



Qatar Electronic Systems (Techno Q) Q.P.S.C H1 2024 Investor Presentation

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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01

Group Overview



01. GROUP OVERVIEW

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.

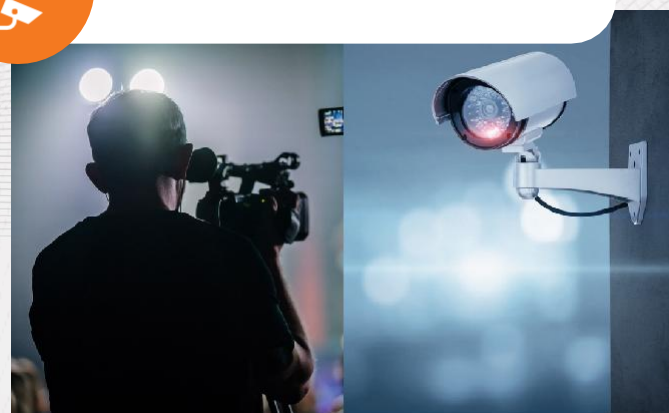
The Company has a contract with Signify to distribute Philips lamps and other lighting items to retail shops.

Objective & Strategy

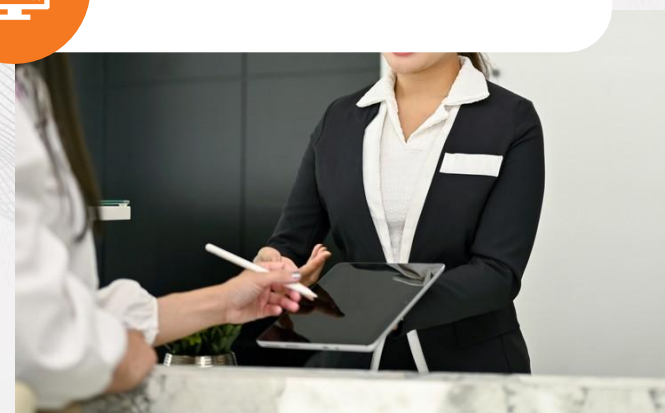
In alignment with Qatar's National Vision 2030 and Qatar's Digital Government strategy 2020, the Group seeks to maintain its position as leading ICT solutions provider through a number of strategic initiatives.



AV & ELV SERVICES



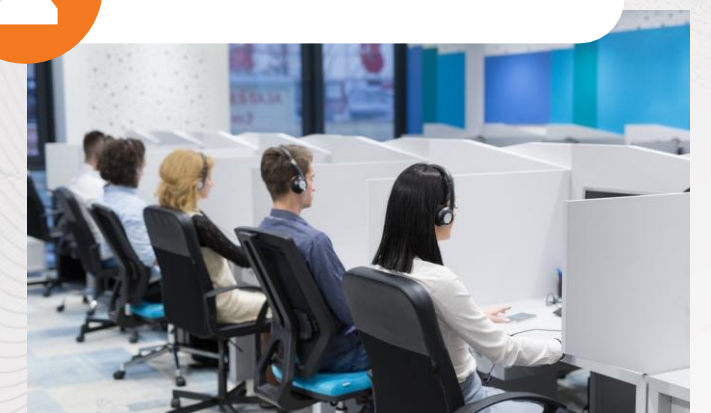
BUSINESS SOLUTIONS



LIGHTING SYSTEMS



SUPPORT SERVICES



01. GROUP OVERVIEW

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.

01. GROUP OVERVIEW

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.



Hossam El Chaar
Group CFO
Hossam is a seasoned financial executive with a proven track record in strategic financial leadership, driving organizational growth, and building strong stakeholder relationships.



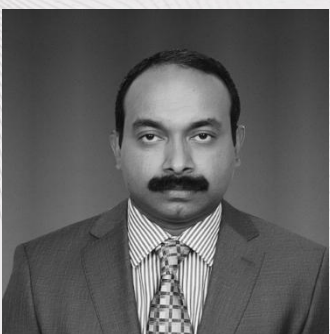
Mohanad Abughalwa
Head of Projects
Mohanad joined Techno Q in Jan 2008. As the Head of Projects, Mohanad plays a crucial role in the execution and oversight of project management and leadership initiatives.



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.



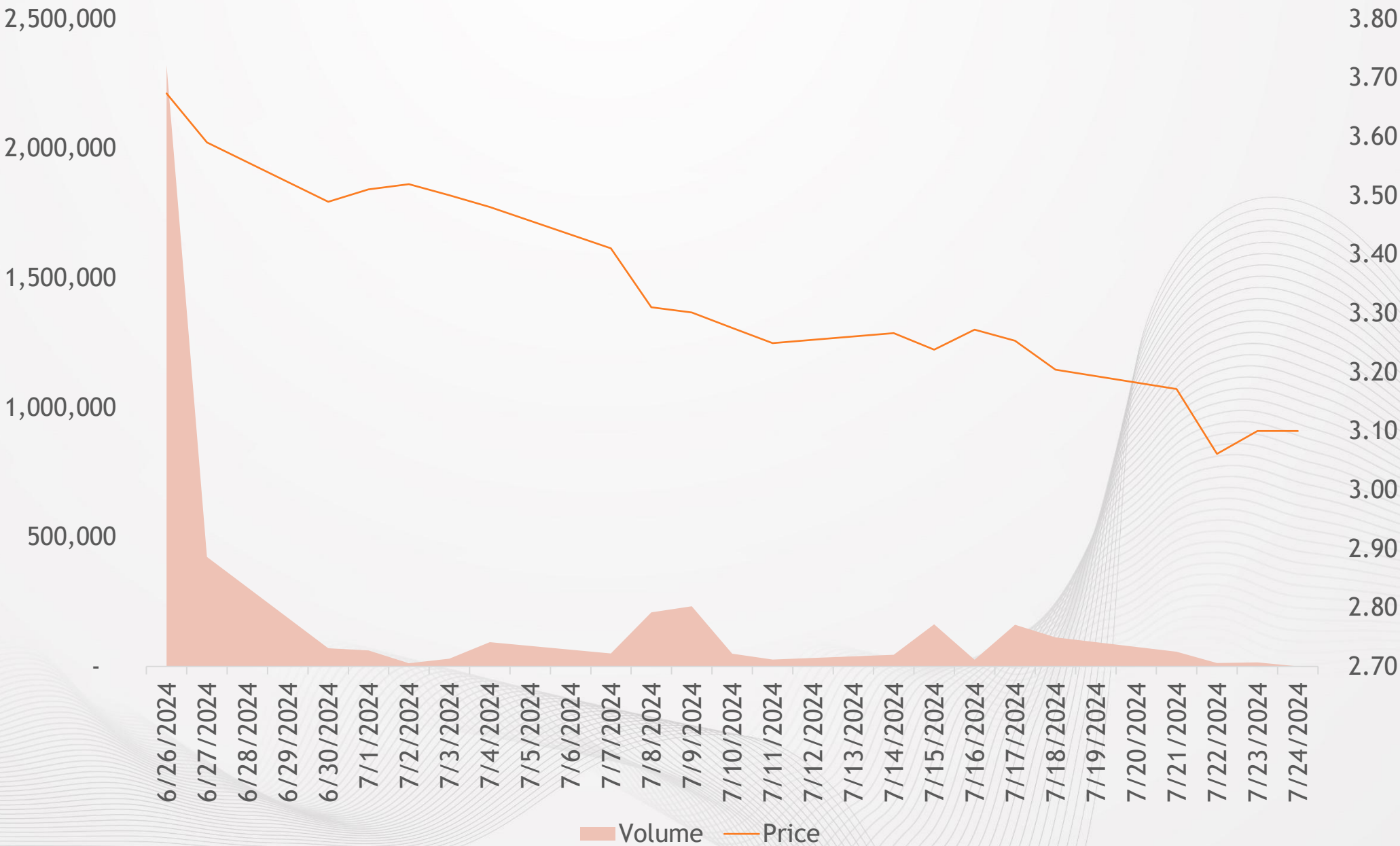
Mohamad Sadaka
Group CLCO
Mohamad joined the Company in July 2010. He has extensive experience in the commercial, corporate and contracting industries, provides strategic legal advice and services on an enterprise-wide basis



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.

01. GROUP OVERVIEW

TRADING HISTORY



TRADING HISTORY HIGHLIGHTS

- The Company's first day of trading was on **26 June 2024** with a reference price of **QAR2.9/share**
- The Company's issued **84.5 million shares** with a total market capitalization of **QAR245.1 million** as at 26 June 2024
- The share closing price in the first day of trading was **QAR3.7/share** representing a **27.5% increase** over the reference price
- During the first day of trading the volume of trades totaled at **2.3 million**

02

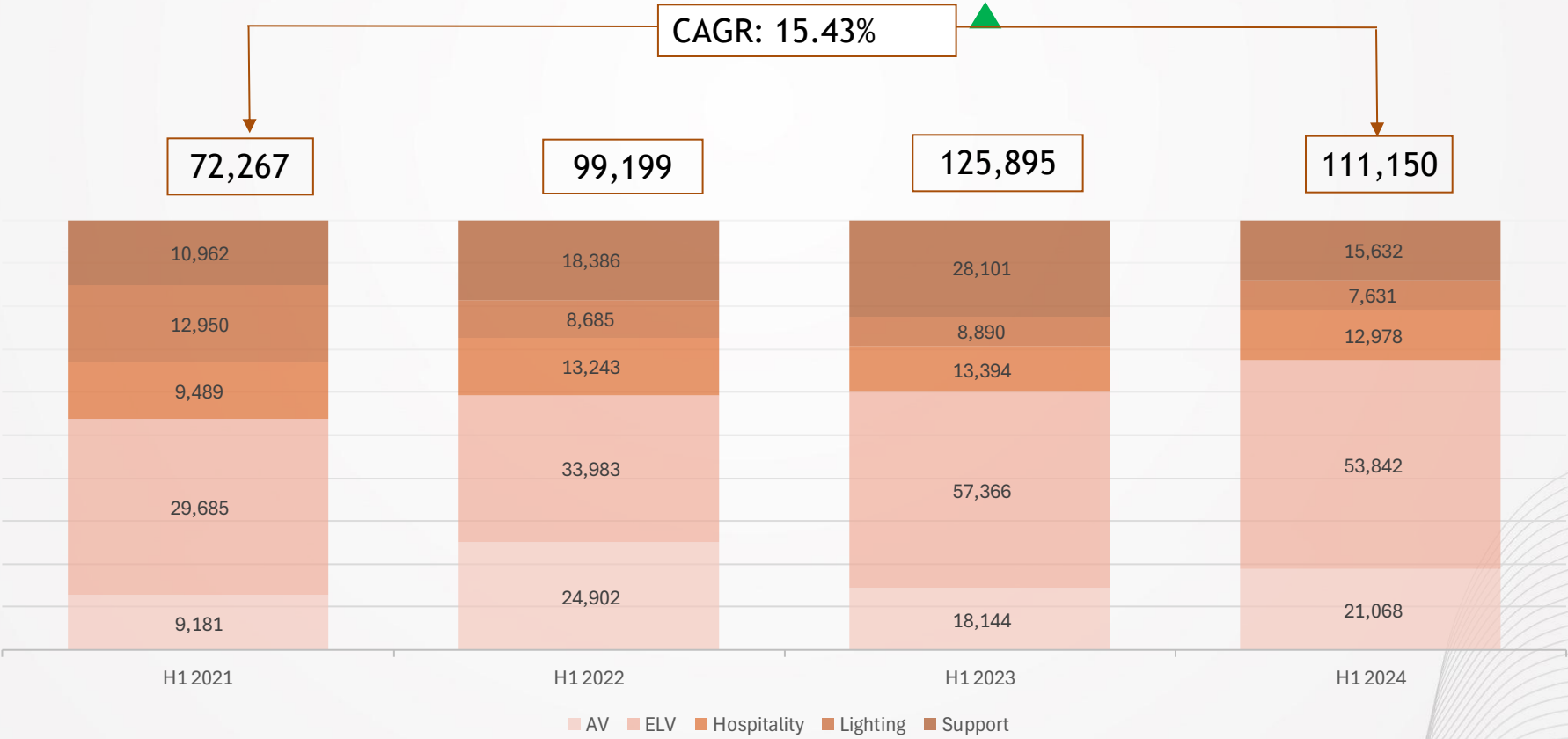
Financial Highlights

Techno
your dedicated partner

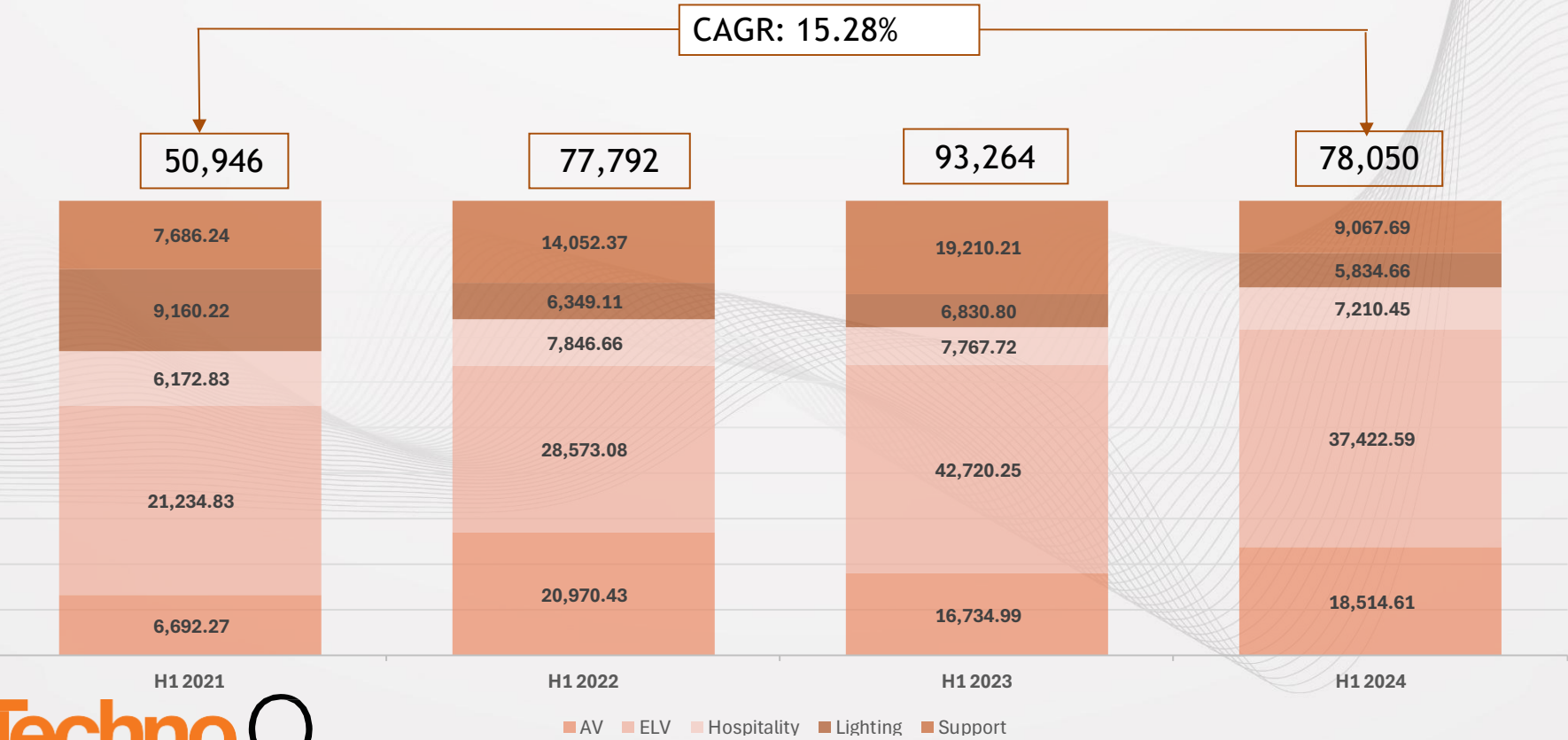
02. FINANCIAL PERFORMANCE

Techno Q's revenue increased at a CAGR of 15.4% between H1 2021 and H1 2024.

H1 2024 REVENUE HIGHLIGHTS (QAR'000)



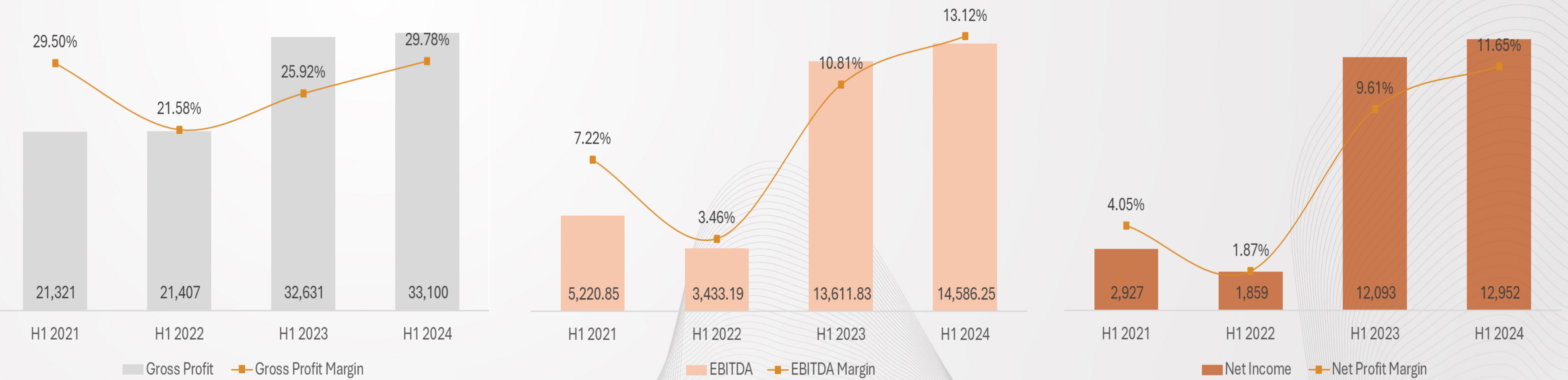
H1 2024 DIRECT COST HIGHLIGHTS (QAR'000)



- The revenue spike in 2023 was a result of a large project award for an international event in Qatar. At an overall level, the Company has been witnessing consistent growth during the last 5 years.
- Whilst revenue in H1 2024 decrease by 11.7% as compared to H1 2023, the revenue CAGR of the Company increased by 15.4% as compared to the H1 2021 results. Moreover, revenue in H1 2024 are 54% higher than in H1 2021.
- In H1 2024, the direct cost of all revenue stream decreased as compared to H1 2023 with the exception of the direct cost related to the AV services. As a result, the total direct cost decrease from QAR 93.2 million in H1 2023 to QAR 78 million in H1 2024.
- Overall, direct cost increase at a CAGR of 15.28% between H1 2021 and H1 2024 while it decreased by 11.7% between as compared to H1 2023.

02. FINANCIAL PERFORMANCE

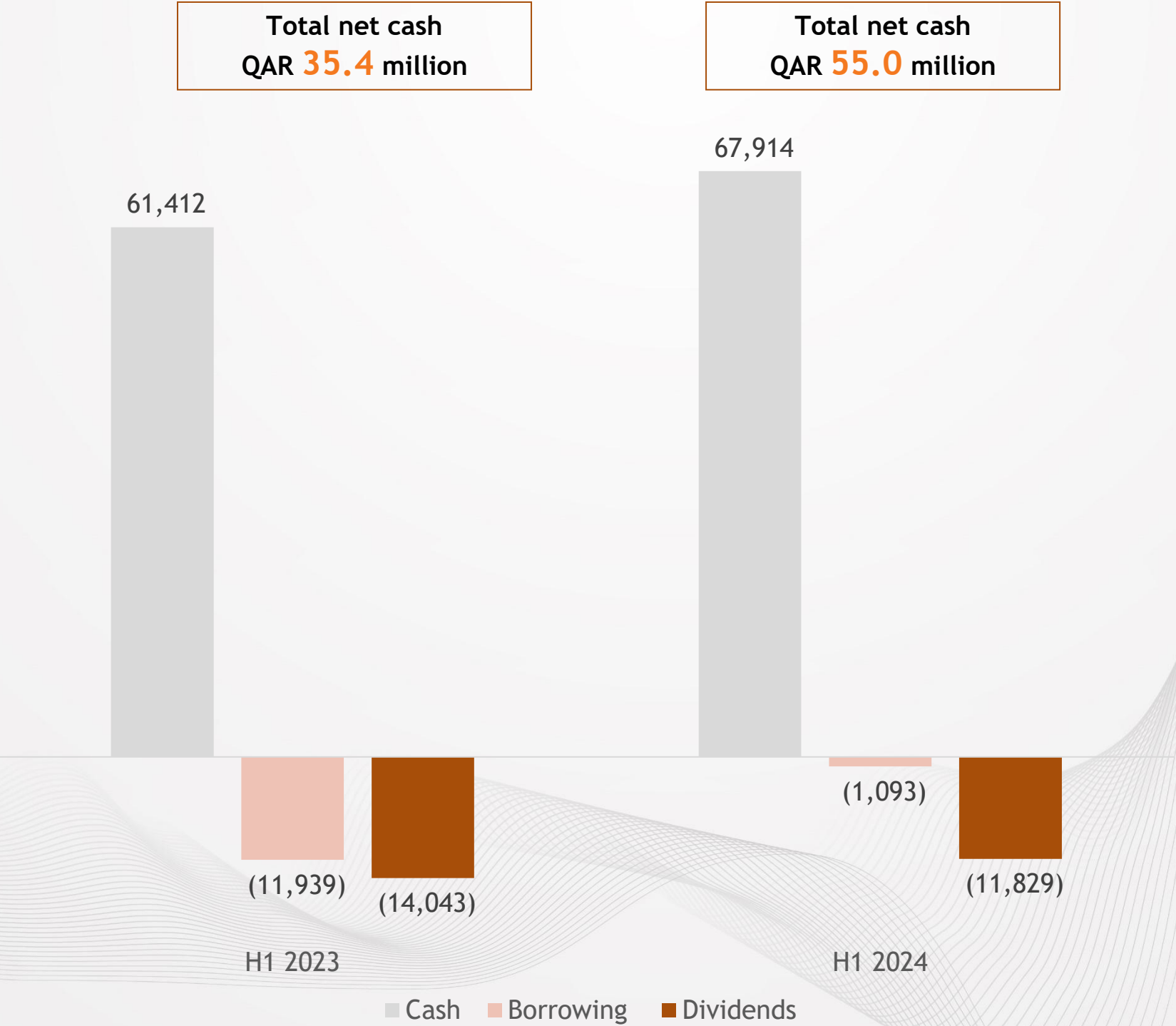
H1 2024 PROFITABILITY MARGINS (QAR'000)



- H1 2024 witnessed an improvement across all profitability margins with the gross margin increasing from 25.9% in H1 2023 to 29.78%, the Group achieved significant improvement in profitability margins as compared to H1 2022 and H1 2021. in H1 2024, the Group's gross margin was 29.78%, 8.2% higher than in H1 2022 while EBITDA margin increased to 13.12% from 3.46% in H1 2022 and 7.22% in H1 2021.
- The improvement in gross margin comes as a result of an improvement in the gross margin of the various revenue stream. The adjacent table reflects the gross margin by revenue stream in H1 2024 as compared to prior years.
- Given that 2023 was an exceptional year, the significant improvement in profitability margins as compared to other benchmark years (i.e., 2022 and 2021) as well as over H1 2023 indicates a promising outlook for the Group for 2024 and going forward.

02. FINANCIAL PERFORMANCE

NET DEBT / NET CASH



- Net cash witnessed a significant improvement in H1 24 as compared to H1 23 increasing by 55.2% from QAR 35.4 million to QAR 55.0 million.
- This improvement comes on the back of an improved working capital cycle resulting in higher cash generation from operation and the reduction of the Group’s outstanding debt from QAR 11.9 million in H1 23 to QAR 1.1 million in H1 2024.

03

Appendix



03. APPENDIX

INCOME STATEMENT

QAR'000	H1 2023	H1 2024
Revenue	125,895	111,150
Cost of sales	-93,264	-78,050
Gross profit	32,631	33,100
Other income	163	2,293
G&A expenses	(18,945)	(19,874)
Selling & distribution expenses	(1,268)	(943)
Listing expenses	(325)	(1,403)
EBIT	12,256	13,174
Finance cost	(163)	(222)
Income tax	-	-
Net profit	12,093	12,952
Earning per share (QAR / share)	0.14	0.15
No. of shares	84,500	84,500

SUMMARIZED STATEMENT OF FINANCIAL POSITION

QAR'000	H1 2023	H1 2024
Non-current assets	11,889	13,642
Current assets	291,475	231,977
Total assets	303,363	245,620
Share capital & legal reserves	88,348	89,643
Retained earning	25,196	25,026
Non-controlling interest	(16)	(18)
Total equity	113,528	114,651
Non-current liabilities	11,487	7,485
Current liabilities	178,348	123,483
Total liabilities	189,835	130,968
Total equity and liabilities	303,363	245,620



Thank You

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