

Qatar Electronic Systems Company (Techno Q) QPSC



Press release: for immediate release

Post its Board of Directors Meeting on 27 August 2024

Qatar Electronic Systems Company (Techno Q) QPSC Announces its Financial Results for the Six Months ending on 30 June 2024

- Qatar Electronic Systems Company (Techno Q) QPSC (“**Techno Q**”) along with its portfolio of subsidiaries (together as the “**Group**”) achieved a consolidated revenue of QAR 111.1 million and net profit to equity shareholders of QAR 12.9 million as at 30 June 2024 (“**H1 2024**”), as compared to QAR 125.9 million revenue and QAR 12.1 million net profit to equity shareholders as at 30 June 2023 (“**H1 2023**”).
- The Group achieved a gross profit of QAR 33.1 million in H1 2024 (29.8% gross margin) as compared to gross profit of QAR 32.6 million in H1 2023 (25.9% gross margin).
- The Group maintains a strong balance sheet in H1 2024 with total equity of QAR 114.7 million and low debt totaling QAR 1.1 million.

Doha, Qatar, 27 August 2024 – Qatar Electronic Systems Company (Techno Q) QPSC (“**Techno Q**” or the “**Company**”), a regional Systems Integrator specializing in Audiovisual, Security Systems, Lighting Systems, and Hospitality Business Solutions in Qatar, held its first board of directors meeting post its listing on Qatar Stock Exchange Venture Market on 26 June 2024. The Company is therefore delighted to announce its financial results for the first six months of the financial year 2024 ended 30 June 2024.

Techno Q achieved a revenue of QAR 111.1 million in H1 2024, compared to a revenue of QAR 125.9 million in H1 2023. The majority of the revenue, approximately 51.1% was generated by Techno Q’s subsidiary Techno Q Security Systems WLL (“**TQSS**” or the “**Subsidiary**”) from its ELV and continuity assurance services (security systems). The remaining 48.9% was generated by the Company’s main activities relating to AV, continuity assurance services, hospitality services and business solutions and lighting systems.

The H1 2024 performance translated into a gross profit of QAR 33.1 million, a 1.4% growth over H1 2023 gross profit of QAR 32.6 million and an improvement in gross margins from 25.9% in H1 2023 to 29.8% in H1 2024 (3.9 percentage points improvement). Similarly, net profit has also witnessed a growth of 7.1% increasing from QAR 12.1 million in H1 2023 to QAR 12.9 million in H1 2024 resulting in a net margin improvement from 9.6% in H1 2023 to 11.7% in H1 2024.

Techno Q continues to be in a strong financial position with its balance sheet showing a total equity of QAR 114.7 million. During the same period, Techno Q significantly reduced its bank

financing by approximately 90.8% of its previous value, to reach QAR 1.1 million in H1 2024 down from QAR 11.9 million in H1 2023.

Based on the ever-evolving economic outlook of Qatar, Techno Q views the forthcoming developments and opportunities in the Qatar ICT, systems integration and security systems sector with optimism. As of 30 June 2024, the Company had a secured backlog of revenues totaling QAR 117.7 million driven by large governmental projects as well as medium to large private sector projects.

Furthermore, the Company expects large projects to commence in the latter part of 2024 and early 2025 relating to international events such as the Web Summit 2025, MotoGP, Formula 1 Grand Prix, and various other sporting and cultural events. Such large international events present potential additional revenues, especially through the Subsidiary to engage in active bids to deliver its services ranging from design and implementation services to long-term support services. Based on its 28-year long experience, Techno Q's management is confident of their capability of capitalizing on these emerging opportunities in the ICT, Security Systems, Hospitality Business Solutions and Systems Integration market. Additionally, following the expansion into the Saudi market, the Company will be taking advantage of the ever-growing Saudi market driven by mega projects in line with Saudi vision 2030.

Mr. Zeyad Al Jaidah, managing director and co-founder of Techno Q, commented on the Company's half yearly performance stating the following: "We are delighted to announce our ability to maintain strong financials this year. Despite the challenging market conditions, we were able to exceed last year's net income, growing from QAR 12.1 million to QAR 12.9 million. Additionally, we successfully reduced our borrowing from banks, further solidifying our financial stability. These achievements underscore our resilience and commitment to delivering value to our stakeholders."

Techno Q' shares are traded under the trading ticker "TQES" and under the international Securities Identification Number (ISIN) QA000IGXG507.

For further information and respective details on Techno Q, please visit <https://www.technoq.com/> or contact investor relations at investorrelations@technoq.com

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