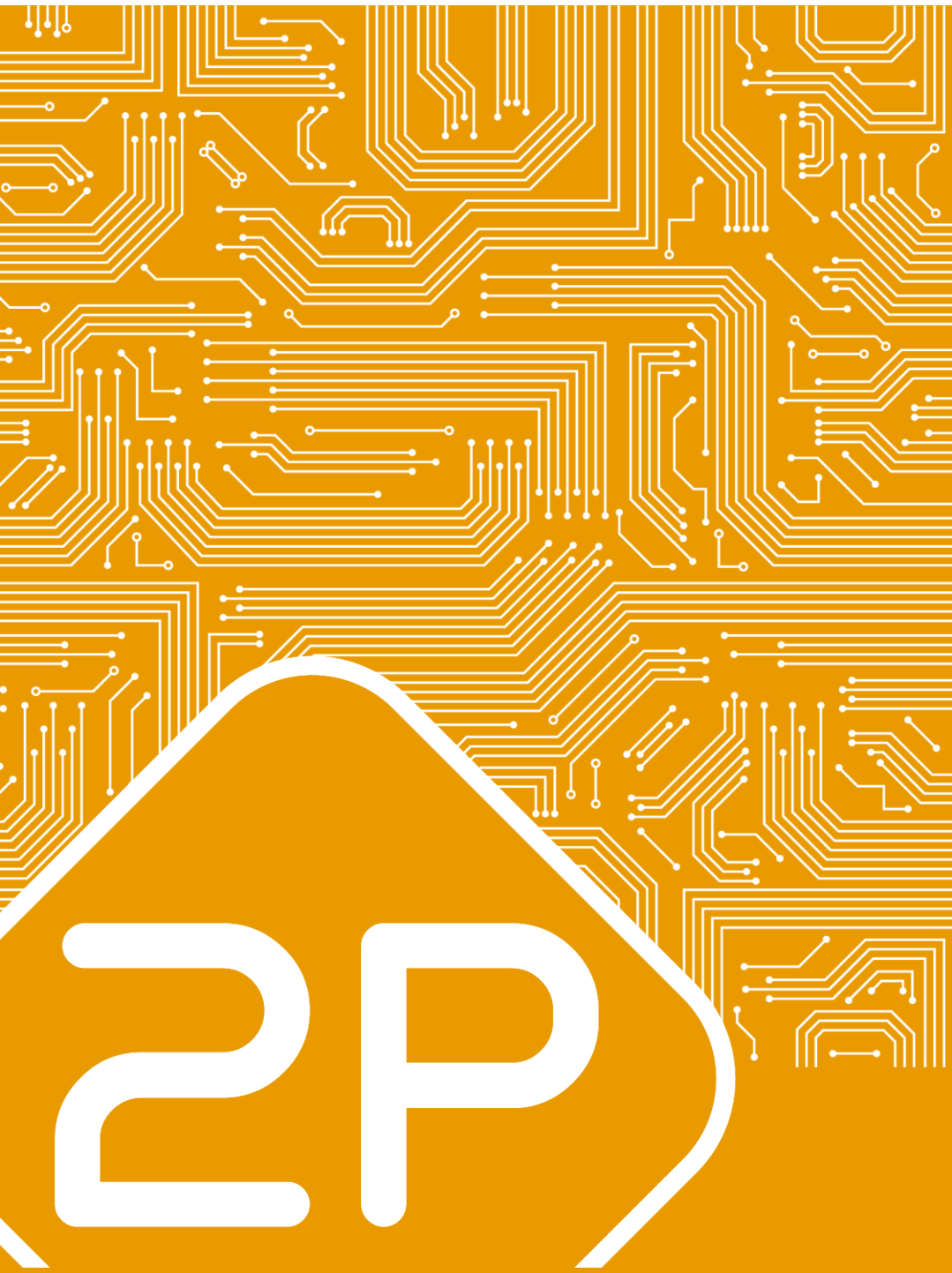


**Perfect Presentation "2P"
Earnings Release for The Year Ended on
31st December 2022**



Perfect Presentation "2P" reports robust profitability, supported by sustained growth across all lines of business

Riyadh, Saudi Arabia, 20 March 2023

Perfect Presentation for Commercial Services Co. ("2P" or the "Company", 7204 on the Saudi Exchange), a leading ICT solutions provider in Saudi Arabia, has announced its financial results for the full year ending on 31 December 2022 ("FY22"), reporting continued growth in both revenues and net profit. Topline performance was primarily driven by Operation and Maintenance, which witnessed an improvement of 67% year-on-year ("YoY") and contributed 38% to the Company's consolidated revenues.

Financial highlights

Revenues amounted to SAR 927 million, up 41% YoY when compared to SAR 655 million in FY21, supported by continued growth across the entire portfolio of products and services provided by the Company.

EBITDA increased 59% YoY to SAR 145 million in FY22, predominantly due to the enhanced topline performance, which has largely outweighed the 34% YoY rise in selling, general, and administrative expenses. This translated to an increase in EBITDA Margin from 13.9% in FY21 to 15.6% in FY22.

Net Profit jumped from SAR 81 million in FY21 to SAR 131 million, which is primarily the result of the substantial topline growth during the period, as a result of the sustained positive momentum across all lines of business.

Backlog reached SAR 1.73 billion in FY22, thus increasing significantly by 55% YoY. 2P has continued to reinforce its position in the market and is targeting to leverage the favorable underlying fundamentals of the domestic operating landscape, such as solid economic progress, increasing emphasis by the government on the Kingdom's digital transformation, and larger investments in smart cities and emerging technologies, amongst others. The International Data Corporation (IDC) is forecasting a 4 per cent annual growth rate in ICT spending in the Middle East, Türkiye and Africa in 2023, with Saudi Arabia expected to lead the region.

Ehsan Doughman, CEO of 2P commented: "Our strong performance in 2022 together with our healthy profitability are testament to our focus on investing in first class technology and services, reinforcing important commercial partnerships and reacting with agility to changing market trends in the rapidly growing ICT market. 2022 marks an important milestone for us, as it witnessed the successful IPO of 2P in November, which has enabled us to strengthen our ties with the investor community and raise our profile nationally, as we are set for further sustainable growth and development in the years to come.

Our rising market share in core business lines is underpinned by our commitment to operational excellence, complemented with a further broadening of our already solid client base both in the public and private sectors. 2P is indeed well positioned to significantly increase its contribution to transforming the Kingdom's ICT sector, as it expands and prospers in line with Vision 2030's drive for innovation and national self-sufficiency."

SAR Million	FY22	FY21	% Change
Revenue	927	655	41%
Gross Profit (Loss)	180	116	56%
EBITDA	145	91	59%
Net Profit (Loss)	131	81	63%

Maher Bawadi, CFO of 2P said: “The underlying strength of our business has enabled us to make considerable investments towards the future growth and success of 2P, while still recording very healthy financial numbers for the year, with a strong improvement in both revenues and net profit. Our backlog stands at historically high levels and is continuing to grow, thus providing us with excellent visibility for a robust revenue stream in future years. As we successfully execute our backlog, we remain focused on optimizing our costs, whilst expanding our operational and delivery capacity.

Segmental Analysis

Customer Experience revenues increased by a steady 14% during the year to SAR 344 million, accounting for 37% of the total, which was predominantly due to a dual effect from a rising number of contracts complemented with an increase in average contract value. Key contracts in FY22 include with the Saudi Data and Artificial Intelligence Authority (SDAIA), the Ministry of Energy, and the General Authority of Civil Aviation (GACA).

Operation and Maintenance revenues continued their solid growth trajectory in FY22, increasing substantially by 67% to SAR 354 million, and comprising 38% of total revenues. This was essentially the result of a strategic shift towards managed services for information technology during the year, with the use of advanced AI-enabled tools to achieve customers’ desired objectives.

Software Development revenues sustained their upward trend in FY22, and an expanding footprint across the Kingdom. 2P has also leveraged new collaborations during the year, including with the global cloud-powered digital experience company Liferay, the digital experience analytics company Contentsquare, and Nexthink, to underpin the Company’s focus on the innovation of new technologies. Revenues amounted to SAR 229 million, rising significantly by 62% YoY from SAR 141 million, and contributing 25% of consolidated revenues.

Key highlights during FY22

- 2P has successfully completed its listing on Saudi Exchange (Tadawul) during the year, which was heavily oversubscribed. This is considered an important new phase in the journey of the Company, which provides a compelling investment opportunity, based on a number of growth enablers including a comprehensive and integrated service offering, promising market potential, strong underlying fundamentals and a robust backlog.
- The Company signed a joint strategic agreement with Huawei, to develop local talent through the transfer of knowledge and extensive training in the following areas:
 - network and infrastructure solutions
 - modern data center systems
 - the latest technologies in video conferencing and online meetings
 - renewable energy solutions
- 2P launched a new product called Contracting Business ERP, a software solution catered to contracting companies, to automate their business operations across all stages, from sales leads, and invoicing, leading up to delivery and collection.
- The Company signed a number of strategic partnership agreements to fast-track its goals of enhancing its market positioning, product and service offering and innovation. These include collaborations with Alcatel Lucent, Nokia, Life Ray, Next Think, Huawei, and Content Square.

Summary Financial Statements

القوائم المالية المختصرة

Balance Sheet (SAR million)	كما في 31 ديسمبر 2022 As of 31-Dec-2022	كما في 31 ديسمبر 2021 As of 31-Dec-2021	الميزانية العمومية (مليون ريال سعودي)
Current Assets	673	383	الأصول المتداولة
Non-current assets	134	118	الأصول غير المتداولة
Total Assets	807	501	إجمالي الأصول
Current Liabilities	522	313	المطلوبات المتداولة
Non-Current Liabilities	32	28	المطلوبات غير المتداولة
Total Equity	254	160	حقوق المساهمين
Total Liabilities and Equity	807	501	اجمالي المطلوبات وحقوق الملكية

Income Statement (SAR million) For the full year ended	31 ديسمبر 2022 31-Dec-2022	31 ديسمبر 2021 31-Dec-2021	بيان الدخل (مليون ريال سعودي) للسنة المالية المنتهية في
Revenue	927	655	الإيرادات
Cost of revenue	-747	-539	تكلفة الإيرادات
Gross profit	180	116	إجمالي الربح
Selling and distribution expenses	-9	-8	مصاريف بيع وتوزيع
General and administrative expenses	-29	-20	مصاريف عمومية وإدارية
Impairment losses on trade receivables	-4	-2	خسائر انخفاض في قيمة مدينون تجاريون
Operating Profit	138	86	الربح التشغيلي
Financing costs	-4	-4	تكاليف تمويل
Other income, net	2	2	إيرادات أخرى، بالصافي
Share in the net losses of a subsidiary	-	-0.02	حصة الشركة في صافي خسائر شركة تابعة
Dividends from investments at fair value	0.03	0.04	توزيعات أرباح من استثمارات بالقيمة العادلة
Profit before Zakat	136	84	الدخل قبل الزكاة
Zakat	-5	-4	الزكاة
Net Profit	131	81	صافي الربح

Cash Flow Statement (SAR million) For the full year ended	31 ديسمبر 2022 31-Dec-2022	31 ديسمبر 2021 31-Dec-2021	بيان التدفقات النقدية (مليون ريال سعودي) للسنة المالية المنتهية
Net cash from (used in) operating activities	-22	97	صافي النقد من (المستخدم في) الأنشطة التشغيلية
Net cash from (used in) in investing activities	-20	-16	صافي النقد من (المستخدم في) الأنشطة الاستثمارية
Net cash from (used in) financing activities	40	-22	صافي النقد من (المستخدم في) الأنشطة التمويلية
Change in cash and cash equivalents	-2	59	التغير في النقد وما يعادله

About 2P

Established as a private company in Riyadh in 2004, Perfect Presentation (2P) set out to innovate cutting-edge communications technology and software solutions. Underpinned by a strategic focus on the in-house development of technical and digital transformation services, 2P rapidly established itself as a leading, trusted provider of comprehensive, integrated information and communication technology (ICT) services. 2P provides a wide range of comprehensive ICT services and solutions to its clients through three integrated business units: the Software Development Unit, Operation and Maintenance Unit, and Customer Experience Unit. The Business Units operate in an interconnected and robust environment to provide comprehensive and integrated solutions with the highest quality and excellence standards. The company is listed on Saudi Exchange (Tadawul) under the ticker 7204: [Perfect Presentation for Commercial Services Co.](#)

Investor Relations

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