

Perfect Presentation for Commercial Services Company

A leading innovative ICT solutions provider in a dynamic market

FY2023 Presentation

Disclaimer

This presentation has been prepared solely for use as an investor presentation for Perfect Presentation for Commercial Services Company ("2P"). By attending or by reading this presentation, you agree to be bound by the following limitations.

The information contained in this presentation is for background purposes only and does not purport to be comprehensive and has not been independently verified, nor does it constitute or form part of any invitation or inducement to engage in any investment activity, nor does it constitute an offer or invitation to buy or subscribe to any securities in any jurisdiction, or a recommendation in respect of buying, holding or selling any securities.

No representation or warranty, express or implied, is made as to, and no reliance should be placed by any person for any purpose on the information contained in this presentation, fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation.

The information in this presentation is subject to change, update, revision, verification and amendment and such information may change materially. The Company is under no obligation to update or keep current the information contained in this presentation and any opinions expressed in it is subject to change without notice. This presentation has not been approved by any competent regulatory authority.

Neither this presentation nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. The contents of this presentation are not to be construed as legal or financial.

The distribution of this presentation may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein come should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This presentation may include statements that are, or may be deemed to be, "forward-looking statements" with respect to the Company's financial position, results of operations and business and certain of the Company's plans, intentions, expectations, assumptions, goals and beliefs. The contents of this presentation have been prepared by and are the sole responsibility of the Company.

TABLE OF CONTENTS



Key Messages and Strategic Pillars



Investment Case



Financial Overview

Key Messages and Strategic Pillars

Key Messages

2P is strongly positioned to pursue its strategic growth plans



Strategic Pillars

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

Vision

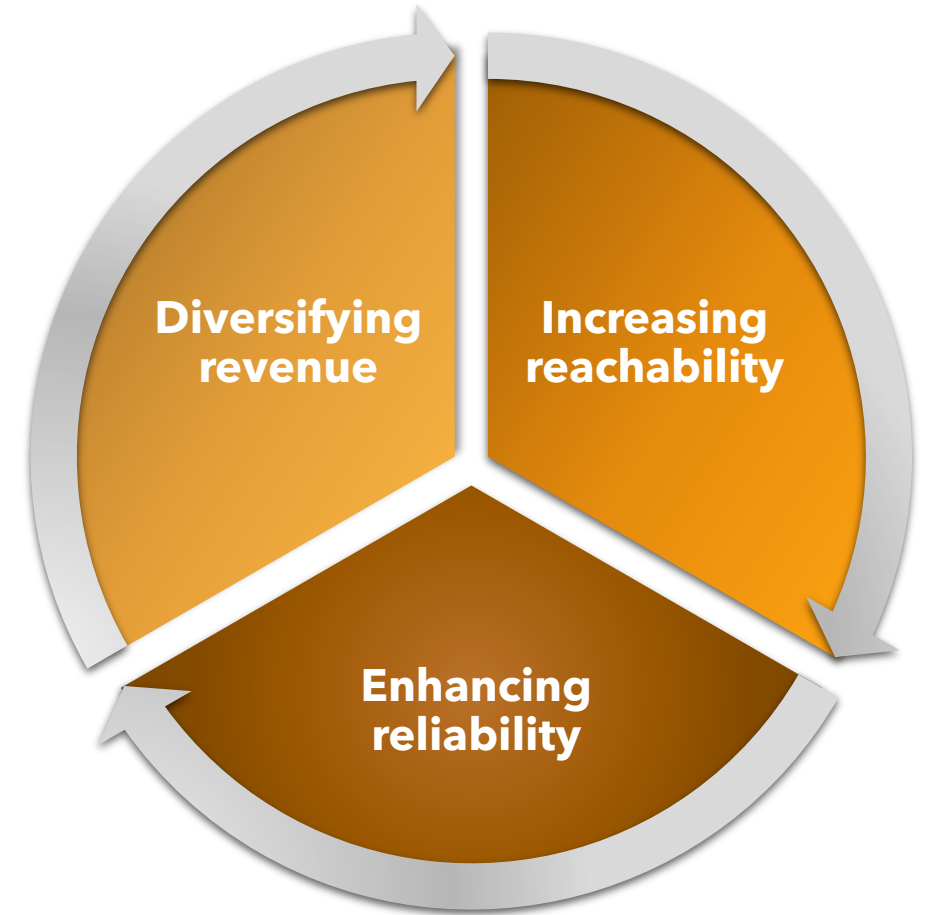
Maintaining and enhancing the Company's position as the leader in the field of technology solutions and digital transformation.

Mission

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

Values

- Localization
- Innovation
- Integrity
- Excellence



Investment Case

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

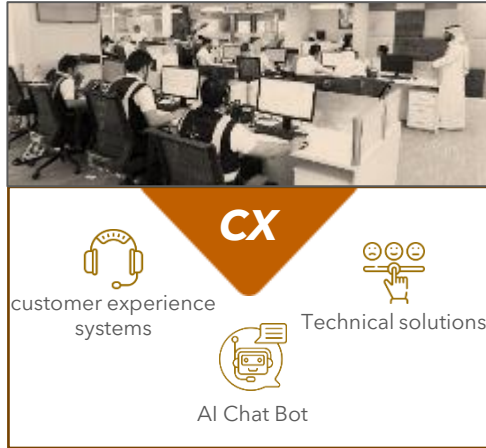
2P is a leading innovative ICT solutions provider, offering a comprehensive suite of products and services to its broad customer base



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



MS

- Desktop management
- Help desk support
- operations management
- Application management

Activity in 2023

Customer Experience ("CX")

42 Contracts

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

Operation & Maintenance ("O&M")

100 Contracts

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

Software Development ("SWD")

104 Contracts

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

Managed Services ("MS")

6 Contracts

- 24/7 Support
- SAR 1.66 mn Revenue per contract
- Day-to-day operations

Solid partnerships with key public and private sector 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**



Managed Services ("MS")

- ❖ IT Managed services include related **consulting & systems integration** activities along with the **day-to-day operations**

Sample Clients



هيئة السوق المالية
Capital Market Authority



أمانة منطقة
المدينة المنورة
Madinah Regional Municipality



وزارة الرياضة
Ministry of Sport



هيئة تقويم التعليم والتدريب
Education & Training Evaluation Commission



SDAIA
الهيئة السعودية للبيانات
والذكاء الاصطناعي
Saudi Data & AI Authority



SAMI
ADVANCED
ELECTRONICS
شركة الإلكترونيات المتقدمة



مدينة الملك عبدالعزيز
للعلم والتكنولوجيا
KACST

أمانة منطقة الرياض
RIYADH REGION MUNICIPALITY

وزارة المالية
Ministry of Finance

مصرف الراجحي
alrajhi bank



Strong underlying fundamentals

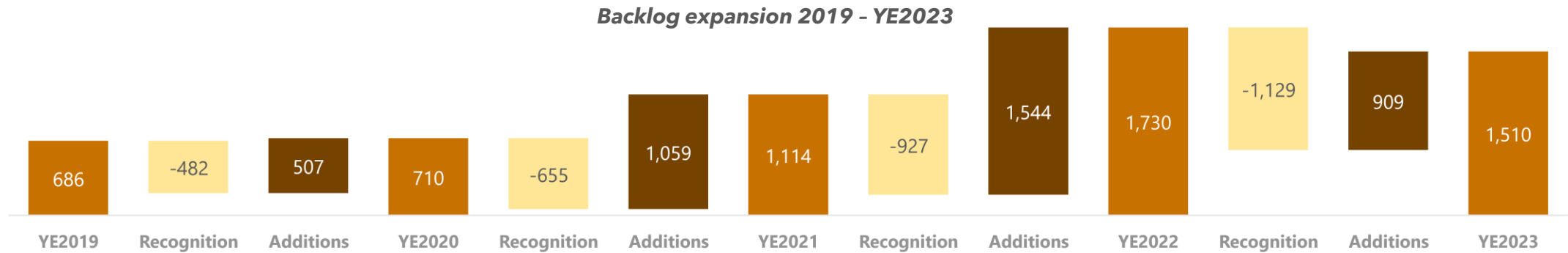
Establishing a solid foundation to generate long-term and sustainable value to shareholders

FY2023 At a Glance

Revenue SAR 1,130 mn	Gross Margin 18.6%	Operating Margin 14.6%
EBITDA Margin 15.8%	Backlog SAR 1.51 bn <small>As of 31 December 2023</small>	RoIC 24.6%
Return on Equity 40.5%	Net Profit SAR 129 mn	Newly awarded contracts: 122 SAR 909 mn

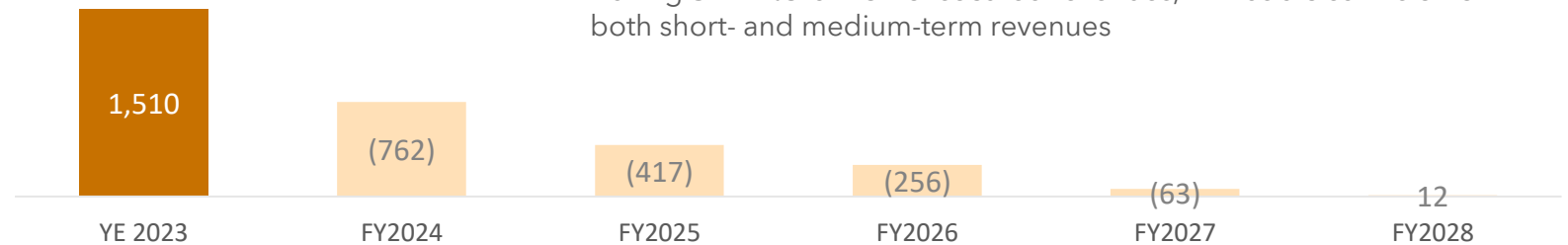
Robust backlog

Well-diversified backlog, valued at **SAR 1.5 billion**, provides high visibility on 2P's financial performance over the next few years



**+254
Projects**

Having **SAR 1.5 billion** of secured revenues, 2P has a clear vision on both short- and medium-term revenues



		YE 2023	FY2024	FY2025	FY2026	FY2027	FY2028
Operation & Maintenance	O&M	48%	50%	45%	60%	60%	
Software Development	SWD	17%	14%	5%	0%	0%	
Customer Experience	Cx	17%	11%	15%	3%	0%	
Managed Services	MS	18%	25%	35%	37%	40%	
Total		100%	100%	100%	100%	100%	

Financial Overview

FY2023 Financial Snapshot

Robust topline performance achieved in FY2023, driven by the continued growth for Software Development and Operation & Maintenance, and increasing contribution from Managed Services



Revenue

SAR 1,129 mn

22%



Gross Profit

SAR 210 mn

6%



FY2023



EBITDA

SAR 178 mn

8%



Net Profit

SAR 129 mn

-2%



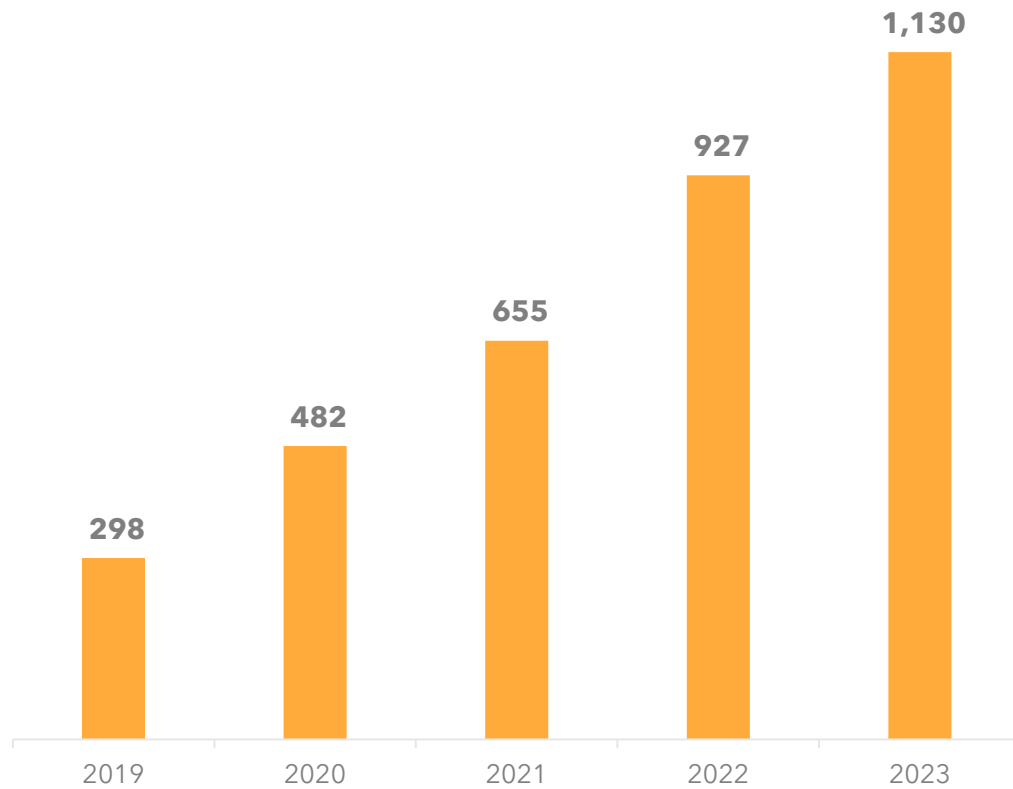
Key highlights

- ❖ **Revenue** sustained its growth trajectory, and continued to be supported by the improvement in Software Development and Operation & Maintenance, as well as rising contribution from Managed Services
- ❖ **Gross profit** increased 6%, supported by the top line growth, for a Gross Margin of 18.6%
- ❖ **Net profit** slightly declined, by 2% in FY23, with healthy margins

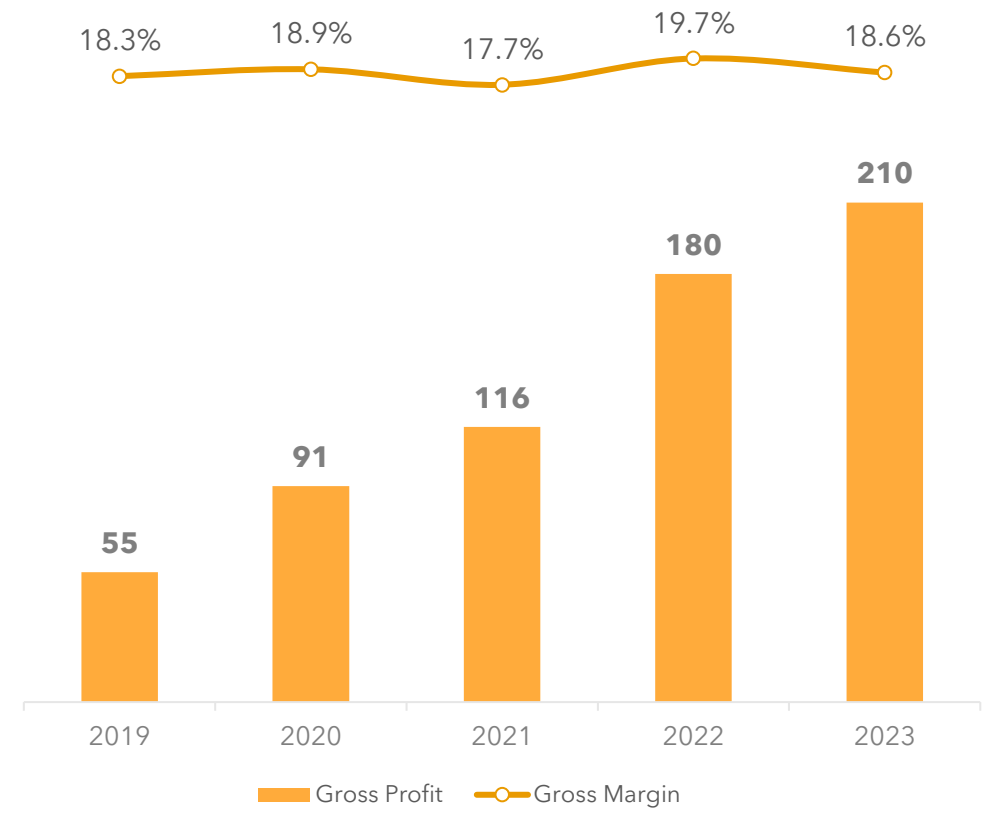
Robust financial performance with topline continuing to grow

2P's revenues witnessed a CAGR of 40% during 2019 to 2023

Revenue (SAR mn)



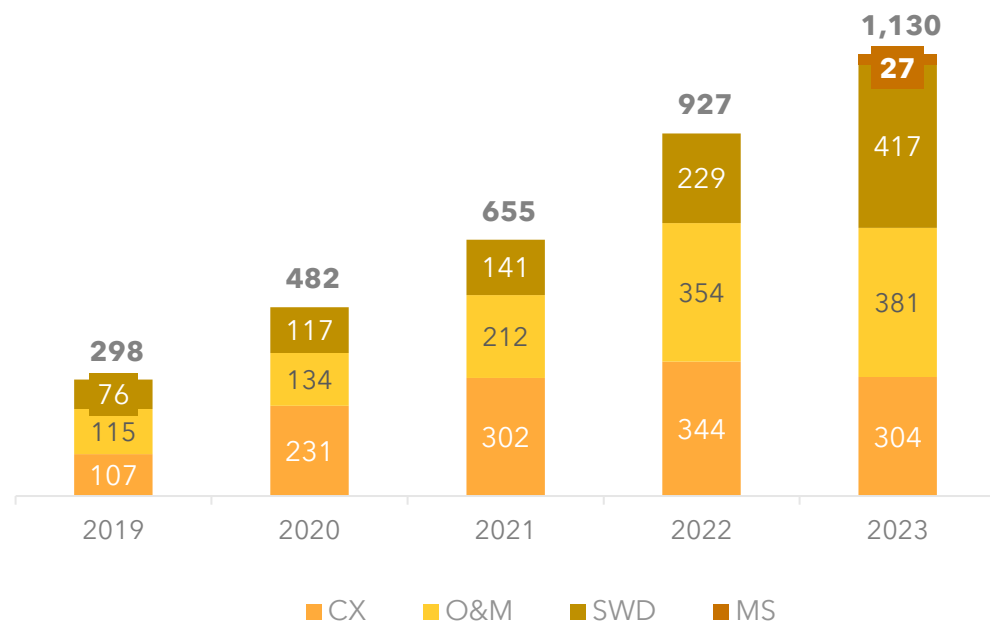
Gross Profit (SAR mn)



Robust financial performance with topline continuing to grow

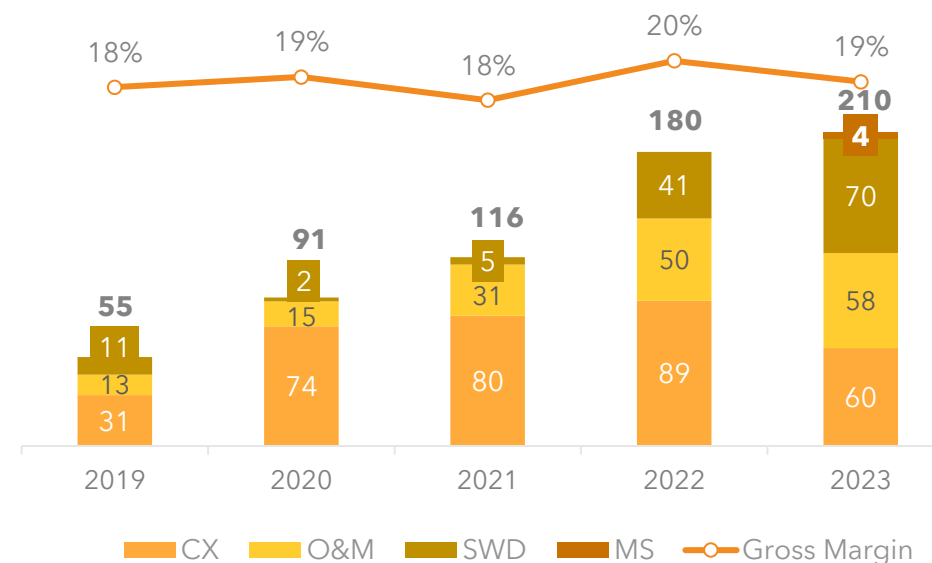
The Company continued to achieve solid growth in revenues

Revenue by LoB (SAR mn)



Revenue Mix					
	2019	2020	2021	2022	2023
CX	36%	48%	46%	37%	27%
O&M	38%	28%	32%	38%	34%
SWD	26%	24%	22%	25%	37%
MS					2%
Total	100%	100%	100%	100%	100%

Gross Profit by LoB (SAR mn)

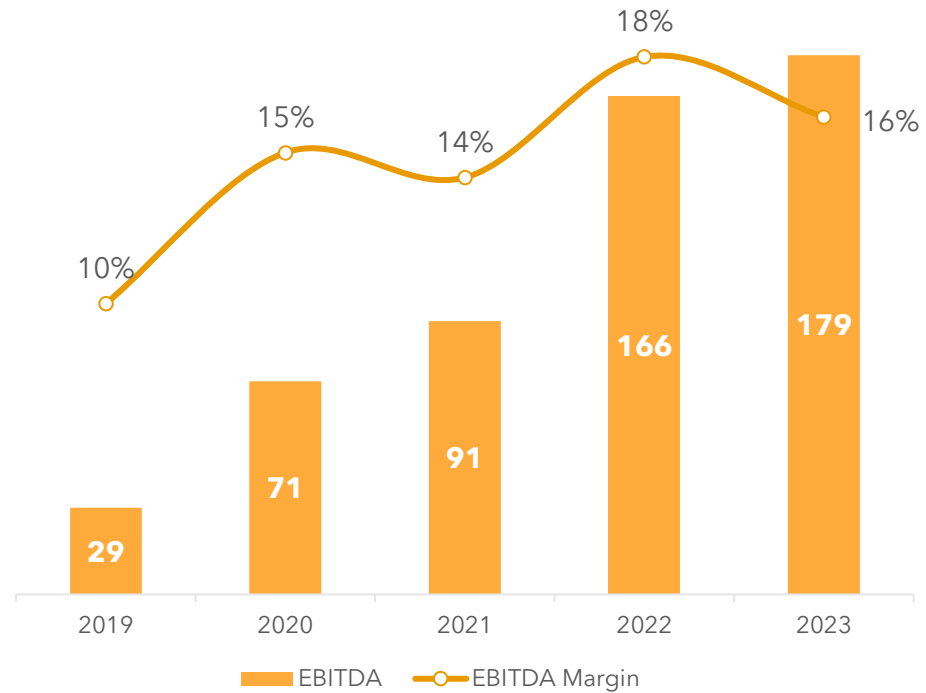


Gross Margin					
	2019	2020	2021	2022	2023
CX	29%	29%	25%	26%	19.7%
O&M	11%	11%	15%	14%	15.3%
SWD	14%	8%	7%	18%	16.8%
MS					15%
Overall	18%	19%	18%	20%	19%

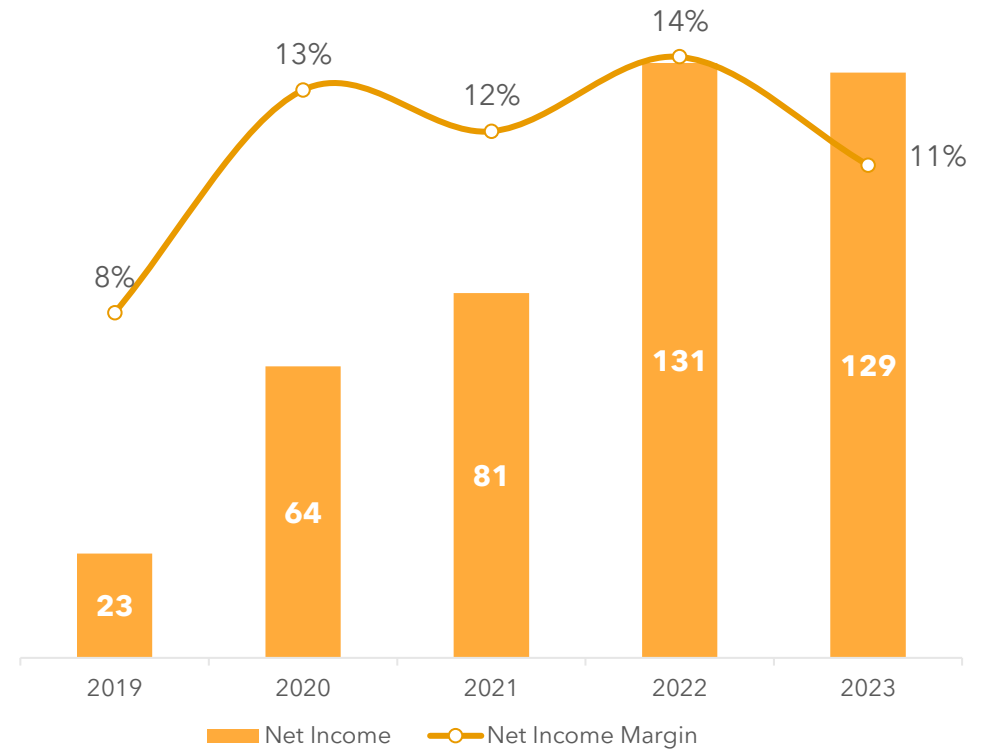
Rising trend in profitability

EBITDA and net profit grew at a CAGR exceeding 50% between 2019 - 2023

EBITDA (SAR mn)



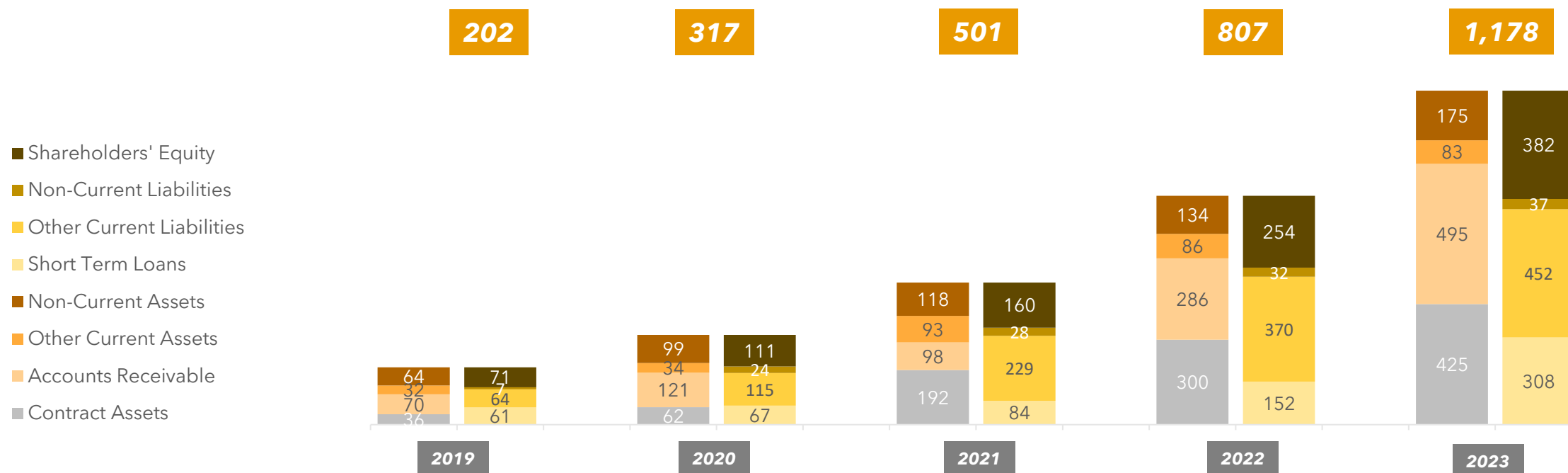
Net Profit (SAR mn)



Balance sheet optimization

Strong focus on financial positioning, with adequate levels of leverage to support growth plans

Balance Sheet Snapshot (SAR mn)



Key Ratios	2019	2020	2021	2022	2023
NWC/Sales	24.4%	19.7%	13.8%	16.3%	44.4%
RoIC	17.2%	31.9%	40.3%	38.7%	24.6%
RoE	38.4%	70.9%	59.5%	63.6%	40.5%
Net Debt / EBITDA	2.12	1.03	0.28	0.62	1.47
D/(D+E)	46%	41%	37%	38%	44.8%

Contact Details

IR Contact Details

Ahmad AlJumah

Investor Relations Manager

Tel: : +966 55 990 8828

Email: IR@2p.com.sa

P.O. Box 105523,

Riyadh 11656, Kingdom of Saudi Arabia

[Visit 2P Investor Relations website](#)



Download our IR App



Thank you



2P