

Perfect Presentation for Commercial Services Company

A leading innovative ICT solutions provider in a dynamic market

9M2023 Presentation

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TABLE OF CONTENTS



Key Messages and Strategic Pillars



Investment Case



Financial Overview

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


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
- Technical solutions
- AI Chat Bot



O&M

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



SWD

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



MS

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

Activity in 9M2023

Customer Experience ("CX")

32 Contracts

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

Operation & Maintenance ("O&M")

89 Contracts

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

Software Development ("SWD")

82 Contracts

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

Managed Services ("MS")

2 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



مدينة الملك عبدالعزيز
للعلم والتكنولوجيا
KACST



وزارة الرياضة
Ministry of Sport

أمانة منطقة الرياض
RIYADH REGION MUNICIPALITY



هيئة تقويم التعليم والتدريب
Education & Training Evaluation Commission

وزارة المالية
Ministry of Finance



SDAIA
الهيئة السعودية للبيانات
والذكاء الاصطناعي
Saudi Data & AI Authority

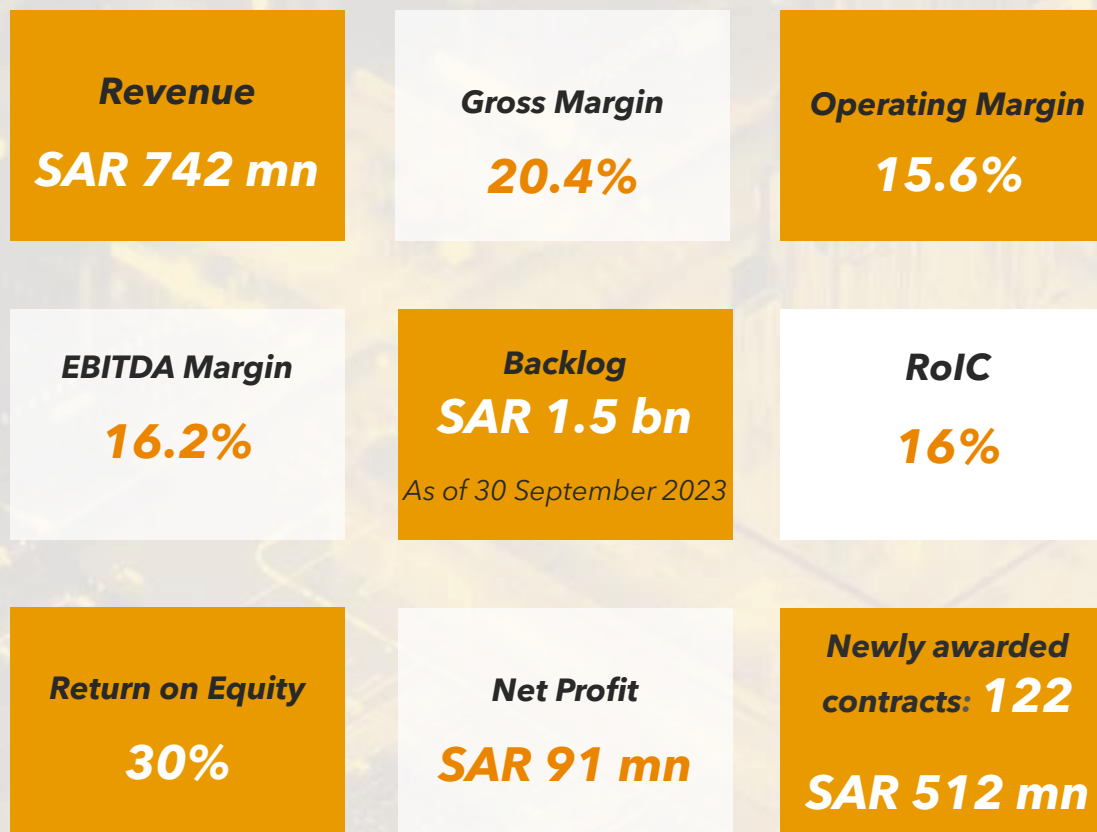
مصرف الراجحي
alrajhi bank



Strong underlying fundamentals

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

9M2023 At a Glance

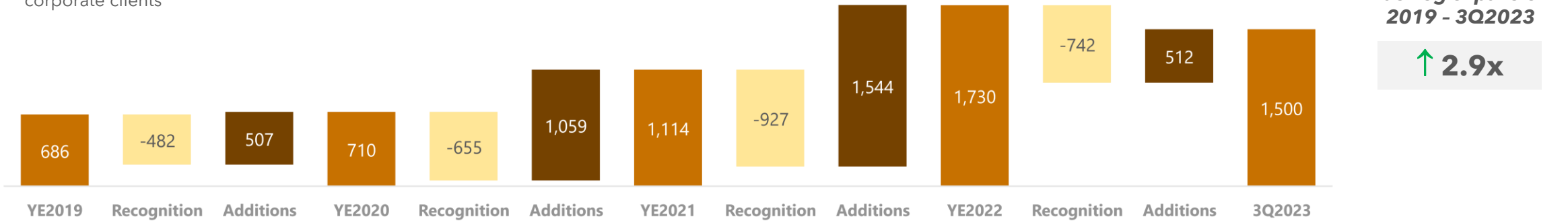


Robust backlog

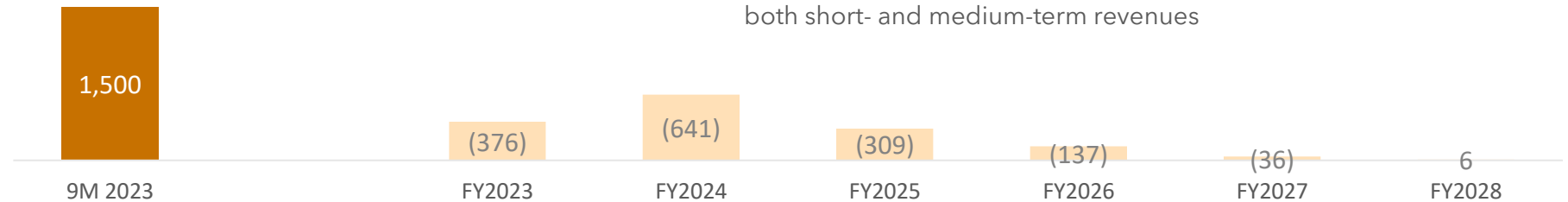
Well-diversified backlog, valued at **SAR 1.5 billion**, provides high visibility on 2P's financial performance over the next few years

Backlog Evolution (SAR mn)

Backlog expanded by more than **2 times** at the back of strong sales, favorable terms with vendors and clients, and established relationships with government and corporate clients



**+205
Projects**



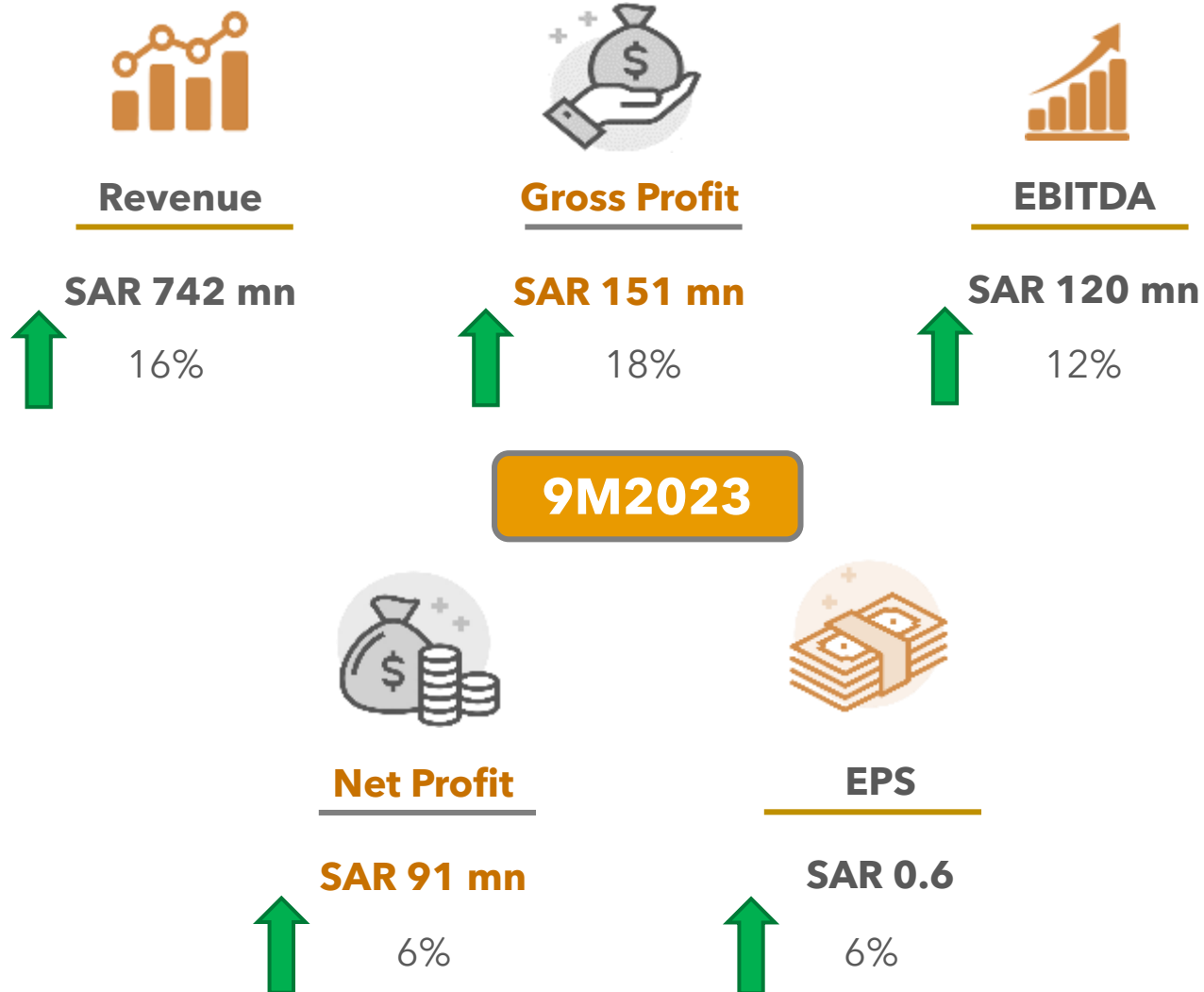
Having **SAR 1.5 billion** of secured revenues, 2P has a clear vision on both short- and medium-term revenues

		FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Operation & Maintenance	O&M	34%	44%	47%	47%	100%	
Software Development	SWD	20%	18%	17%	32%	0%	
Customer Experience	Cx	45%	35%	30%	16%	0%	
Managed Services	MS	2%	3%	6%	5%		
Total		100%	100%	100%	100%	100%	100%

Financial Overview

9M2023 Financial Snapshot

Solid financial indicators reported in 9M2023, supported by the sustained improvement in Software Development and Operation & Maintenance, and increasing contribution from Managed Services



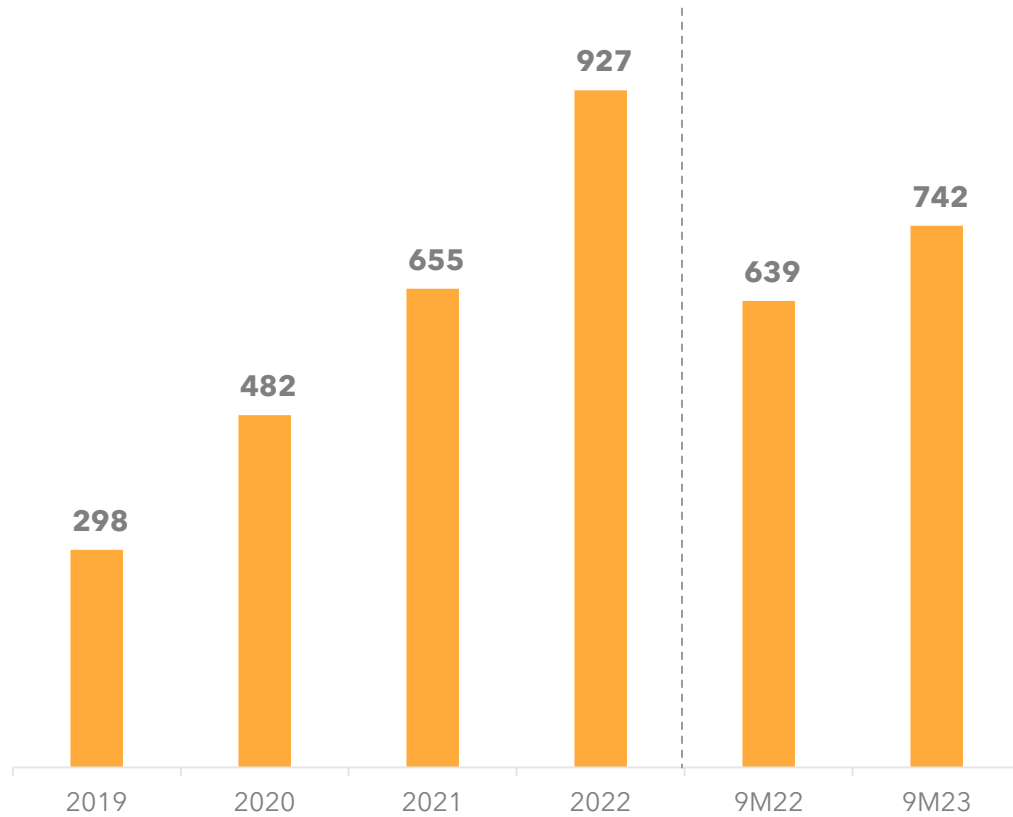
Key highlights

- ❖ **Revenue** continued to rise as a result of the improvement in performance of Software Development and Operation & Maintenance and increasing contribution from Managed Services
- ❖ **Gross profit** increased 18%, supported by the top line growth
- ❖ **Net profit** increased 6% during the period, with healthy margins achieved

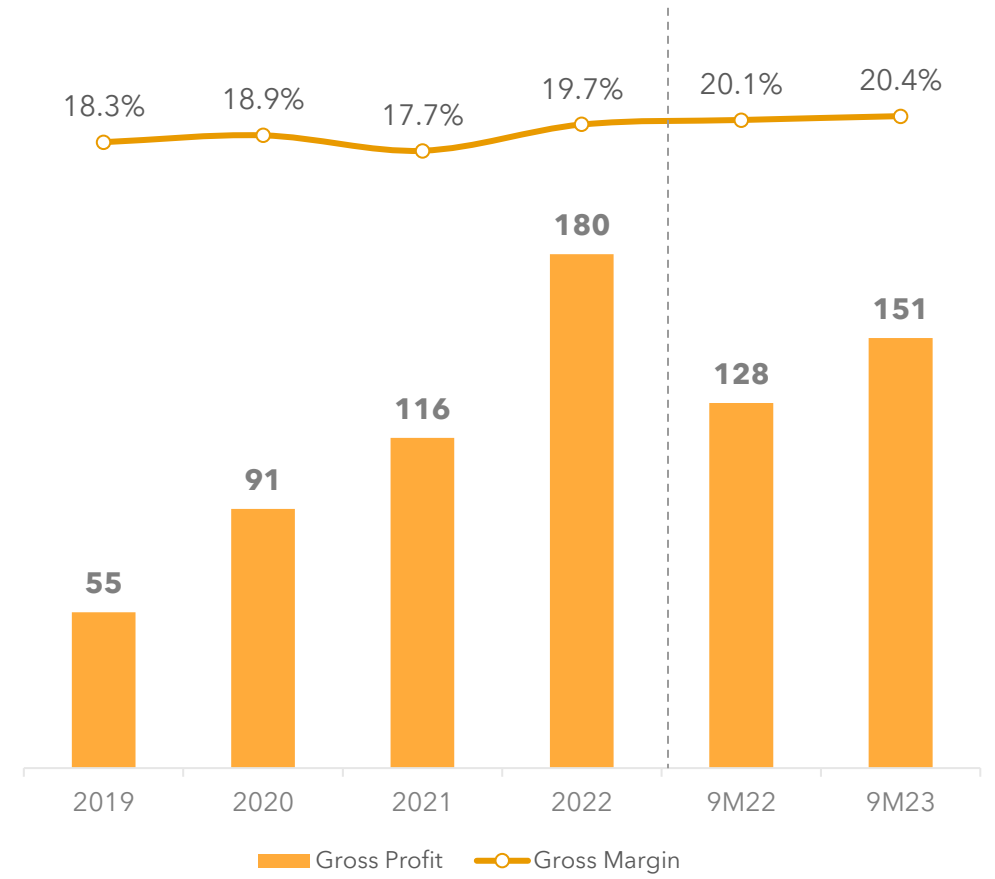
Robust financial performance with topline continuing to grow

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

Revenue (SAR mn)



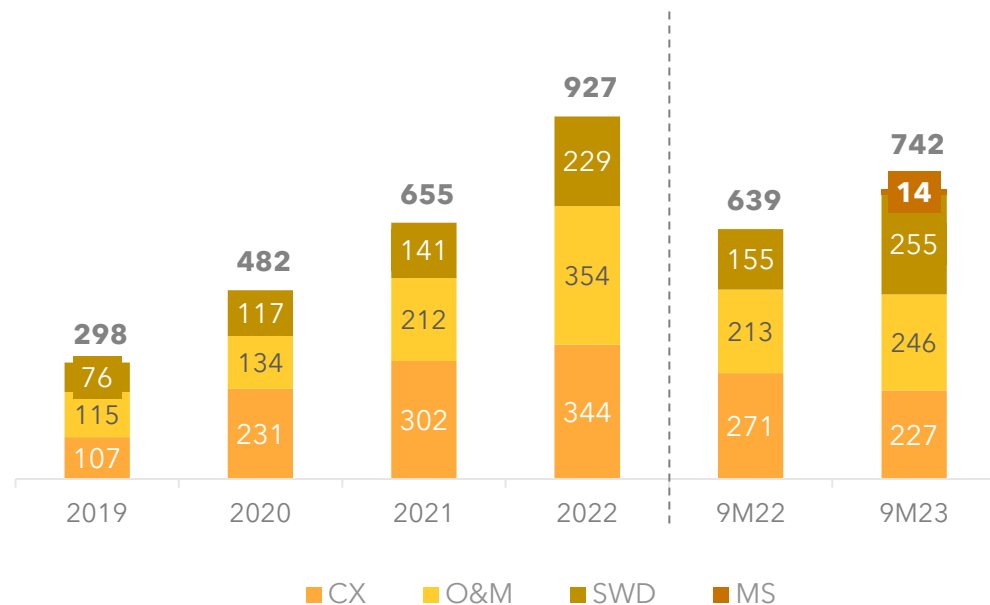
Gross Profit (SAR mn)



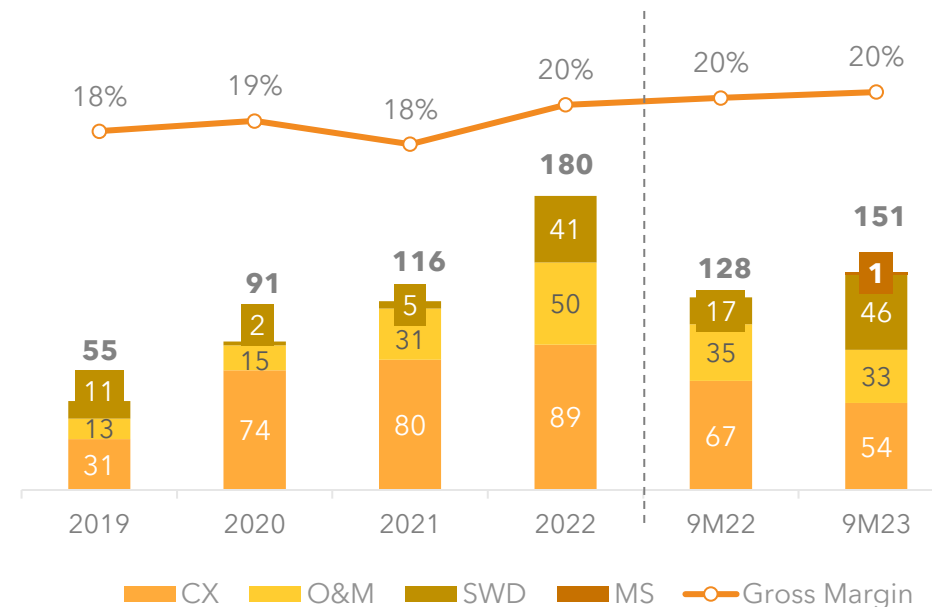
Robust financial performance with topline continuing to grow

The Company continued to achieve improvement in revenues

Revenue by LoB (SAR mn)



Gross Profit by LoB (SAR mn)



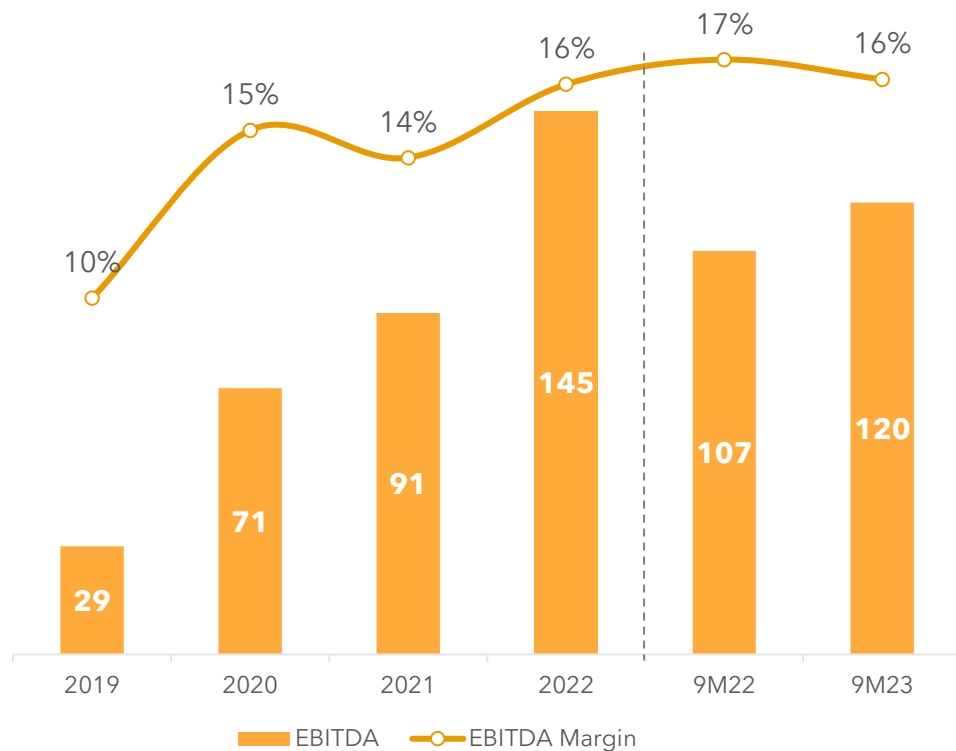
Revenue Mix						
	2019	2020	2021	2022	9M22	9M23
CX	36%	48%	46%	37%	42%	31%
O&M	38%	28%	32%	38%	33%	33%
SWD	26%	24%	22%	25%	24%	34%
MS						2%
Total	100%	100%	100%	100%	100%	100%

Gross Margin						
	2019	2020	2021	2022	9M22	9M23
CX	29%	29%	25%	26%	25%	24%
O&M	11%	11%	15%	14%	16%	13%
SWD	14%	8%	7%	18%	11%	18%
MS						10%
Overall	18%	19%	18%	20%	20%	20%

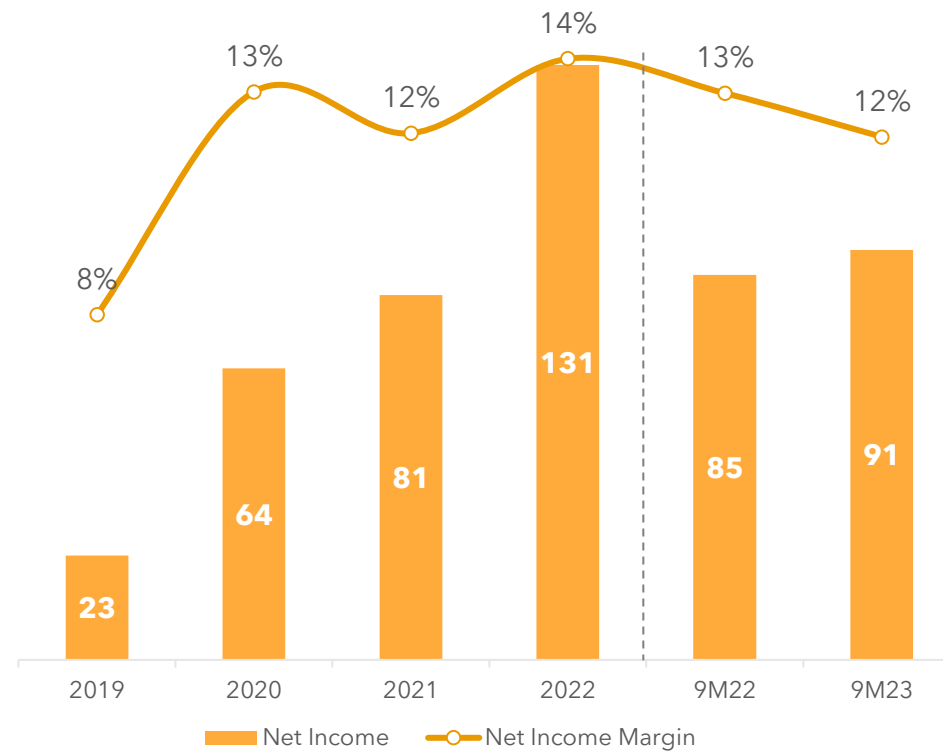
Rising trend in profitability

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

EBITDA (SAR mn)



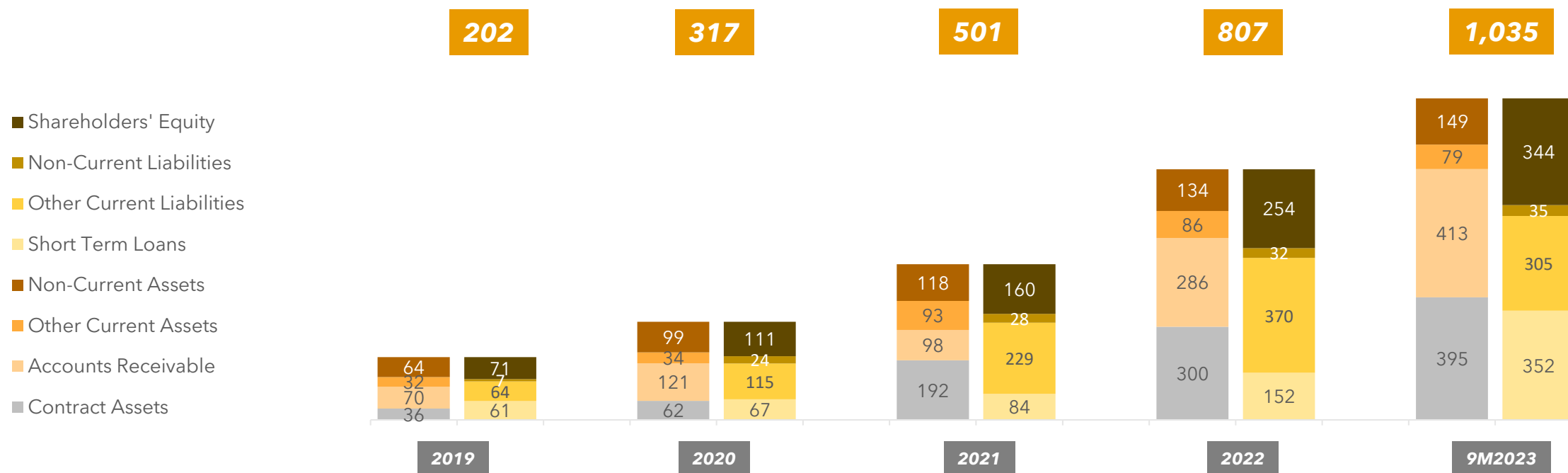
Net Profit (SAR mn)



Balance sheet optimization

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

Balance Sheet Snapshot (SAR mn)



Key Ratios	2019	2020	2021	2022	9M2023
NWC/Sales	24.4%	19.7%	13.8%	16.3%	31%
RoIC	17.2%	31.9%	40.3%	38.7%	16%
RoE	38.4%	70.9%	59.5%	63.6%	30%
Net Debt / EBITDA	2.12	1.03	0.28	0.62	2.94
D/(D+E)	46%	41%	37%	38%	51%

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Thank you

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