



Direct Listing of Qatar Electronic Systems (Techno Q) Q.P.S.C on the Qatar Stock Exchange Venture Market



June 2024

Techno Q is a regional Systems Integrator specializing in Audiovisual, Extra Low Voltage, Broadcast Infrastructure, IT Business Solutions, Lighting Systems and Hospitality Solutions.

www.technoq.com

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SUMMARY OF INDICATIVE LISTING TERMS

Listing of 84.5 million shares on the Qatar Stock Exchange Venture Market with a market capitalization at listing of QAR 245.1 million

The Company	Qatar Electronic Systems Company (Techno Q) Q.P.S.C					
Share capital	QAR 84,500,000 comprising 84,500,000 shares with a nominal value of QAR 1.00 per share					
Principal activities	Techno Q is a regional Systems Integrator specializing in Audiovisual, Extra Low Voltage, Broadcast Infrastructure, IT Business Solutions, Lighting Systems and Hospitality Solutions.					
Market capitalization	84,500,000 shares at listing price of QAR 2.9 resulting in market capitalization of QAR 245,050,000					
Listing terms	84,500,000 shares being listed, representing 100% of the share capital of the Company, at a listing price of QAR 2.9 per share					
Reason for listing	The Founders deem that the listing of the Company’ shares on the Qatar Stock Exchange Venture Market will support their vision of growth and expansion all the while adhering to regulatory requirement and ensure market leading compliance					
Post conversion shareholding	<div><div><div>➤ Al Jaidah Brothers Co. WLL :</div><div>50.0%</div></div><div><div>➤ Zeyad Mohamed Al Jaidah :</div><div>5.0%</div></div><div><div>➤ A.Latif Mohd I Jaidah :</div><div>5.0%</div></div></div> <div><div>➤ Tariq Mohd I Al Jaidah :</div><div>5.0%</div></div> <div><div>➤ Salah Mohd I Al Jaidah :</div><div>5.0%</div></div> <div><div>➤ Mohamed Ibrahim M I Al Jaidah :</div><div>5.0%</div></div> <div><div>➤ Abdulla Mohdshafeea Al Ansari :</div><div>15.0%</div></div> <div><div>➤ Other shareholders :</div><div>10.0%</div></div>					
Lock-up period	The founders and major shareholders are allowed to trade a maximum of 30% of their shares during the first year following the Company's listing, with the combined ownership proportion of founders and major shareholders not falling below 40% of the Company's issued and paid-up capital for a period of two years following the first day of trading of the Company's shares on the Qatar Stock Exchange					
Ownership limits	Except for the founders, a shareholder may not own either directly or indirectly more than 5% of the total shares of the Company. Non-Qatari investors together may not own more than 49% of the total of the Company’s share capital.					
Advisors	<div><div><div><div>CONSULTING</div><div>HAUS</div><div>Listing Advisor</div></div><div><div>EVERSHEDS</div><div>SUTHERLAND</div><div>International Legal Advisor</div></div><div><div>شرق للمحاماة</div><div>Sharq Law Firm</div><div>Qatari Legal Advisor</div></div><div><div>Deloitte.</div><div>Valuation Advisor</div></div><div><div>KPMG</div><div>External Auditors</div></div></div></div>					

TECHNO Q KEY INVESTMENT HIGHLIGHTS

Techno Q concluded 2023 with a strong position in terms of revenue and top and bottom-line margins

Overview

Techno Q has been in the Qatar market since 1996 operating in the Audiovisual (AV), Hospitality and Lighting segment through its own operation and in the Extra Low Voltage (ELV) and Security Systems segment through its fully owned subsidiary Techno Q Security Systems WLL

Key Services

AV/ELV Solutions:

Supply, installation and commissioning of Audiovisual (AV) and Extra Low voltage Systems. (ELV)

Hospitality Business solutions:

Servicing all industries predominantly the hospitality sector including hotels, catering and restaurants through ERP implementation and technical services agreements.

Lighting Systems:

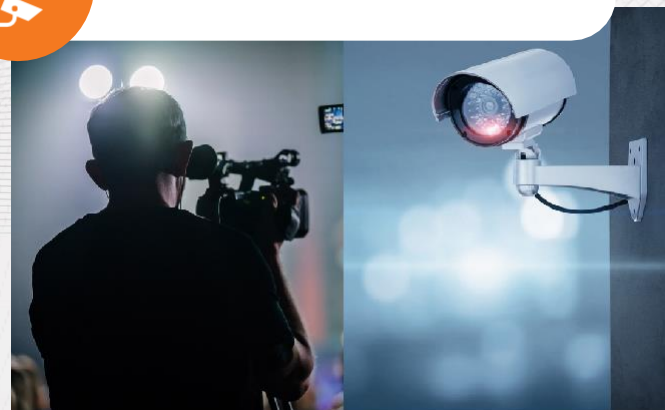
Lighting iconic projects by helping to identify lighting needs, problems and opportunities for improvement leading to significant energy saving and cost reduction. The Company has a contract with Signify to distribute Philips lamps and other lighting items to retail shops.

Objective & Strategy

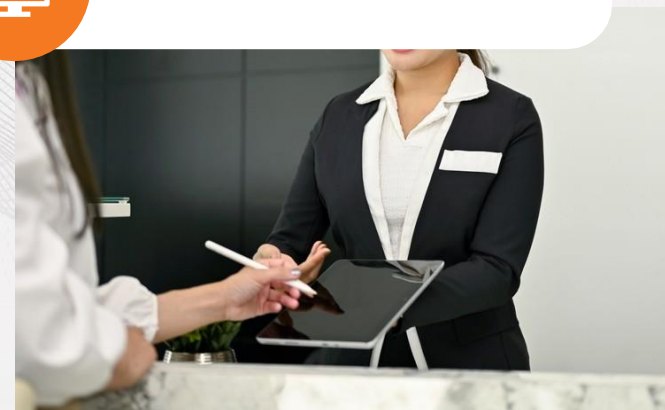
In alignment with Qatar's National Vision 2030 and Qatar's Digital Government strategy 2020, the Group seeks to maintain its position as leading ICT solutions provider through a number of strategic initiatives.



AV & ELV SERVICES



BUSINESS SOLUTIONS



LIGHTING SYSTEMS



SUPPORT SERVICES



Techno Q **VISION**

With its continuing search for innovation and revolutionary technologies, the Company aims to be the first choice for integrated, low-current systems solutions in the Middle East.

Techno Q **MISSION**

- Providing all clients with reliable, professional and innovative systems integration solutions through friendly and personalized service.
- Contributing to the technological development of Qatar and the Middle East, by introducing innovative systems solutions.
- Total commitment on every project.
- Exceeding our client's expectations in quality and service.
- Training and further developing our team of experts.

TECHNO Q KEY STRENGTH

Proven track record of strong operational and financial performance – well positioned to benefit from key growth sectors in Qatar and the GCC

01

Human Capital

Management believes that the Group's employees are the main driver behind the success of the business. The team consists of qualified and certified engineers, complemented by a dynamic and resourceful sales team.

02

Robust Client base and Local Experience

The Group prides itself in having a robust client base and extensive local experience that sets it apart in the industry. The diverse clientele includes businesses of all sizes, from local startups to established enterprises.

03

Quality and Customer Service Experience

Ensuring that the equipment used is best-in-class from globally renowned suppliers along with a 24/7 emergency maintenance and support hotline.

04

Efficient Project Management

Efficient project management skills, in-depth experience and transparent communication channels have been a hallmark for the Group in its past and current projects.

05

Efficient Inventory Management System

The Group creates bespoke and customized solutions for its clients based on their respective needs and demands. This supports the Group in maintaining limited inventory and avoids it from undergoing impairments due to obsolete technology.

06

Relationships with Key International Brands

The Group holds longstanding relationships with a number of international brands including Oracle, Dell, LG, Samsung, Panasonic, Polycom, Milestone, Huawei, Signify and others.

TECHNO Q KEY INVESTMENT HIGHLIGHTS

Techno Q concluded 2023 with a strong position in terms of revenue and top and bottom-line margins.

KEY INVESTMENT HIGHLIGHTS

General Information

1996

28 years of experience
since establishment

357

Total number of employees
as of June 2024

4 Entities

Operating across Qatar,
KSA and Oman

Listing highlights

QAR 2.9

Price per share

84.5m

Total no. of shares

25m

Market capitalization

Financial statement highlights

QAR 269.4m

Total revenue in FY2023

QAR 19.7m

Net Profit in FY2023

QAR 113.5

Total equity

9.7%

EBITDA margin in 2023

7.3%

Net margin in FY2023

TECHNO Q MILESTONE TIMELINE

1995

Techno Q was born during a casual conversation at a coffeeshop on Doha Corniche between Abdulla Alansari and Zeyad Aljaidah; recent graduates of Lamar University in Texas.

1996

Techno Q was established as a Home-theater & Audiovisual Showroom (on Salwa Road), marking its commitment to deliver High-End Audiovisual systems.

1997

Techno Q expanded its offerings by introducing Security Systems, featuring: Anti-Shoplifting, CCTV, and Intrusion Alarm Systems, enhancing safety and surveillance capabilities.

1998

Techno Q was awarded its first “turnkey” and it’s first Auditorium project at the SSD Tower.

1999

Techno Q expanded its offerings to the Hospitality market sector by introducing solutions for hotels and restaurants and become the authorized partner for Micros Fidelio.

2004

Techno Q established its first branch: Techno Q Security Systems was incorporated.

2005

Techno Q is awarded a marquee project: Main Public Address (PA) and Audiovisual (AV) systems for Khalifa Stadium in preparations for the Asian Games 2006 in Qatar, which was Techno Q’s first engagement in sports market segment.

2006

Techno Q supplied and installed the first wireless and solar powered CCTV system in Qatar for the new Doha International Airport Construction project.

2008

Techno Q ventured into Lighting Solutions through a strategic partnership with Philips, becoming the official dealer for Philips Lighting in Qatar.

2010

Techno Q secured its first ever QR 100M contract for AV, LED displays, and Lighting Control at the prestigious Qatar National Convention Centre (QNCC), showcasing our expertise on a grand scale.

2012

Techno Q secured its first international project in Oman (Majlis Oman), accordingly, Techno Q Oman was established.

2015

Techno Q won one of the largest multi-million CCTV projects in Qatar for Barwa. This was pivotal for the future large scale CCTV projects that were later acquired by Techno Q.

2018

Techno Q won a tender for the supply, install, and commission of Security Systems and CCTV for seven FIFA stadiums with a total of 30,000 CCTV cameras, showcasing our capabilities in handling large-scale projects.

2023

Techno Q established it’s office/entity in KSA to participate in the country’s 2030 Vision projects.

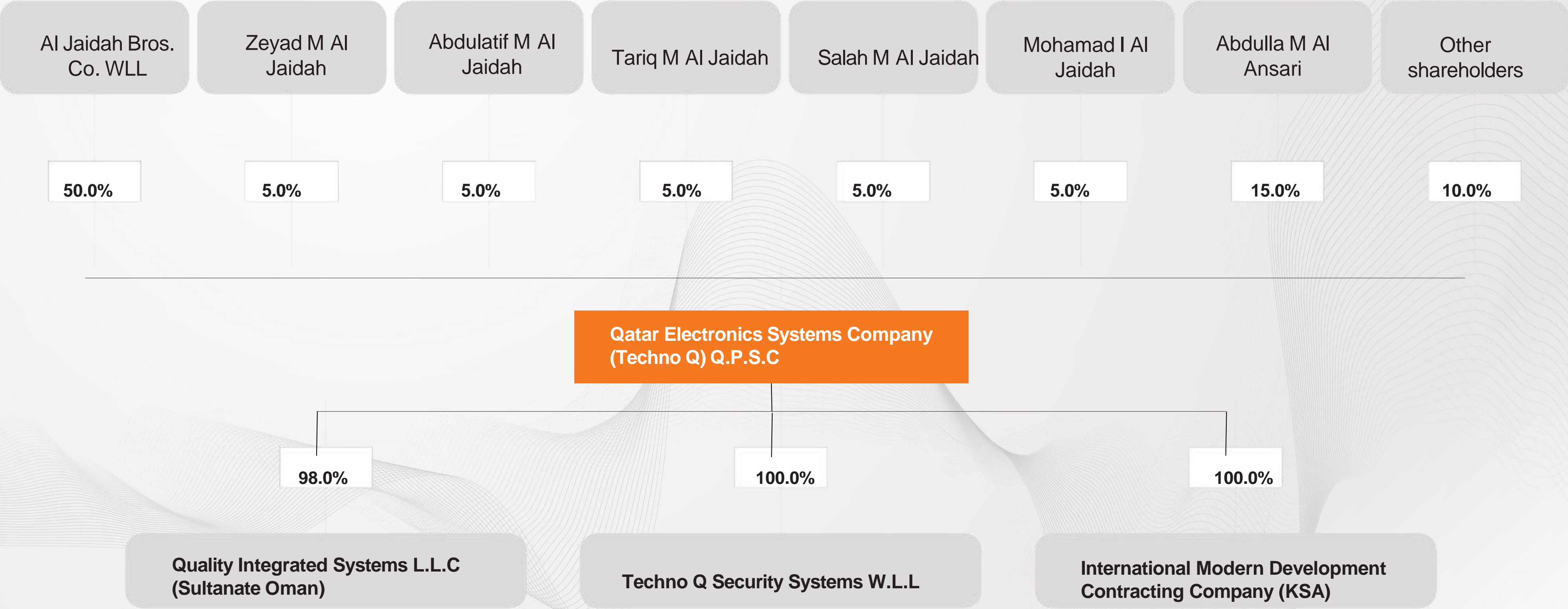
2024

Techno Q became a listed company in Qatar Stock Exchange.

POST-CONVERSION SHAREHOLDING

Following its conversion to a Qatar public shareholding company and immediately prior to the listing, Techno Q is owned by its 7 original founders and 20 additional shareholders.

SHAREHOLDING AT LISTING



BOARD OF DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS



Abdulatif Al Jaidah
Chairman



Tariq Al Jaidah
Vice Chairman



Zeyad Al Jaidah
Board Member



Abdulla Al Ansari
Board Member



Salah Al Jaidah
Board Member



Ahmad Al Abdulla
Board Member



Nasser Al Ansari
Board Member



Hesham Abdulrahman
Board Member

EXECUTIVE MANAGEMENT



Abdulla Al Ansari
Group CEO

Abdulla has been holding the position of Chief Executive Officer of the Company since 1996 and prior to joining the Company held the position of Head of Maintenance Planning at QAPCO.



Elie Yacoub
Group CFO

With a career spanning over 20 years, Elie joined Techno Q in May 2023. He is an accomplished finance professional with multi-industry experience across the MENA region focused on managing financial operations, compliance, and sustainable finance.



Mohanad Abughalwa
Head of Projects

Mohanad joined Techno Q in Jan 2008. As the Head of Projects, Mohanad plays a crucial role in the execution and oversight of project management and leadership initiatives.



Zeyad Al Jaidah
Managing Director

With almost three decades of expertise in both mechanical and civil engineering, Mr. Zeyad Al Jaidah is the Managing Director at Techno Q and is committed to propelling the company's growth across new and existing markets.



Mohamad Sadaka
Group CLCO

Mohamad joined the Company in July 2010. He has extensive experience in the commercial, corporate and contracting industries, provides strategic legal advice and services on an enterprise-wide basis



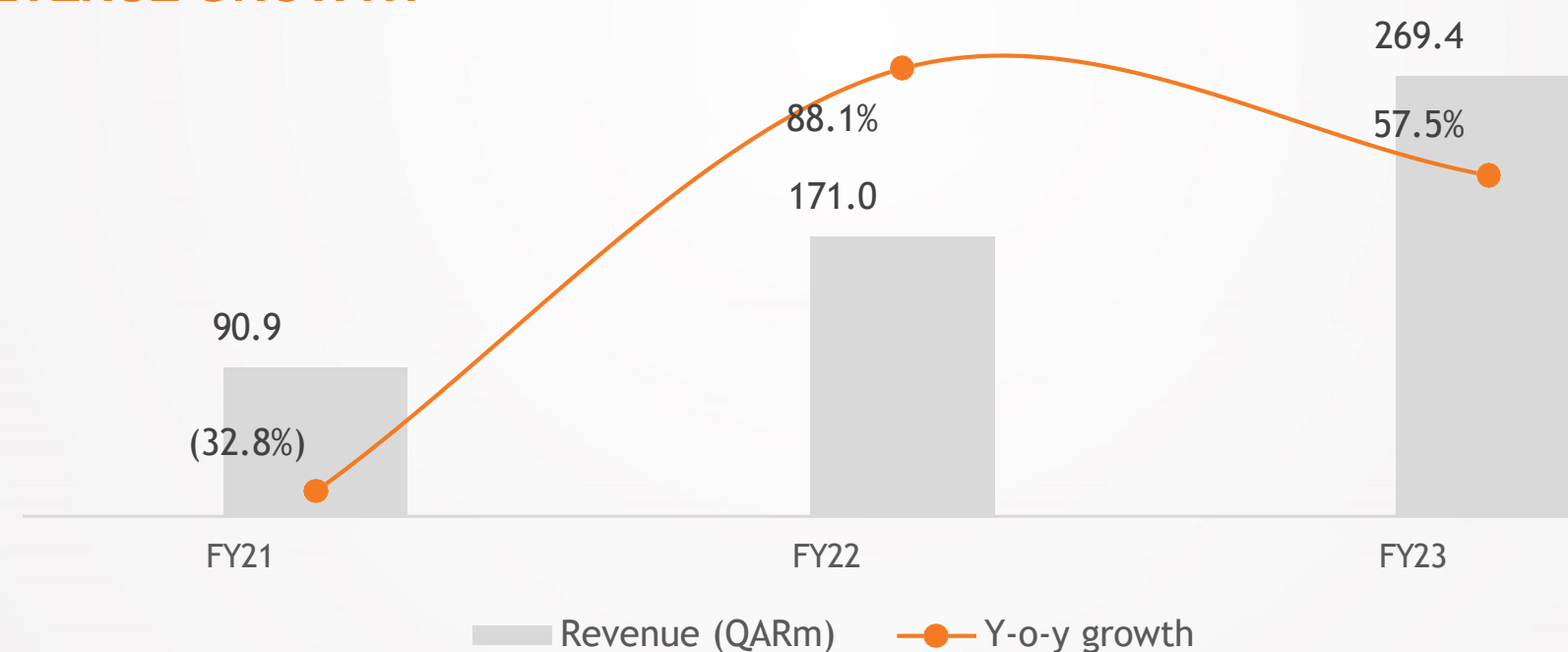
Jaikrishna Pillai
Head of Strategy

Jaikrishna joined Techno Q in Dec 2008, currently holding the position of Head of Strategy after formerly managing both Lighting Projects and Retail.

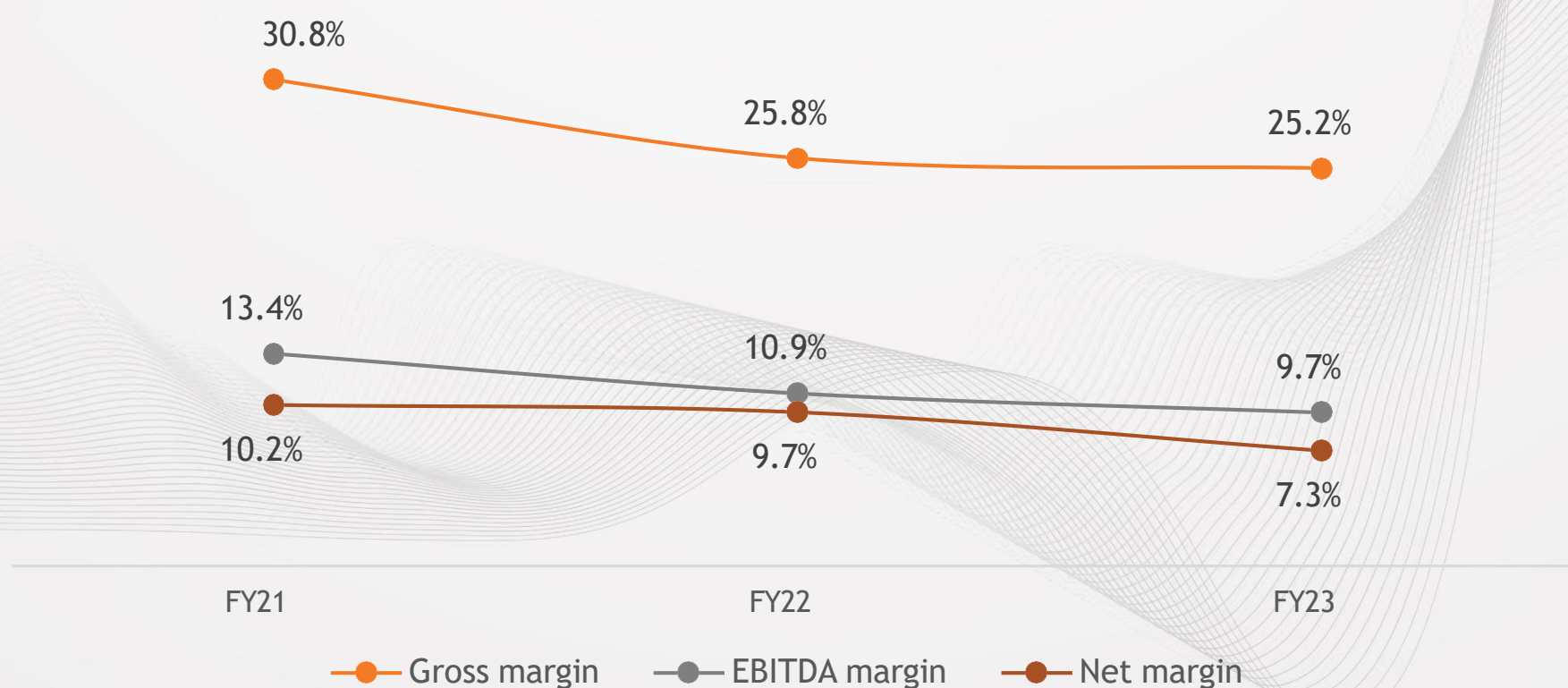
HISTORICAL FINANCIAL PERFORMANCE

Techno Q's revenue increased at a CAGR of 17.1% between FY21 and FY23.

REVENUE GROWTH*



PROFITABILITY MARGINS



SUMMARIZED INCOME STATEMENT

QARm	FY21	FY22	FY23
Total revenue	90.9	171.0	269.4
Total direct cost	(62.9)	(126.9)	(201.6)
Gross profit	28.0	44.1	67.8
G&A expenses	(16.4)	(23.5)	(37.1)
Selling and distribution expenses	(2.1)	(2.8)	(5.2)
Other income	2.8	0.9	0.7
EBITDA	12.2	18.7	26.2
Depreciation & amortization	(2.1)	(1.8)	(2.8)
Finance cost	(0.8)	0.1	(3.7)
Net income	9.3	17.0	19.7

Source: Techno Q audited financial statements for the years ended 31 December 2021 and 2022 and consolidated audited financial statement for the year ended 31 December 2023

SUMMARIZED BALANCE SHEET

QARm	FY21A	FY22A	FY23
Non-current assets	4.3	6.5	38.2
Current assets	121.5	152.6	182.3
Total assets	125.8	159.1	220.5
Total equity	64.8	77.3	116.7
Non-current liabilities	5.0	7.6	6.5
Current liabilities	56.0	74.3	97.3
Total equity & liabilities	125.8	159.1	220.5

Source: Techno Q audited financial statements for the years ended 31 December 2021 and 2022 and consolidated audited financial statement for the year ended 31 December 2023

FY23 Techno Q net profit
as per AFS

QAR 13.5m

+

FY23 Techno Q Security System
net profit as per AFS

QAR 6.2m

=

FY23 consolidated net income as
per consolidate AFS

QAR 19.7m

* FY23 financials include the consolidation impact of Techno Q Security Systems acquired by the Company on 16 May 2023

RISK FACTORS

Risk factors shall be read in conjunction with the Listing Prospectus for more details.

1.	Risks pertaining to the market in which the Group operates	<ul style="list-style-type: none">• Political concerns in the MENA region and the GCC region• Economic dependence on oil and gas revenue• Reliance on certain markets• Saturation of market and inability to grow	<ul style="list-style-type: none">• Risk relating to the reliance on the FIFA World Cup 2022• Currency risk• COVID-19 and other epidemics/pandemics
2.	Regulatory risks	<ul style="list-style-type: none">• General requirement to maintain/obtain licenses• Qatar's Commercial law and proposed bankruptcy filling provisions	<ul style="list-style-type: none">• Risk related to implementation of value added tax in Qatar• Risk associated with new international corporate minimum income tax
3.	Specific risks relating to the shares	<ul style="list-style-type: none">• The shares may not be a suitable investment for all investors• Price volatility• Newly established Venture Market and related liquidity• Risk of substantial future sales of shares by Founders and adverse impact on the share price• Risk relating to control and limitation on ownership	
4.	Unidentified or unanticipated risks	<ul style="list-style-type: none">• Unanticipated litigation risk• Liquidity risk• Risk related to employment• Pensions and end of service gratuities risks	
5.	Risk specific to the operations of the Group	<ul style="list-style-type: none">• Business strategy• New business development and products risk• Risk of turnover of key employees/managers• Intellectual property risks• Group's management and information systems• Customer concentration• Subsidiary concentration• Loss of key customers and/or suppliers• Technological advancement resulting in operations becoming uncompetitive• Insufficient insurance coverage• Competition risks• Performance risks	<ul style="list-style-type: none">• Risk related to cancellation or significant delay of projects and contracts• Unanticipated cost related to compliance with health and safety laws• Risks relating to environmental and safety standards violations• Group credit risks• Group supplier risks• Group logistical risks• Risk related to the loss of standards certifications• Risk related to financing agreements



Thank You

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