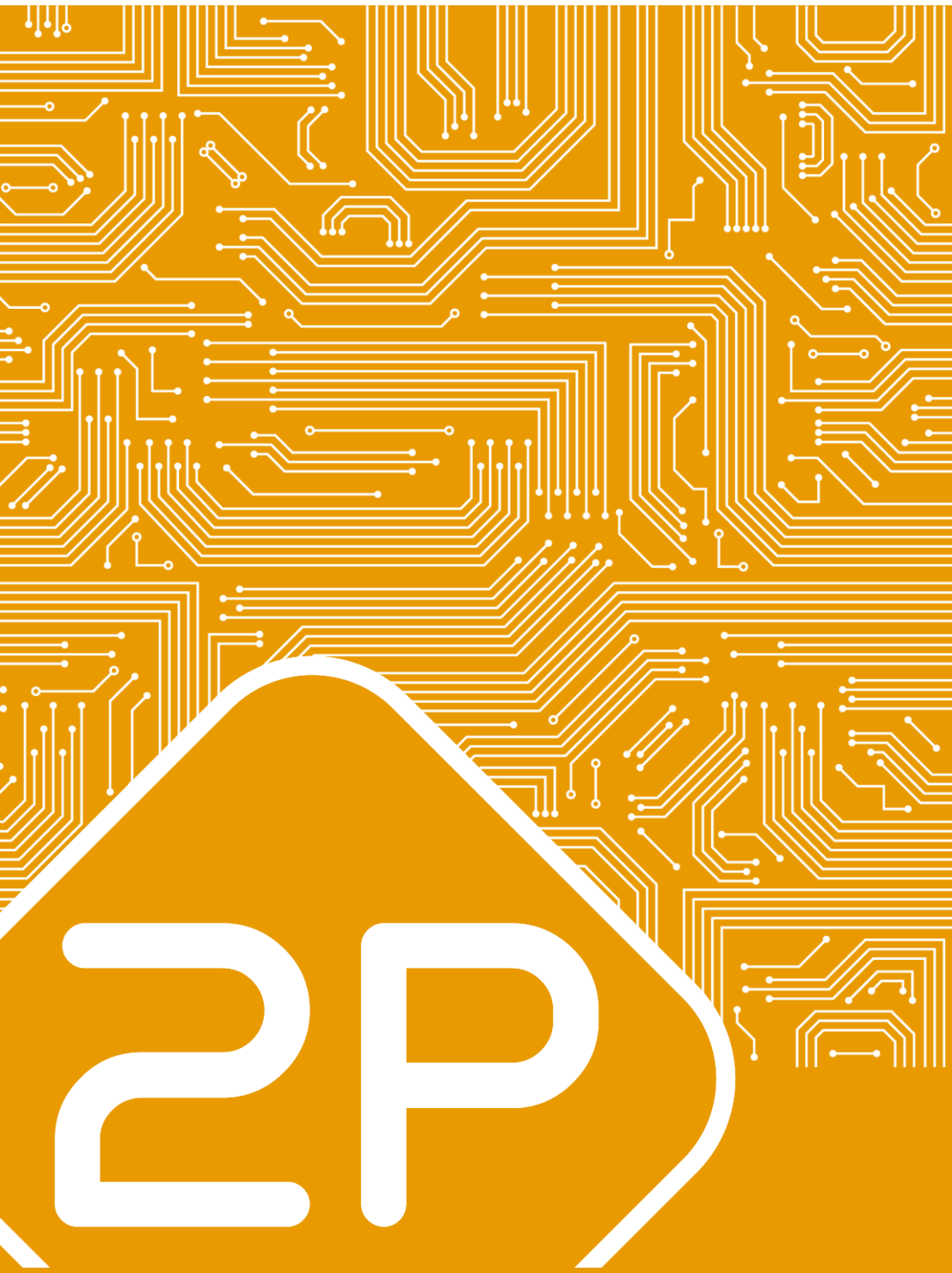


**Perfect Presentation "2P"
Earnings Release for the 1st Half ending
30 June 2023**



Perfect Presentation “2P” reports solid revenue growth, partly supported by launch of managed services

Riyadh, Saudi Arabia, 06 August 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 first half ending on 30 June 2023 (“1H23”), reporting continued growth for both revenues and net profit. The robust revenue performance is attributed to Software Development, which increased 42% year-on-year (“YoY”) and contributed 33% to the total, and Operation and Maintenance, which grew 18% YoY and contributed 34% to the Company’s consolidated revenues, in addition to the launch of managed services during the period.

Financial overview

Revenues increased 9% YoY, from SAR 432 million, to SAR 471 million in 1H23, as a result of continued growth of Software Development and Operation & Maintenance segments during the period, and the launch of managed services, which started generating revenues in the 2nd quarter.

EBITDA amounted to SAR 74 million in 1H23, thus increasing 12% YoY, when compared to SAR 66 million in 1H22. This was driven by the improvement in the topline performance, which has outpaced the rise in selling, general, and administrative expenses. This translated to an increase in EBITDA Margin from 15.4% to 15.8% in 1H23.

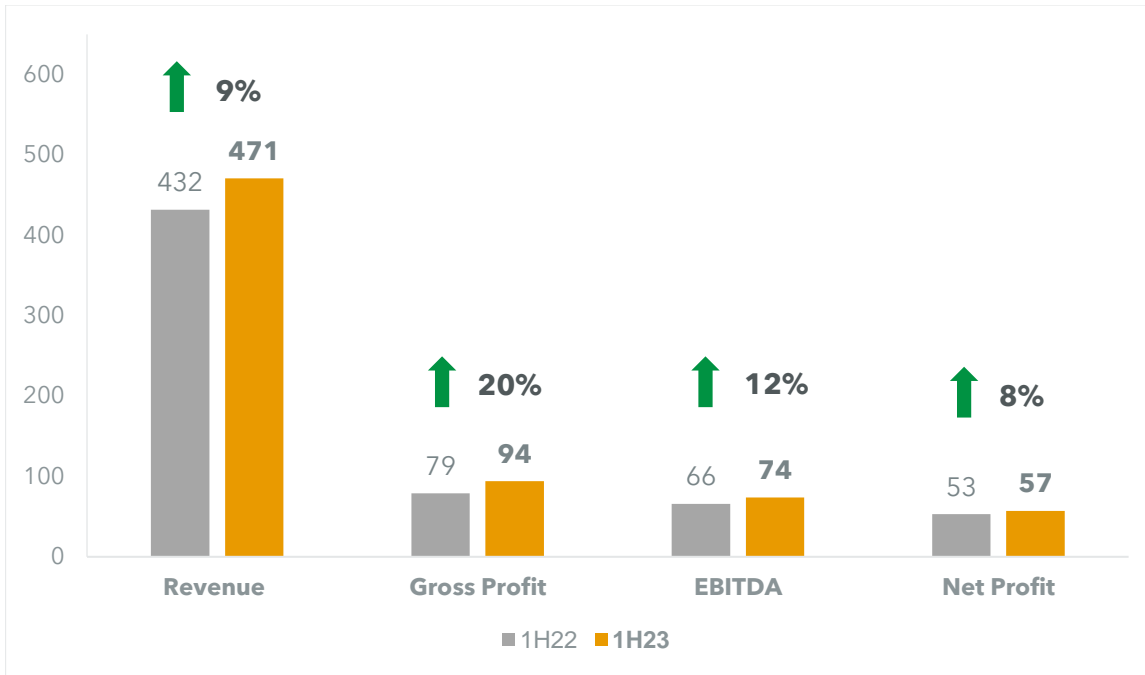
Net Profit increased 8% YoY from SAR 53 million in 1H22 to SAR 57 million, which was essentially driven by the solid revenue performance during the period.

Backlog reached SAR 1.7 billion as of 30 June 2023, compared to SAR 1.7 billion at the end of 2022, thus sustaining its growth, and continues to be strengthened by the strong market positioning of 2P, as well as its well-established relationships with key organizations in both the public and private sectors.

Ehsan Doughman, CEO of 2P commented: “The solid performance of 2P during the first half of the year is indeed testament to our leading position in the Kingdom’s rapidly growing ICT market, as we continued to introduce new and tailored cutting-edge technological solutions to our growing customer base, whilst driving innovation in everything we do.

We are delighted that our managed services line of business has started generating revenues during the 2nd quarter, and we are looking forward to further enhance its contribution to our business growth. The prospects for this sector are very promising in Saudi Arabia, as a result of the rising demand for outsourcing non-core operations across various industries, and the increasing adoption of cloud-based solutions, supported by large-scale investments by the government.

At 2P, we remain focused on operational excellence whilst reinforcing our strategic partnerships with globally renowned technology companies, to elevate our products and services further, enhance our market share and accelerate our growth.”



In SAR millions

Maher Bawadi, CFO of 2P said: "The Company has successfully generated solid revenues in the first half of 2023, with Software Development and Operation & Maintenance, continuing to lead the top line growth. This strong performance was also supported by the introduction of managed services, which is aligned to our strategy of diversifying our portfolio of services as well as our revenue streams.

Our leverage has increased during the period, in line with our commitment to invest in the long-term growth of our operations, as we explore emerging opportunities to expand into several industries. Our lean business model and competitive advantages are enabling 2P to remain agile in addressing the evolving needs of our clients, and to continue to progress well in terms of the execution of our strategic expansion plans."

Segmental Analysis

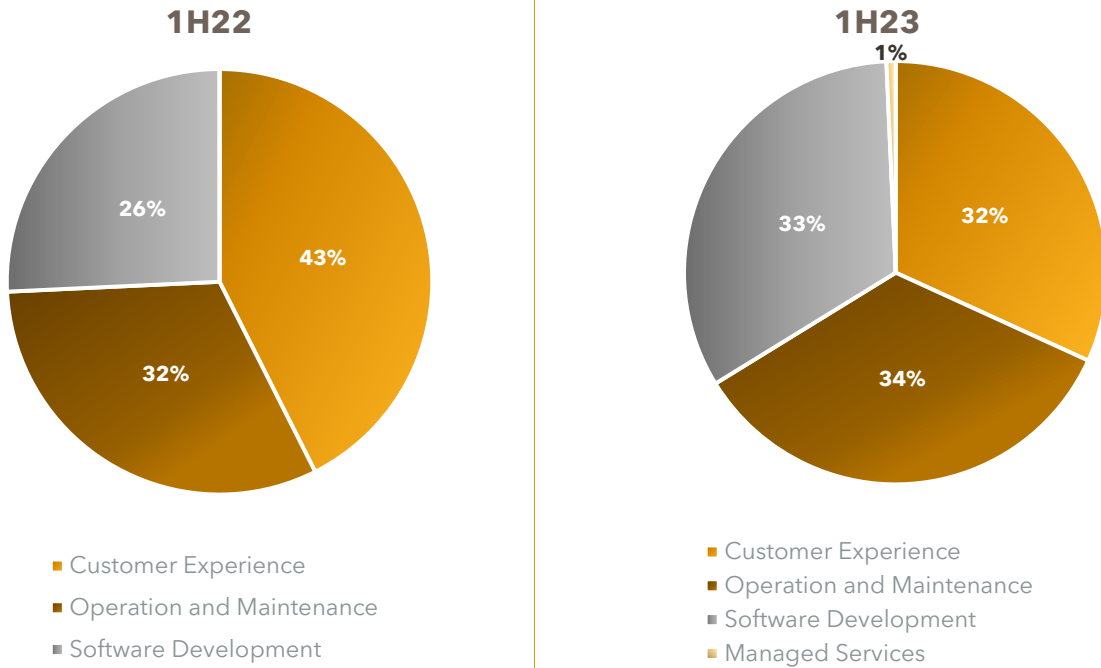
Customer Experience revenues declined 19% YoY to SAR 150 million in 1H23 and accounted for 32% of the total revenues. This was primarily due to the successful completion of key projects during the last 3 quarters. 2P is looking to leverage the significant potential of the business process outsourcing (BPO) market in Saudi Arabia, through its robust positioning in the market, advanced in-house R&D capabilities, and solid business partnerships.

Operation and Maintenance witnessed an increase in revenues of 18% YoY from SAR 137 million to SAR 162 million in 1H23 and comprised 34% of the total. This was primarily due to a solid pipeline of key project awards in 1Q23, for which work has now commenced. The segment also completed a strategic shift towards managed services for information technology, supported by the use of advanced AI-enabled tools to achieve customers' desired objectives. Looking ahead, 2P is targeting to develop greater competencies with strategic vendors, in addition to establishing a new maintenance service center for global vendors.

Software Development revenues significantly improved by 42% in 1H23, from SAR 110 million to SAR 156 million, contributing 33% to the company's consolidated revenues, which was primarily the result of a solid pipeline of projects for the company. 2P continues to capitalize on its strategic partnerships with leading international players in the market, to expand its portfolio of products and services, and accelerate innovation in areas such as blockchain, fintech solutions, and collaboration platforms.

Managed Services was launched during the 2nd quarter of 2023, and generated revenues of SAR 3 million, accounting for 1% of the company's total revenues. In line with 2P's ongoing efforts to diversify its sources of revenue and cater to the changing needs of its clients, the company introduced managed services, which is expected to achieve strong growth in the future in Saudi Arabia.

Revenues by Line of Business



Key highlights during 1H23

- 2P was awarded a new project by King Saud University for a total value of nearly SAR 50 million for renewing the maintenance contract of the electronic health system and providing operational services, knowledge transfer and professional services. The scope of work covers the following:
 - solution subscriptions support services
 - licenses software support services
 - sub-licenses software support services
 - professional services support services
 - Application Management Support Services (AMS)
 - Operation Management Support Services (OMS)
 - support services Knowledge Transfer
 - providing specialized professionals onsite
- The Company was awarded an SAR 60 million project by the Royal Commission in Yanbu to provide operation and maintenance services for:
 - IP-TV networks / external and internal equipment, channel receivers, satellite dishes, wall screens, and all work related to live broadcasts, surveillance cameras, and time-lapse cameras
 - audio and video equipment such as projectors, speakers, smart and interactive TV, audio and video equipment and accessories
 - telephone devices and systems (IP & IP PBX), voice transmission network ports, voice recording systems, call center networks, internet service provision network, inherited systems and equipment, and the internal call network (public address)
 - fire alarms, public watch systems and security alarms
 - mobile wireless and wireless network, communication towers and disaster warning devices

- 2P has signed a contract for SMS and digital connectivity with service provider (BSMSS) project for Saudi Authority for Data and Artificial Intelligence, for an aggregate value of nearly SAR 84 million. The agreed scope for this project includes:
 - providing SMS services with all service providers directly
 - establishment, installation and operation of control system management devices for data circuits
 - installation, operation, management and maintenance of project equipment

Summary Financial Statements

Balance Sheet (SAR million)	كما في 31 ديسمبر 2022 As of 31-Dec-2022	كما في 30 يونيو 2023 As of 30-Jun-2023	الميزانية العمومية (مليون ريال سعودي)
Current Assets	673	814	الأصول المتداولة
Non-current Assets	134	140	الأصول غير المتداولة
Total Assets	807	954	إجمالي الأصول
Current Liabilities	522	610	المطلوبات المتداولة
Non-Current Liabilities	32	34	المطلوبات غير المتداولة
Total Equity	254	311	حقوق المساهمين
Total Liabilities and Equity	807	954	إجمالي المطلوبات وحقوق الملكية

Income Statement (SAR million)	30 يونيو 2022 30-Jun-2022	30 يونيو 2023 30-Jun-2023	بيان الدخل (مليون ريال سعودي) للفترة المنتهية في
For the period ended			
Revenue	432	471	الإيرادات
Gross profit	79	94	إجمالي الربح
Operating Profit	64	72	الربح التشغيلي
Net Profit	53	57	صافي الربح

Cash Flow Statement (SAR million)	30 يونيو 2022 30-Jun-2022	30 يونيو 2023 30-Jun-2023	بيان التدفقات النقدية (مليون ريال سعودي) للفترة المنتهية في
For the period ended			
Net cash from (used in) operating activities	(67)	(179)	صافي النقد من (المستخدم في) الأنشطة التشغيلية
Net cash from (used in) financing activities	69	164	صافي النقد من (المستخدم في) الأنشطة التمويلية
Net cash from (used in) in investing activities	(6)	(7)	صافي النقد من (المستخدم في) الأنشطة الاستثمارية
Change in cash and cash equivalents	(4)	(22)	التغيير 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.](#)

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