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



Dec. 2024

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

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01

Group Overview



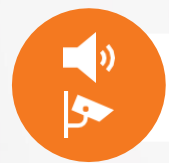
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01. GROUP OVERVIEW

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.



Support (Continuity assurance services)

Ensure seamless system performance with customizable maintenance solutions. Our expert engineers, trained in-house and by top manufacturers, provide unmatched support and reliability.



Information Technology Services

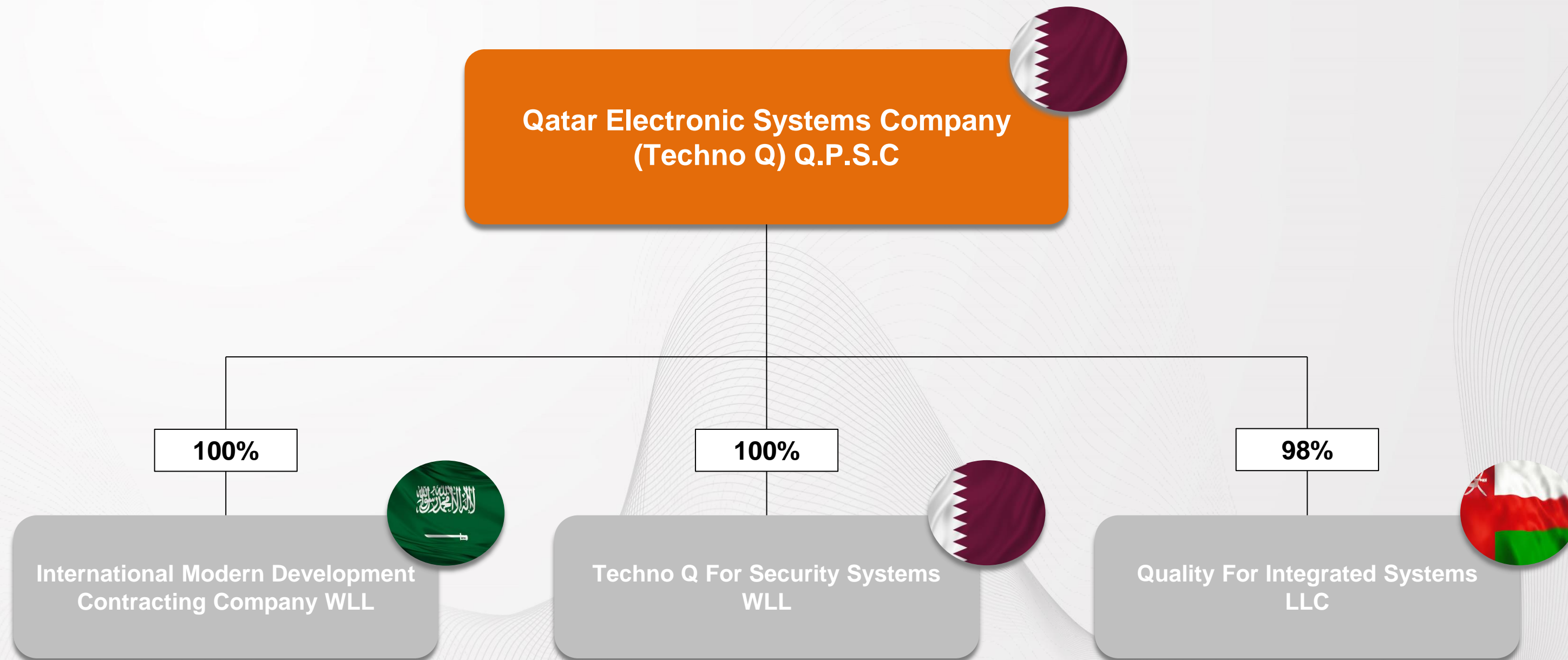
Techno Q has recently introduced IT services to its offerings that empowers businesses in Qatar with cutting-edge IT solutions, driving digital transformation through advanced infrastructures, including structured cabling, fiber-optic networks, data center integrations, and active components. Our certified experts deliver end-to-end services, from consultation to deployment, with a strong emphasis on cybersecurity, IoT integration, AI-driven innovations, and seamless cloud migration to optimize operations and secure critical digital assets.

Objective & Strategy

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

01. GROUP OVERVIEW

GROUP STRUCTURE



01. GROUP OVERVIEW

Key Milestones

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.



2001

Techno Q experienced a significant shift from small and medium-sized projects to major projects, most notably with Qatar Foundation and its affiliated universities.



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 its office/entity in KSA to participate in the country’s 2030 Vision projects.



2024

Techno Q became a listed company in Qatar Stock Exchange and won a number of projects in KSA.

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.



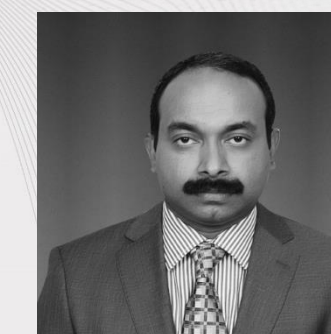
Zeyad Al Jaidah
Managing Director

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**

On 31 December 2024 Closing price was at **QAR 3.00/share**, with a total market capitalization of **QAR253.5 million**

Over the last 6 months, the average price was at **QAR3.15/share**, while the 3 months average stood at **QAR3.08/share**

02

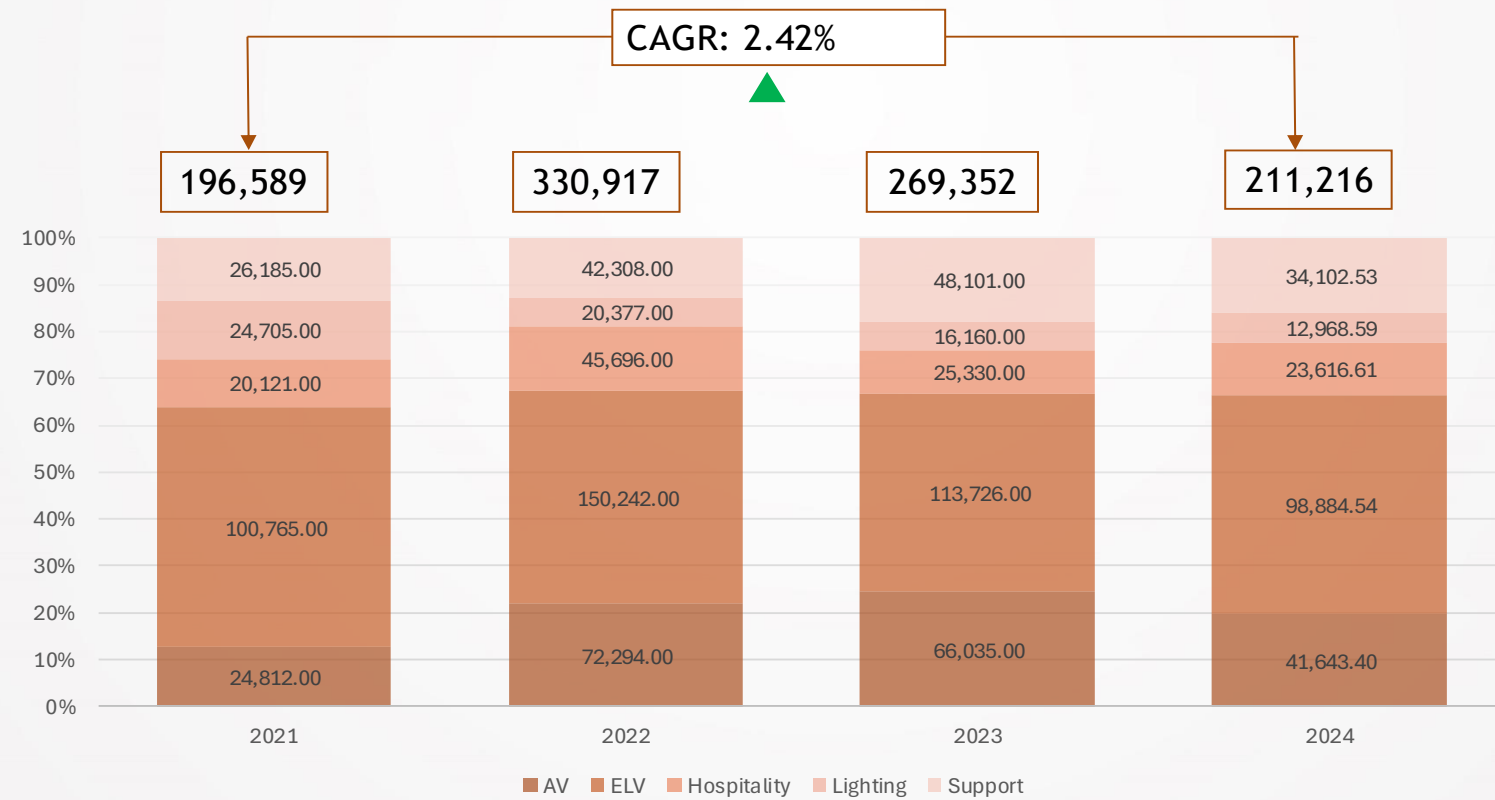
Financial Highlights



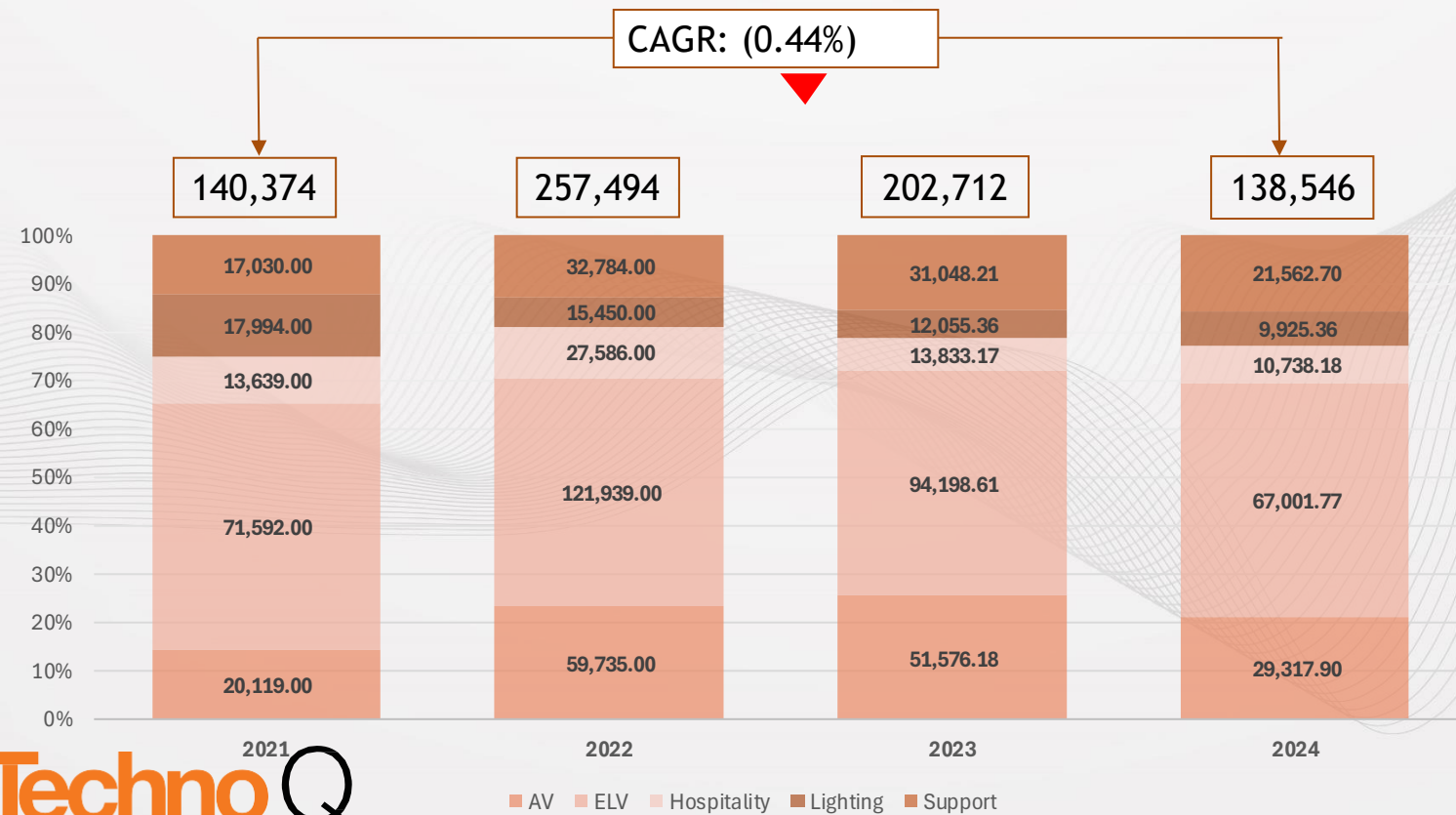
02. FINANCIAL PERFORMANCE

Techno Q's revenue increased at a CAGR of 2.42% between FY 2021 and FY 2024.

2024 REVENUE HIGHLIGHTS (QAR'000)



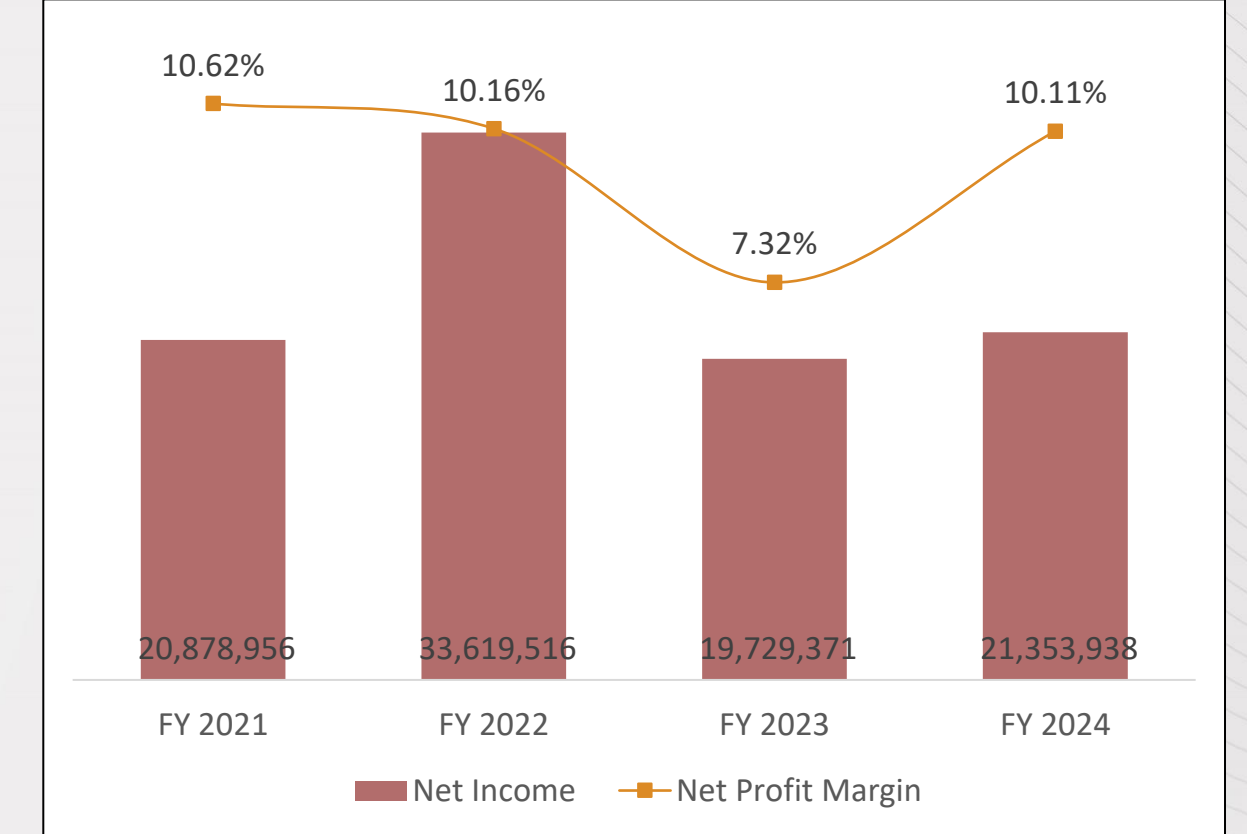
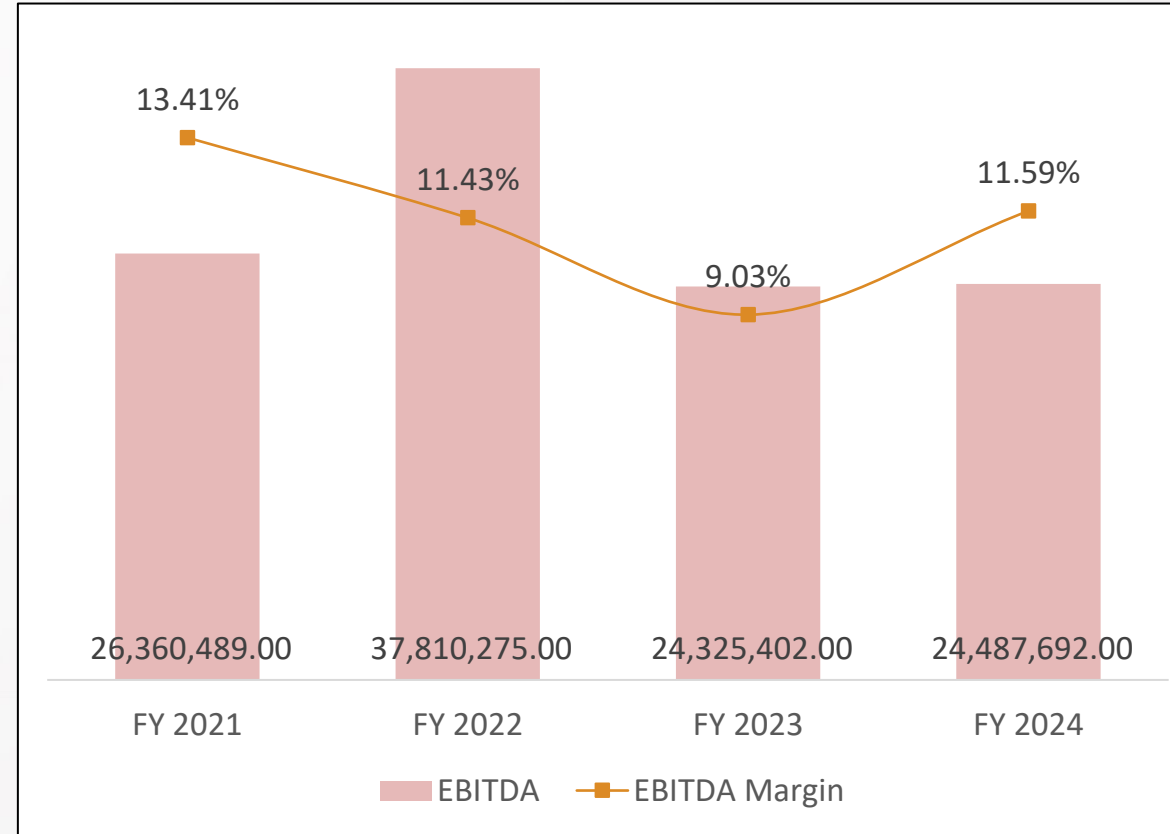
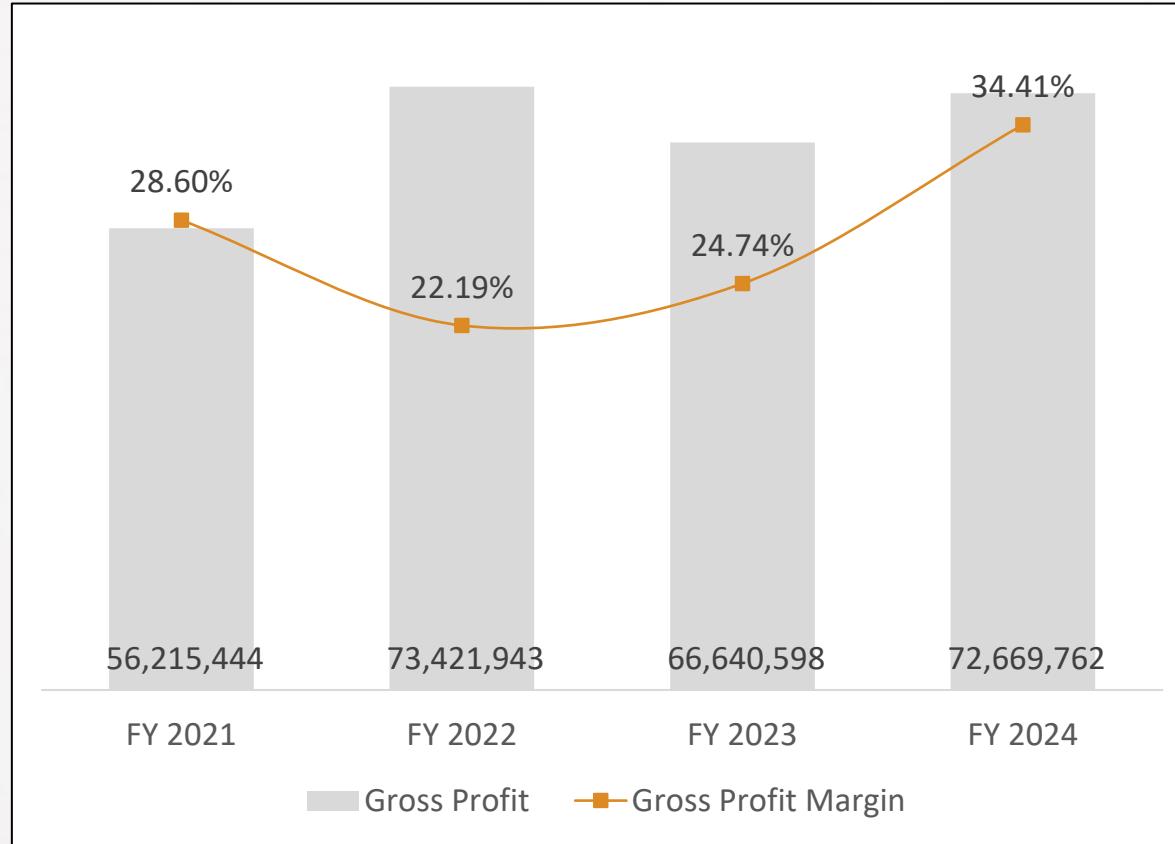
2024 DIRECT COST HIGHLIGHTS (QAR'000)



- The Company has demonstrated consistent growth over the past five years, with a notable revenue surge in 2022 and 2023. This spike was primarily driven by major projects awarded for high-profile international events such as FIFA and Formula 1 in Qatar.
- While revenue in FY 2024 declined by 21.58% compared to FY 2023, the Company's compound annual growth rate (CAGR) increased by 2.42% relative to FY 2021. Furthermore, FY 2024 revenue remains 7.44% higher than FY 2021 levels, reinforcing the Company's sustained long-term growth.
- Throughout the period, Extra Low Voltage (ELV) services remained the largest revenue contributor, with significant expansions in key segments such as Audiovisual (AV) and Hospitality during peak periods. These increases were largely attributed to heightened demand driven by major events. Although some segments, such as Lighting and Support (continuity assurance services), experienced a decline, the overall revenue mix remained well-diversified, positioning the Company for long-term stability.
- In FY 2024, the direct cost of all revenue streams declined compared to FY 2023, except for costs associated with AV services. As a result, total direct costs decreased from QAR 202.7 million in FY 2023 to QAR 138.5 million in FY 2024. Over the period from FY 2021 to FY 2024, direct costs decreased at a CAGR of 0.44%, with a significant 31.65% reduction compared to FY 2023.
- Looking ahead, the Company is actively expanding its footprint in the Kingdom of Saudi Arabia (KSA), with projects already secured and in progress. This strategic expansion aligns with the region's growing demand for integrated solutions and positions the Company for sustainable growth in one of the largest and most dynamic markets in the region.
- This prudent cost management, alongside a diversified revenue base, continues to strengthen the Company's financial resilience and strategic positioning for future growth.

02. FINANCIAL PERFORMANCE

2024 PROFITABILITY MARGINS (QAR'000)



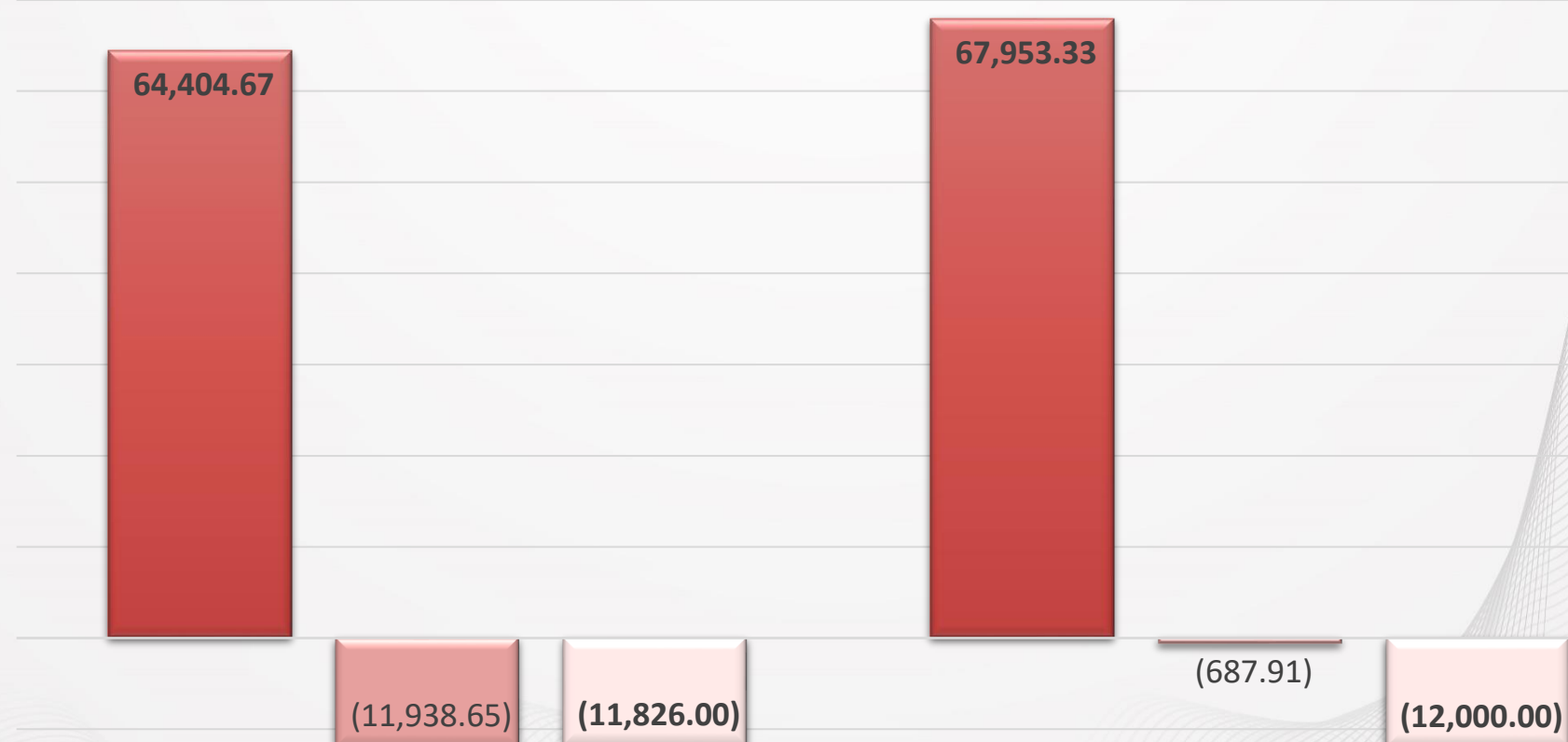
- In FY 2024, the Group achieved a notable improvement across all profitability margins, demonstrating enhanced financial efficiency and cost management. The gross margin increased significantly from 25% in FY 2023 to 34%, marking a 9.047% improvement. This enhancement was driven by improved margins across various revenue streams, reflecting optimized pricing strategies and cost efficiencies.
- Given that FY 2022 was an exceptional year driven by large-scale projects, the substantial improvement in profitability margins in FY 2024 compared to benchmark years (i.e., 2022 and 2021), as well as the stabilization post-FY 2023, indicates a promising outlook for the Group in 2024 and beyond.
- The Group's EBITDA saw a modest increase from QAR 24.3 million in FY 2023 to QAR 24.5 million in FY 2024, while the EBITDA margin improved from 9.0% to 11.6%, highlighting strengthened operational performance and effective cost control.
- Similarly, net income rose from QAR 19.7 million in FY 2023 to QAR 21.4 million in FY 2024, with the net profit margin increasing from 7% to just over 10%. This improvement reflects enhanced profitability, driven by a more favorable cost structure and a more efficient revenue mix.
- The Group's continuous focus on operational efficiencies, cost optimization, and strategic revenue diversification positions it for sustainable growth, reinforcing its long-term financial resilience.

02. FINANCIAL PERFORMANCE

NET DEBT / NET CASH

Total net cash
QAR **40.6** million

Total net cash
QAR **55.3** million



Between FY2023 and FY2024, the Group demonstrated a continued strengthening of its financial position:

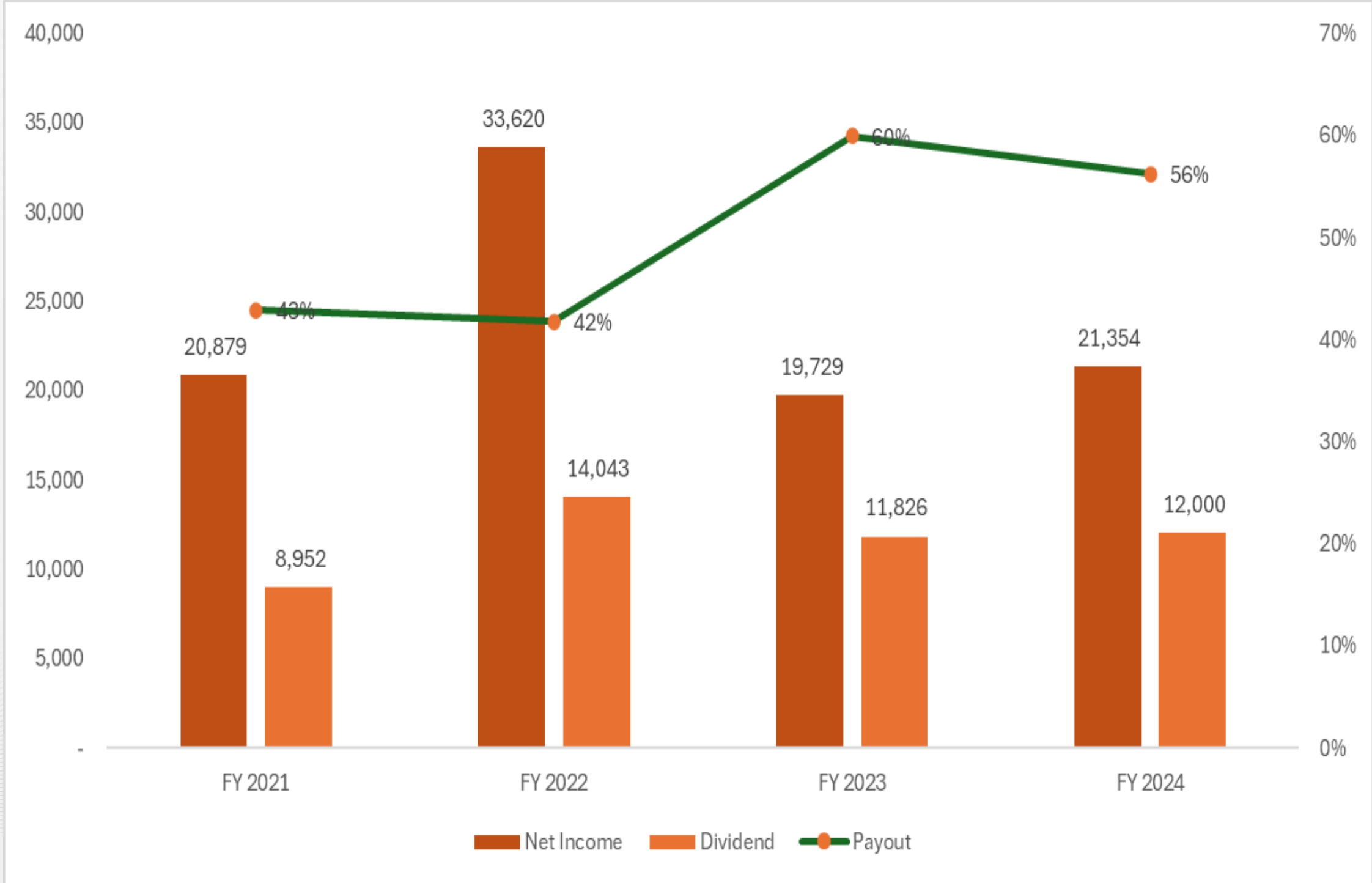
- **Cash** increased from **QAR 64.4 million** to **QAR 67.9 million**, reflecting enhanced liquidity and a solid cash position.
- **Borrowings** were significantly reduced from **QAR 11.9 million** to **QAR 0.7 million**, underscoring a strategic focus on deleveraging and minimizing debt exposure.
- **Dividend Payments** remained consistent, with a slight adjustment from **QAR 11.8 million** to **QAR 12.0 million (proposed subject to AGM approval)**, highlighting the Group's ongoing commitment to delivering value to shareholders.

These positive trends reflect a healthier balance sheet, lower financial risk, and a disciplined capital allocation strategy aimed at supporting both growth and shareholder returns.

	2023	2024
Cash	64,404.67	67,953.33
Borrowings	(11,938.65)	(687.91)
Dividend	(11,826.00)	(12,000.00)

02. FINANCIAL PERFORMANCE

TRACK RECORD OF CONSISTENT VALUE CREATION FOR SHAREHOLDERS



TQ maintained a stable dividend policy, aligning payouts with earnings performance. The payout ratio ranged from 42%-60% over FY 2021-FY 2024, reflecting a balanced approach between shareholder returns and financial sustainability. Despite fluctuations in net income, dividends remained consistent, increasing from QAR 8,9 million in FY 2021 to QAR 12 million in FY 2024, demonstrating the company's commitment to delivering value to its shareholders (subject to AGM approval).



03

Major Ongoing Projects

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03. MAJOR ONGOING PROJECTS

MAJOR ONGOING PROJECTS - Qatar

CLIENT NAME	PROJECT VALUE (QARm)	REVENUE STREAM	PERCENTAGE OF COMPLETION	REVENUE TO BE RECOGNIZED (BACKLOG)	ESTIMATED COMPLETION DATE
Hamad Medical Center	109.6	ELV	86%	15.1	Q1 2025
Qatar Academy Sidra	26	AV	1%	25.8	Q4 2025
AMC	12.2	Support	39%	7.5	Q2 2027
Qatar University	12	AV	2%	11.8	Q3 2025
Diplomatic Institute	10.2	ELV	33%	6.8	Q2 2025
Doha Oasis	9.5	ELV	0%	9.5	Q2 2025
UDC	8.9	Support	11%	7.9	Q3 2027
Others	468		80%	92.3	
Total ongoing project value	656.4		73%	176.7	

MAJOR ONGOING PROJECTS - KSA

CLIENT NAME	PROJECT VALUE (SARm)	REVENUE STREAM	PERCENTAGE OF COMPLETION	REVENUE TO BE RECOGNIZED (BACKLOG)	ESTIMATED COMPLETION DATE
General Administration of the Jubail Project	2.4	AV	20.83%	1.9	Q1 2025
Ministry of National Guard	1.7	AV	0.00%	1.7	Q2 2025
Ministry of Defense	1.3	AV	38.46%	0.8	Q1 2025
Total ongoing project value	5.4		18.52%	4.4	

MAJOR PROJECT VALUE BY REVENUE STREAM - Qatar





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04. APPENDIX

INCOME STATEMENT

QAR'000	FY 2023	FY 2024
Revenue	269,352	211,216
Cost of sales	-202,712	-138,546
Gross profit	66,641	72,670
Other income	717	3,807
G&A expenses	-39,299	-50,340
Selling & distribution expenses	-5,193	-2,671
Listing expenses	-1311	-1856
EBIT	21,554	21,611
Finance cost	-1825	-245
Income tax	-	-
Net profit	19,729	21,365
Earning per share (QAR / share)	0.39 *	0.25
No. of shares	50,847	84,500

(* The share capital for the year ended 31 December 2023 was 50,847,927 shares, consisting of 5,000,000 ordinary shares and 45,847,927 bonus shares issued.

SUMMARIZED STATEMENT OF FINANCIAL POSITION

QAR'000	FY 2023	FY 2024
Non-current assets	12,444	22,123
Current assets	290,919	234,336
Total assets	303,363	256,458
Share capital & legal reserves	88,348	90,483
Retained earning	25,196	32,055
Non-controlling interest	-16	-21
Total equity	113,528	122,517
Non-current liabilities	11,487	11,088
Current liabilities	178,348	122,854
Total liabilities	189,835	133,941
Total equity and liabilities	303,363	256,458



Thank You

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