value of contracts entered

Financial Overview

1Q2023 Financial Snapshot

Robust financial performance recorded in 1Q23, driven by sustained growth of Software Development and Operation & Maintenance



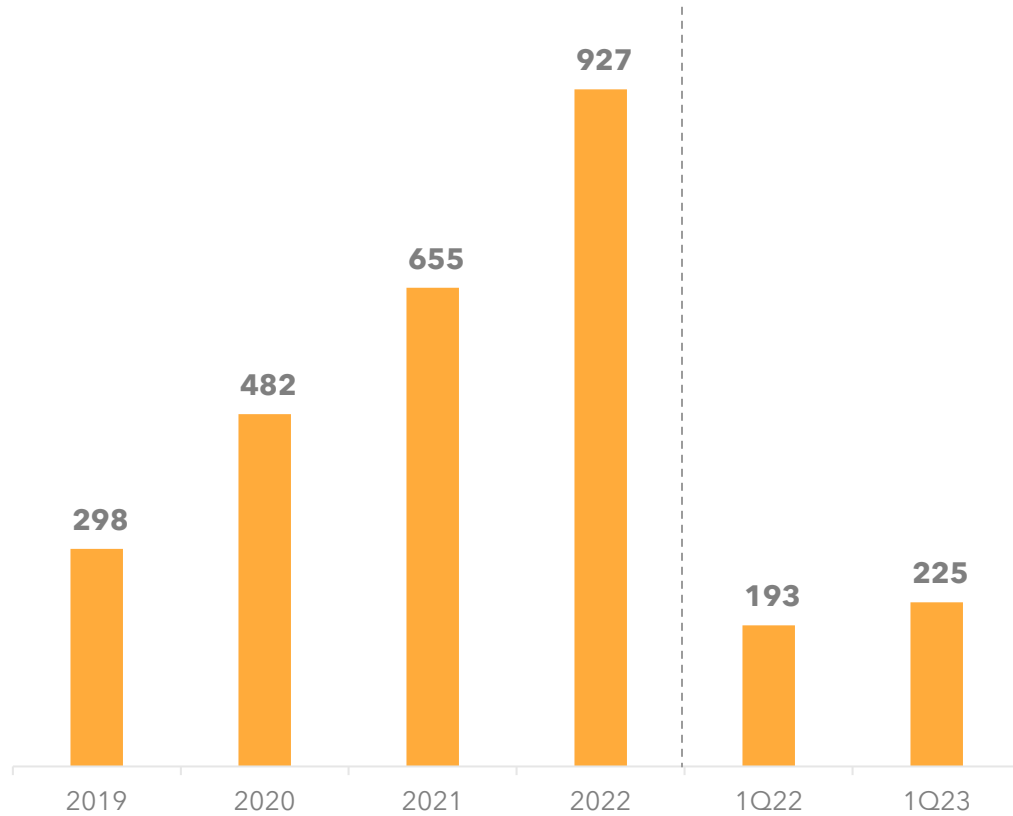
Key highlights

- ❖ **Revenue** growth supported by Software Development and Operation & Maintenance
- ❖ **EBITDA** growth outpacing increase in SG&A expenses, with margin rising from 12.7% to **13.7%**
- ❖ **Net profit** increased substantially, predominantly due to the solid growth in revenues

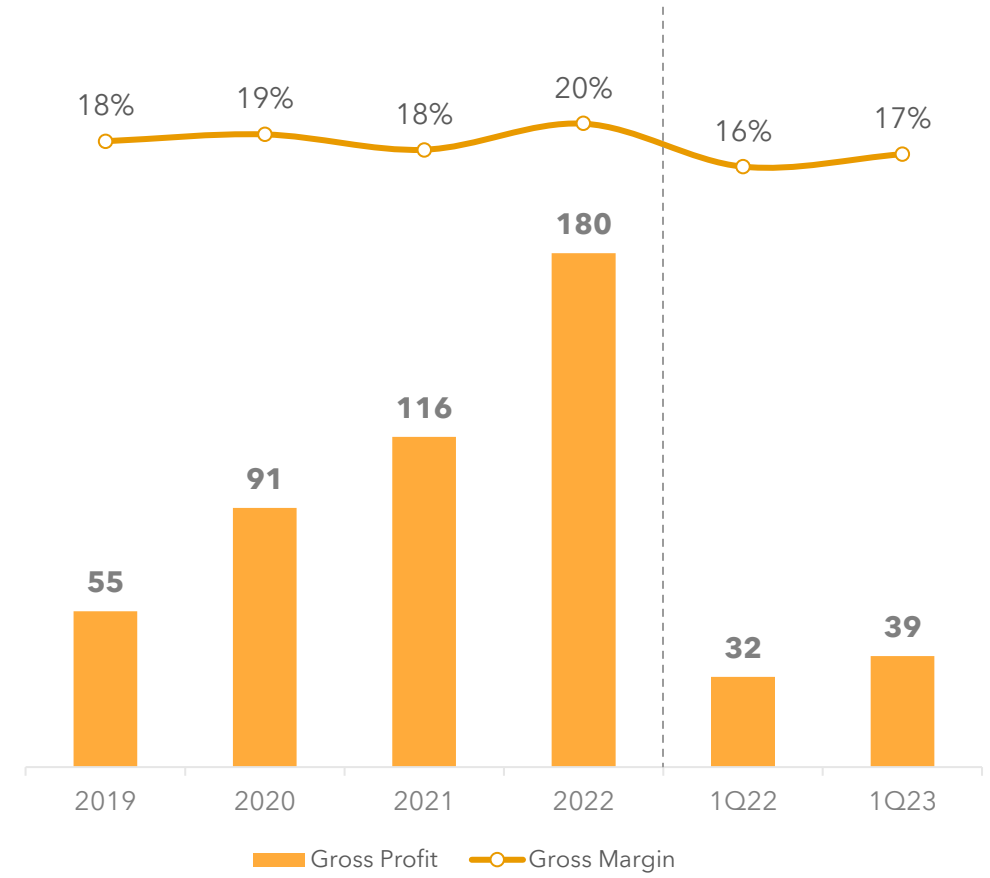
Resilient financial performance with topline continuing to increase

2P's revenues witnessed a CAGR growth rate of 46% during 2019 to 2022

Revenue (SAR Mn)



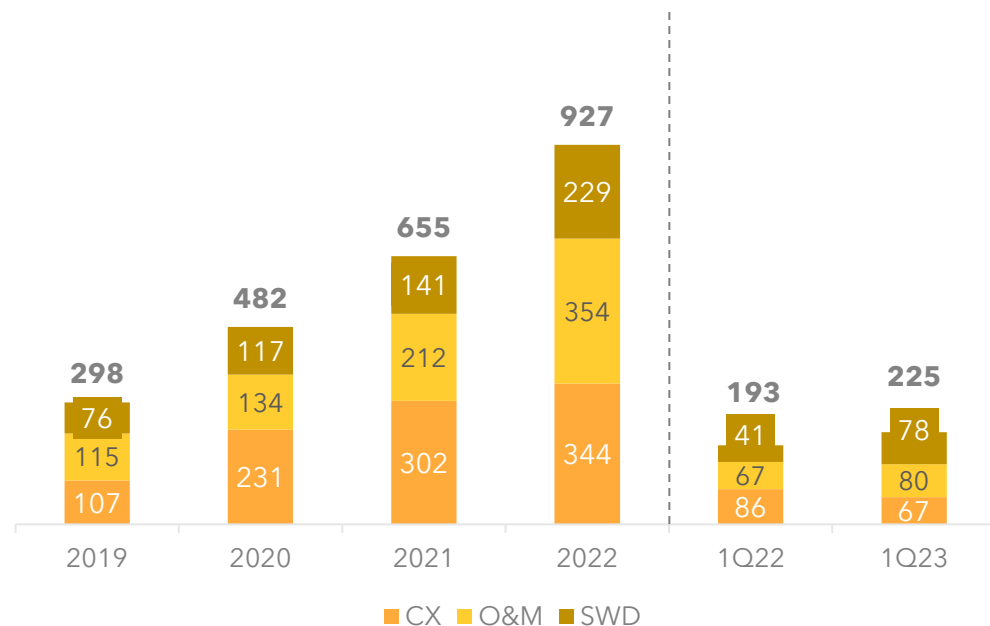
Gross Profit (SAR Mn)



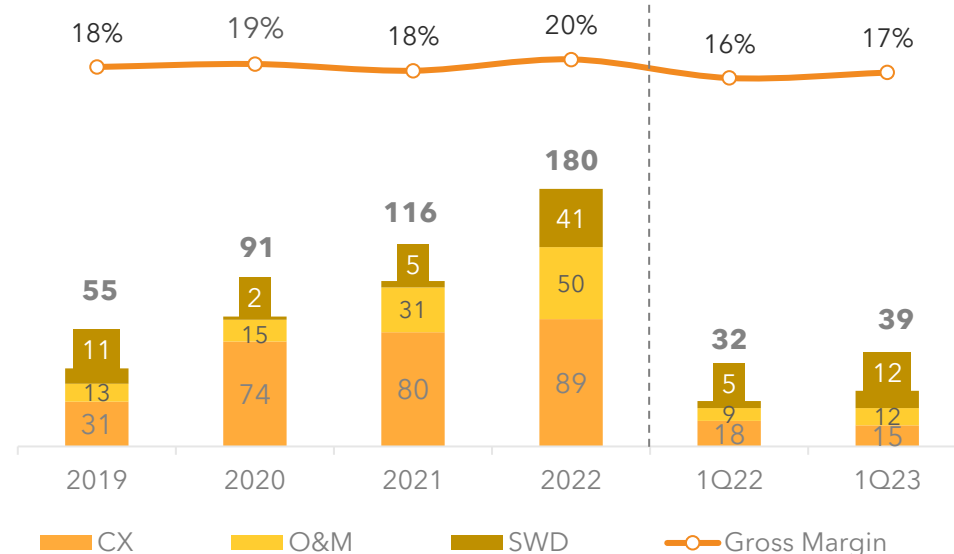
Resilient financial performance with topline continuing to increase

The Company continued to generate sustained revenues across all lines of business

Revenue by LoB (SAR Mn)



Gross Profit by LoB (SAR Mn)



Revenue Mix						
	2019	2020	2021	2022	1Q22	1Q23
CX	36%	48%	46%	37%	44%	30%
O&M	38%	28%	32%	38%	35%	36%
SWD	26%	24%	22%	25%	21%	35%
Total	100%	100%	100%	100%	100%	100%

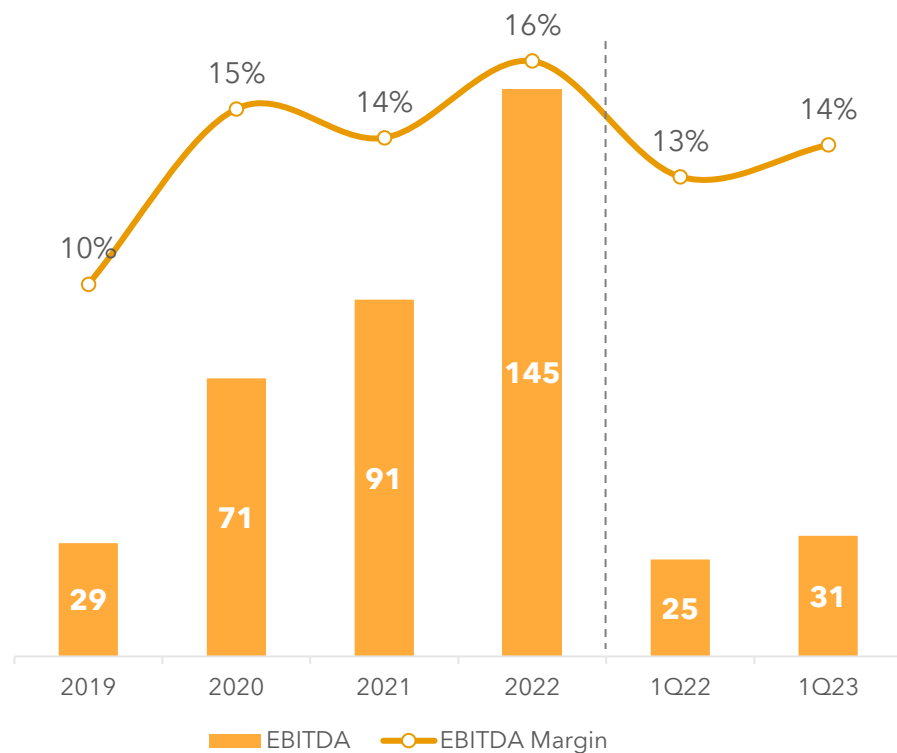
Gross Margin						
	2019	2020	2021	2022	1Q22	1Q23
CX	29%	29%	25%	26%	21%	22%
O&M	11%	11%	15%	14%	13%	15%
SWD	14%	8%	7%	18%	12%	16%
Overall	18%	19%	18%	20%	16%	17%



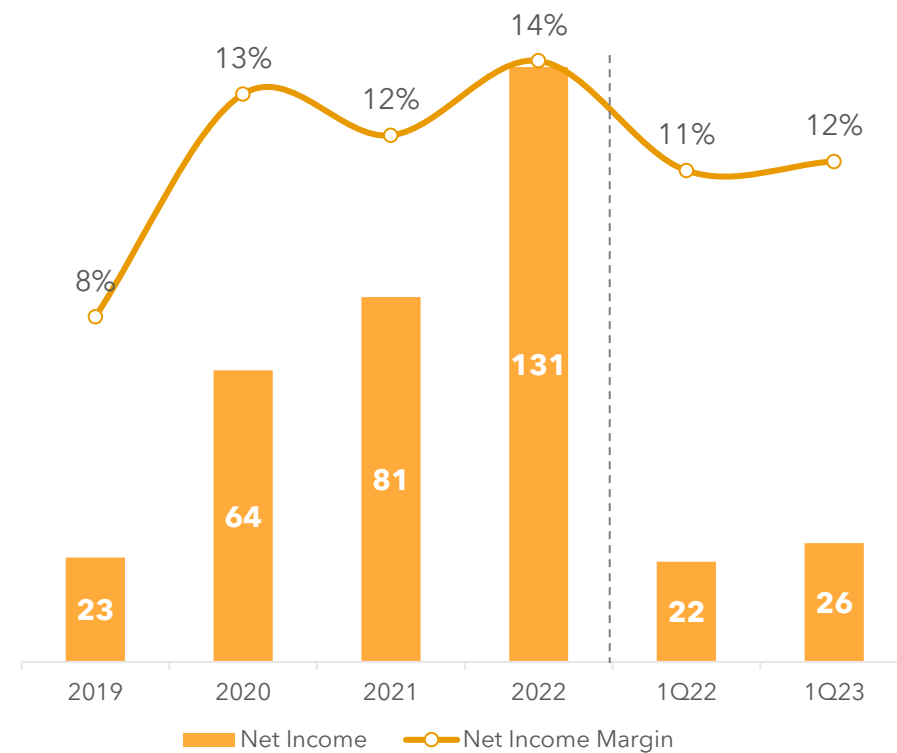
Rising trend in profitability

EBITDA and net profit grew at a CAGR exceeding 70% between 2019 - 2022

EBITDA (SAR Mn)



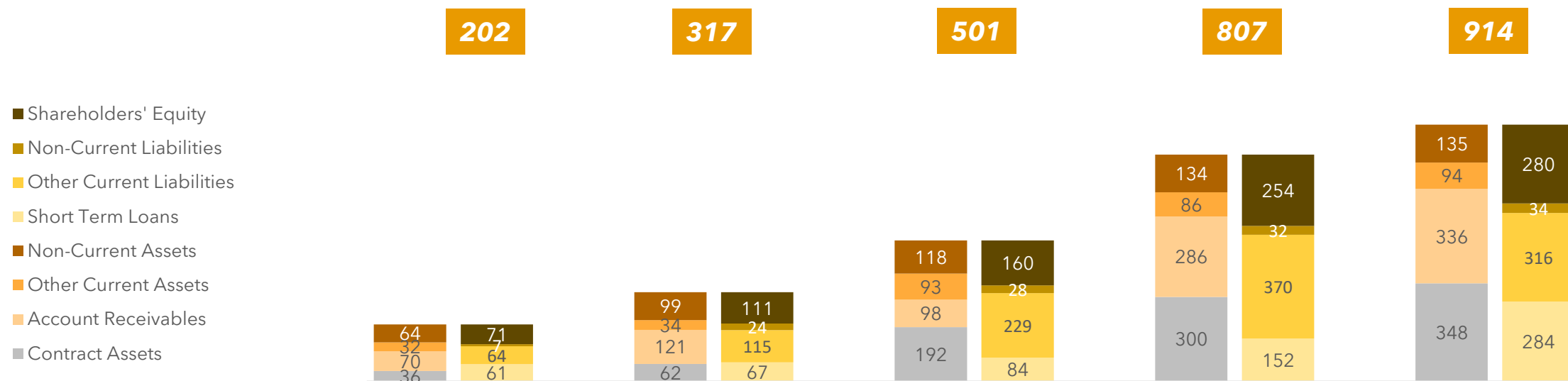
Net Profit (SAR Mn)



Balance sheet optimization

Strong focus on financial positioning, with maintenance of adequate leverage levels to support growth; average RoE exceeded 57% during 2019 - 2022

Balance Sheet Snapshot (SAR Mn)



Key Ratios	2019	2020	2021	2022	1Q23
NWC/Sales	24.4%	19.7%	13.8%	16.3%	19.7%
RoIC	17.2%	31.9%	40.3%	38.7%	21.6%
RoE ⁽¹⁾	38.4%	70.9%	59.5%	63.6%	39.4%
Net Debt / EBITDA	2.12	1.03	0.28	0.62	2.00
D/(D+E)	46%	41%	37%	38%	51%

(1) Calculated as (net income / Average equity balance)

Source: Audited Financial Statements

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IR Contact Details

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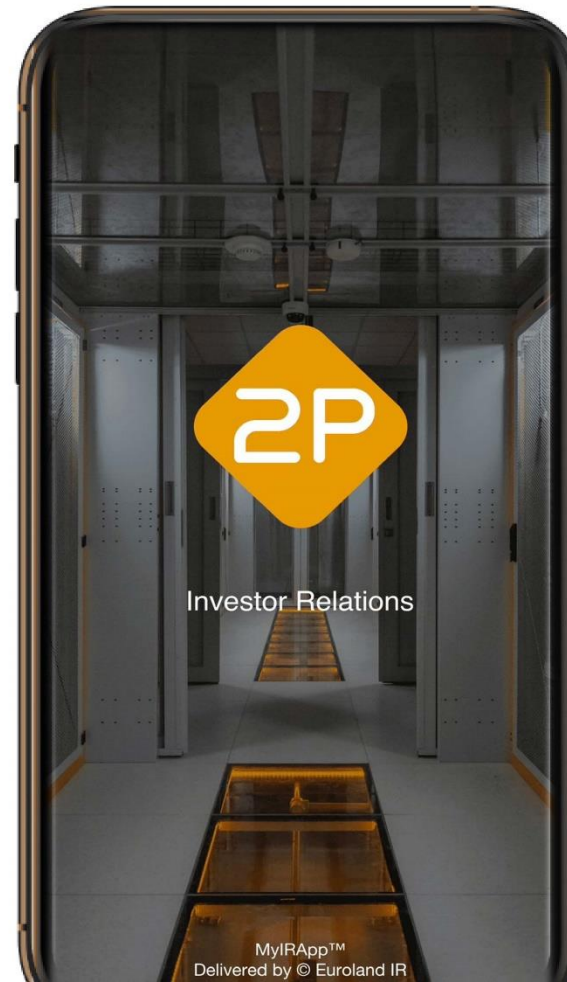
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Thank you



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