



# H1 2023 Financial Performance

2 August 2023



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Operations

## Overview

Eng. Ahmad AL-Muslemani  
Chief Executive Officer



# Welcome to MEEZA!

Established in 2008 as a Qatar Foundation joint venture, **MEEZA is an end-to-end managed IT services and solutions** provider in Qatar

In addition to operating **5 Data Centers (M-Vaults)**, the Company offers **Managed IT Services, Solution Services, Workplace Services, Security & Cloud services**

MEEZA offers **long-term contracts** to a client base which comprises strategic **sovereign entities**, international **hyper-scalers** and large **corporates**

MEEZA is the **first public IT services company in Qatar**, with an oversubscribed IPO (initially via book-building) that **valued the Company at QR >1.4 billion**

# IPO Highlights & Update

## SHAREHOLDING

324.5m shares sold  
(50% of share capital)

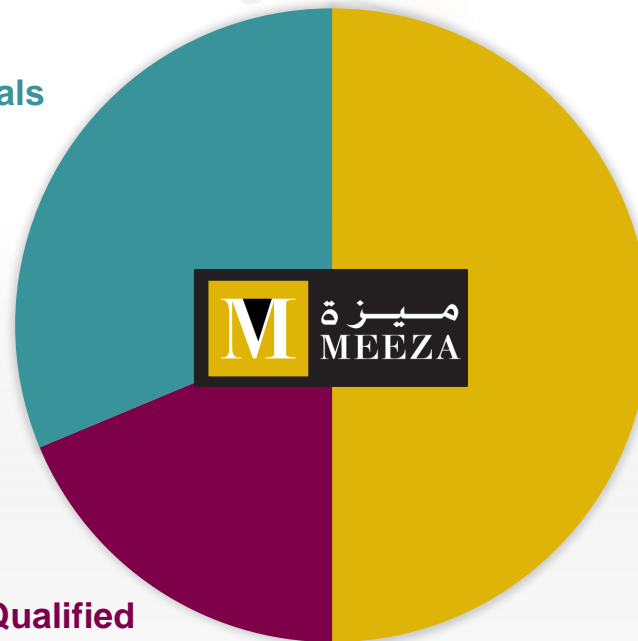
Oversubscribed >111%  
in June 2023

Qatar's first ever book  
building IPO

Share price of QR 2.17

Individuals  
31%

Qualified  
Investors  
19%



Founders  
50%

Coordinating final  
technical and  
regulatory requirements

Listing is expected in  
August 2023 and an  
official announcement  
will be made



# Key Messages for H1 2023



## Record H1 Results

- +42% growth in Revenues year on year to QR 221.8m
- Net Profit of QR 29.7m, our highest ever in H1



## Strong Sales Pipeline

- >QR 280m in contract value sold in first half
- >QR 1.3b in committed contract value over the next 11 years
- 2 new Data Center clients onboarded



## Delivering Results

- Migration of clients from old Government Cloud to the MEEZA Cloud
- Strategic partnership signed in Saudi Arabia
- Launched MEEZA Academy



Operations

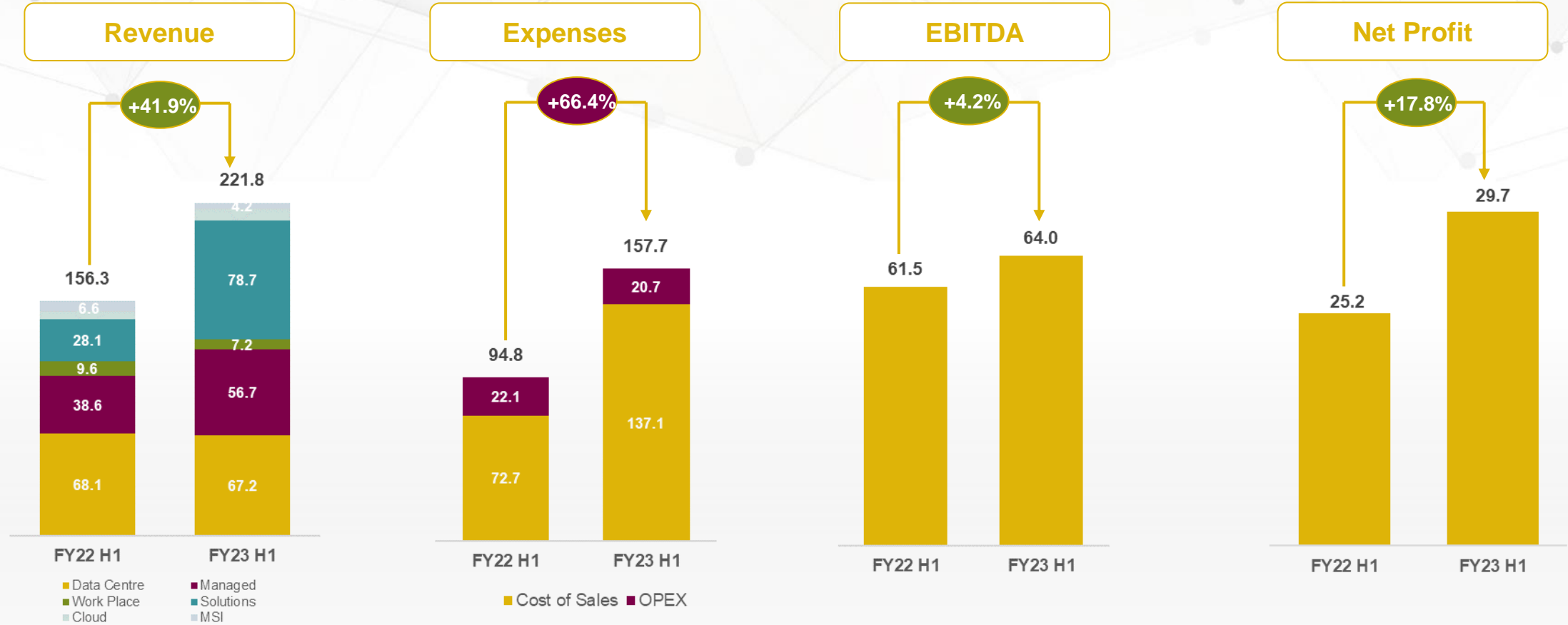
## Financial Results

James Corby  
Chief Financial Officer



# H1 FY23 Financial Performance | v H1 FY22

QR m



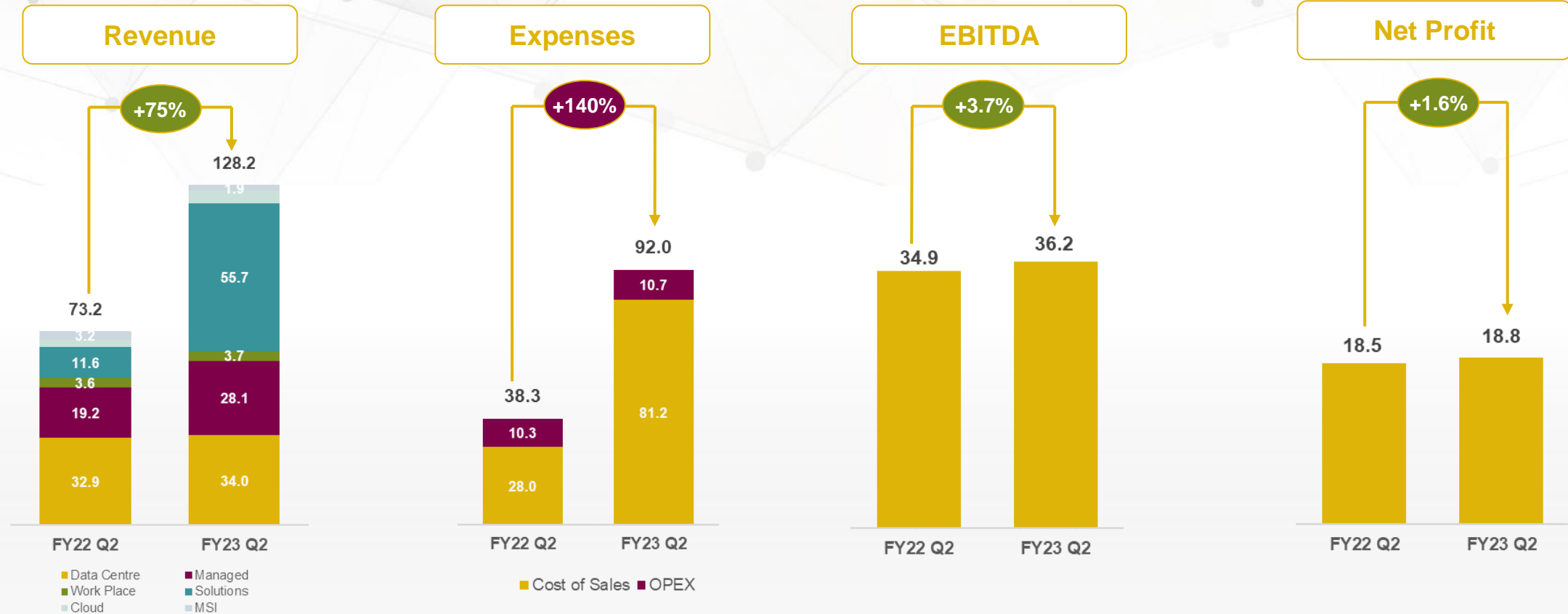
- **Total Revenue grew 41.9% (QR 65.5m)** led by Managed Services growth of 47% and Solution Services 180%
- **Expenses QR 62.9m (66.4%) higher** due to higher revenue, revenue mix, expansion costs & FY22 one-off partially offset by our cost optimization program
- **EBITDA QR 2.6m (4.2%) higher** led by revenue growth. **EBITDA margin of 28.9%, 10.5pp lower** YoY primarily due to revenue mix (higher contribution of lower margin Solutions revenue)
- **Net Profit 17.8% higher** following EBITDA flow through, lower depreciation and lower net financing cost

1) Excluding depreciation



# Q2 FY23 Financial Performance | v Q2 FY22

QR m



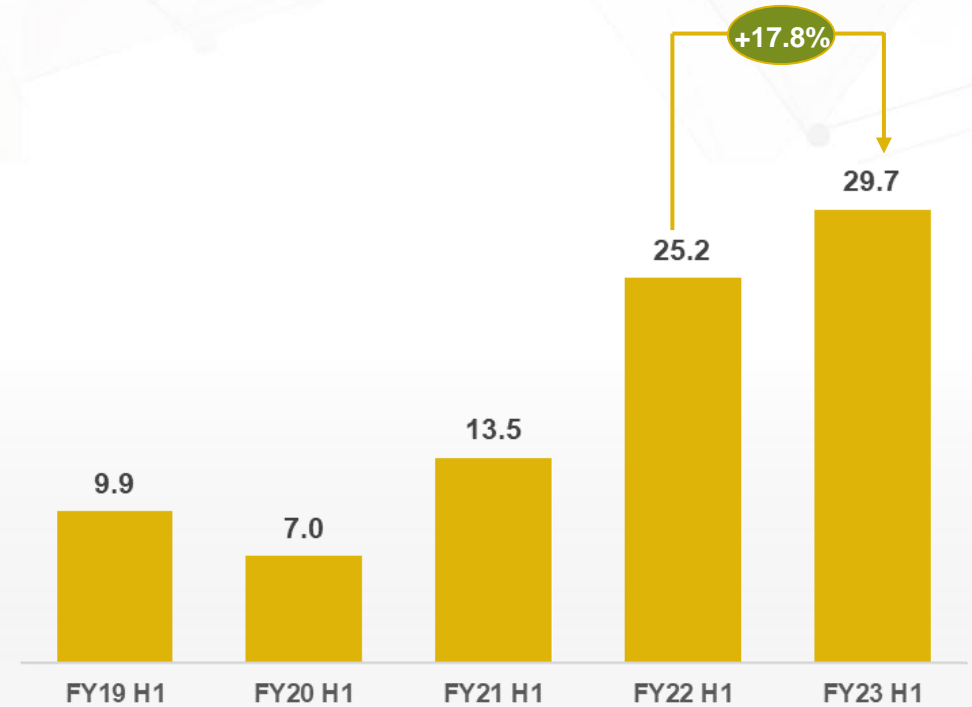
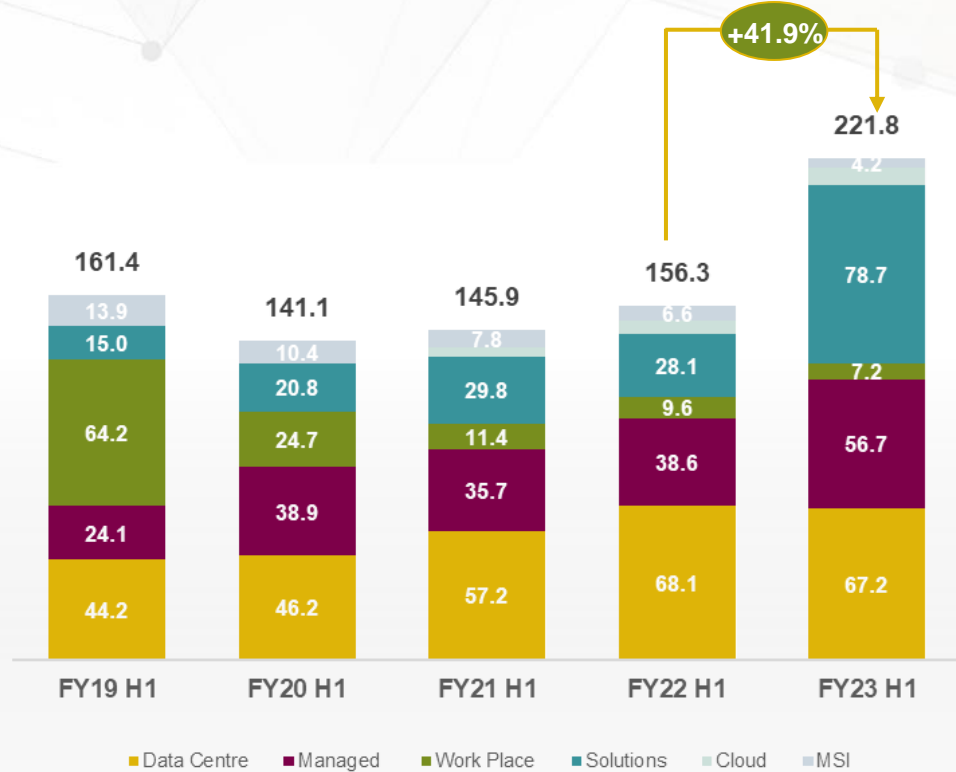
- **Total Revenue grew 75% (QR 54.9m)** led by **Solutions growth** of 379% and **Managed Services** 46%
- **Expenses QR 53.7m (140%) higher** primarily due to growth in cost of sales as a result of higher revenue, revenue mix & FY22 one-off
- **EBITDA QR 1.3m (3.7%) higher** driven by higher revenue. **EBITDA margin of 28.2%, 19.4pp lower** YoY primarily due to revenue mix (higher contribution of lower margin Solutions revenue)
- **Net Profit 1.6% (QR 0.3m) higher** following EBITDA flow through offset by higher depreciation

# H1 FY23 Financial Performance | H1 YoY Trend

QR m

## Revenue

## Net Profit



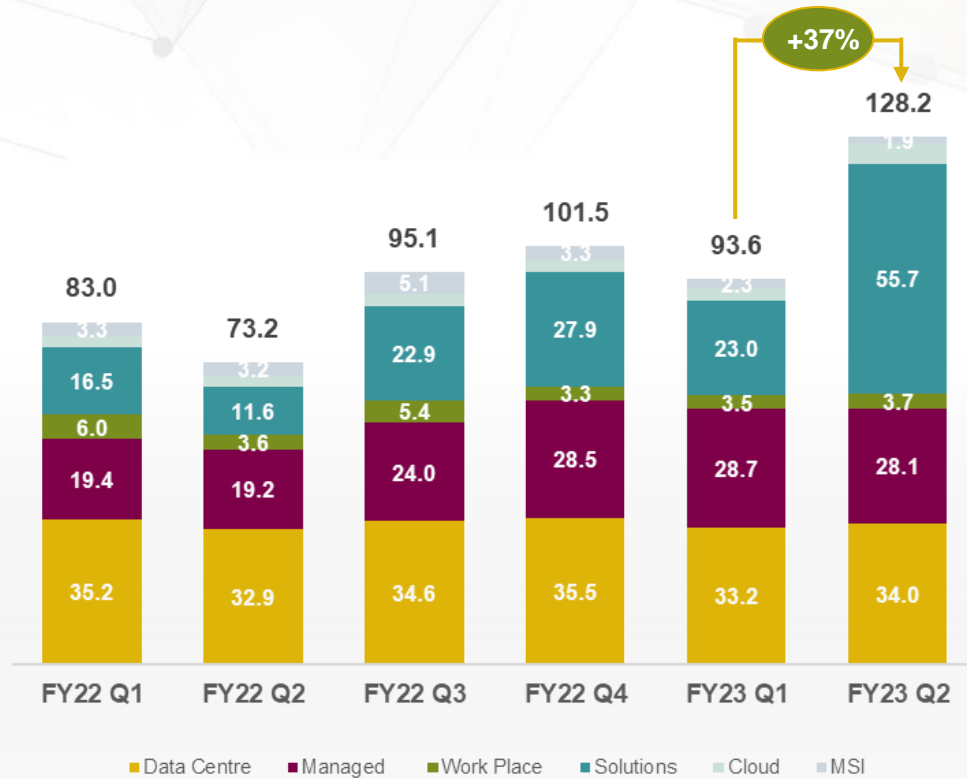
- **Total Revenue grew 41.9% (QR 65.5m) YoY** led by **Solution Services growth** of 180% and **Managed Services increase** of 47%
- **Net Profit 17.8% higher YoY** primarily due to higher revenue and lower OPEX



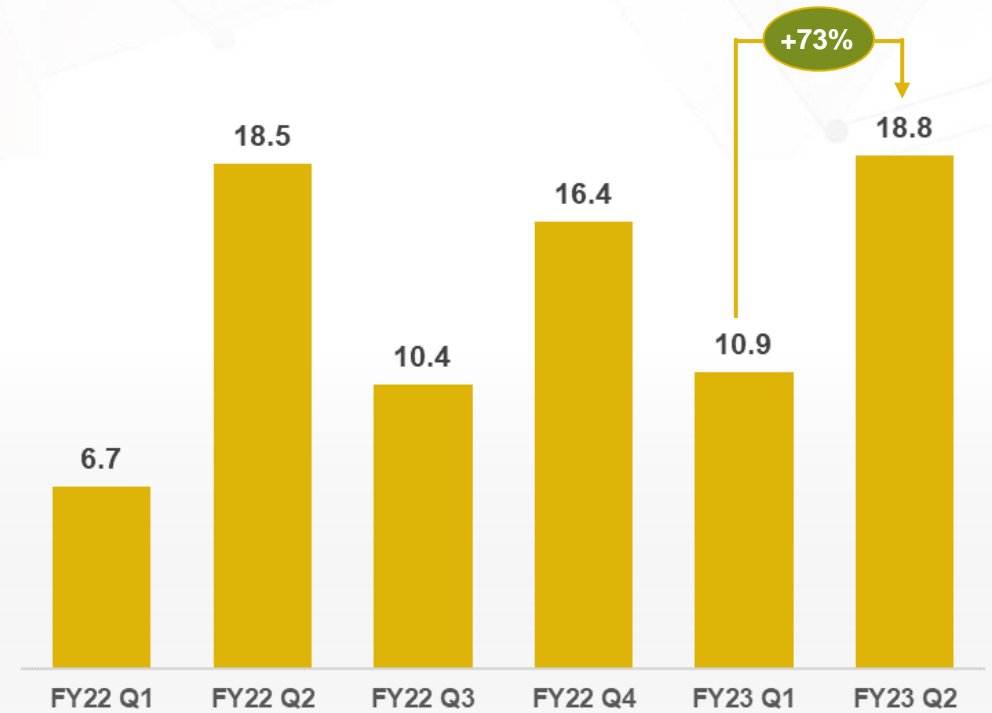
# Q2 FY23 Financial Performance | QoQ Trend

QR m

## Revenue



## Net Profit

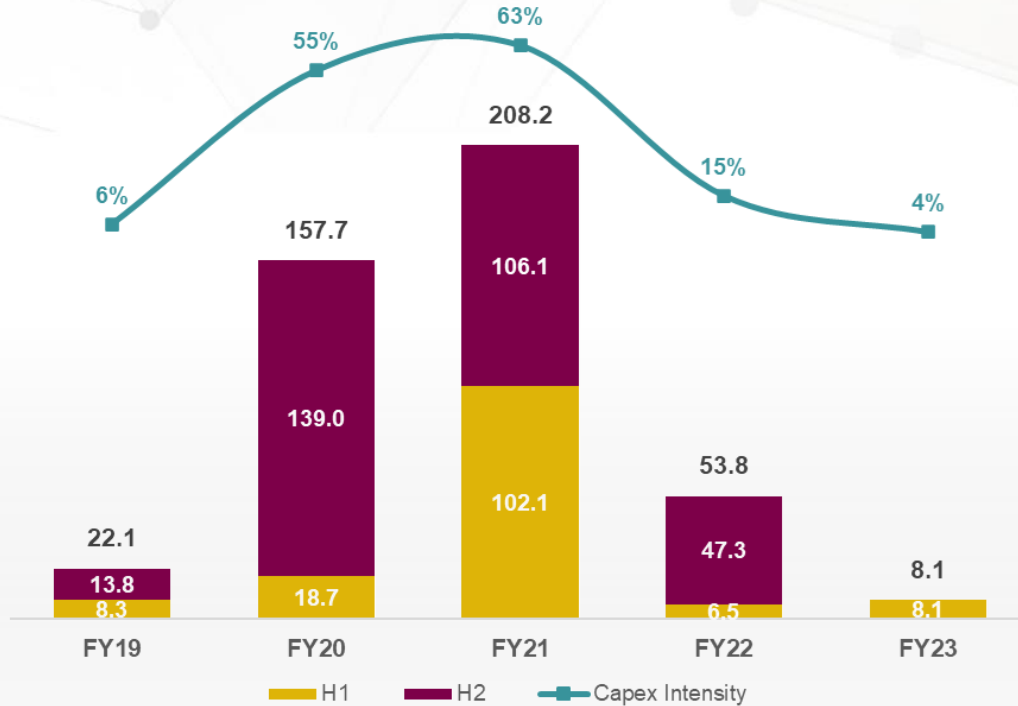


- Total Revenue grew 37% (QR 34.6m) QoQ led by **Solution Services** growth
- Net Profit 73% higher QoQ primarily due to higher revenue

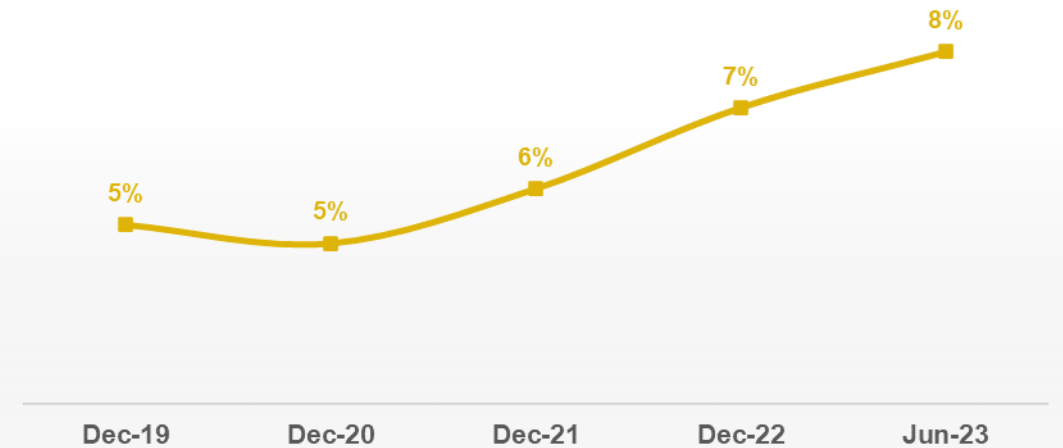
# H1 FY23 Financial Performance | Capital Expenditure

QR m (unless stated)

## CAPEX



## Return of Capital Employed (ROCE)\*



- **FY20 & FY21 CAPEX** impacted by the construction of MV2 extension (0.9MW) and MV4 (4 MW) data centers
- **FY22 CAPEX** driven by MV5 data center construction (1.2MW)

- **ROCE increasing from 5% in December 2019 to 8% in June 2023** driven by growth of higher margin services

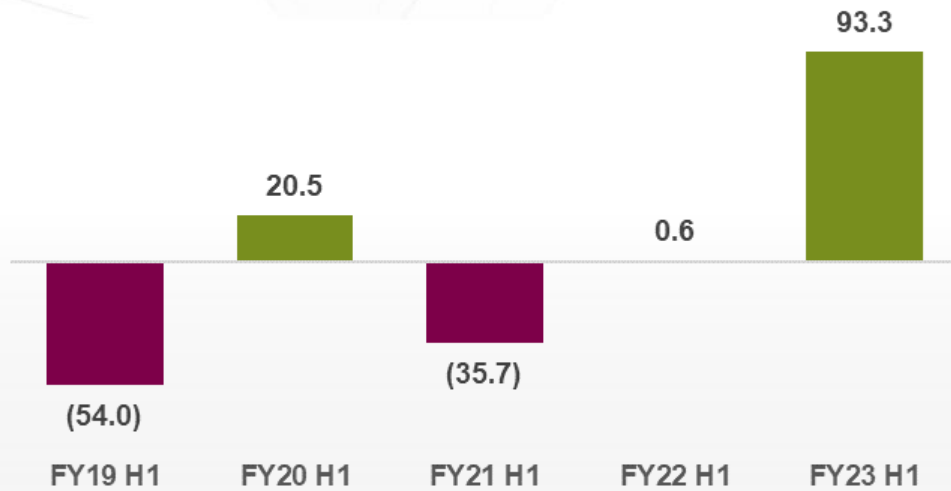
\* ROCE calculated as:  $(\text{Net Profit} + \text{Borrowing costs}) / \text{Average (Equity} + \text{Loans)}$  on annualized net profit based on FY22 H1



# H1 FY23 Financial Performance | Cash Flow from Operations

QR m (unless stated)

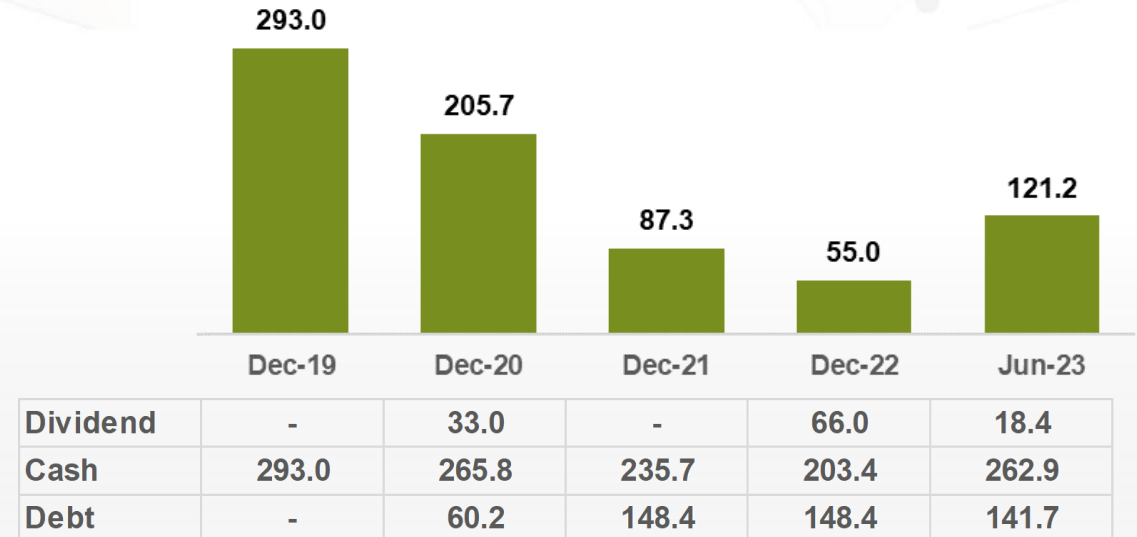
## Cash generated from Operations\*



\* Cash generated from operations as per statement of cash flows net off lease payments

- FY19 H1 & FY21 H1 impacted by working capital
- FY23 H1 primarily driven by collections and timing of payables

## (Net Debt) / Net Cash



Dividend	-	33.0	-	66.0	18.4
Cash	293.0	265.8	235.7	203.4	262.9
Debt	-	60.2	148.4	148.4	141.7

- Company in a **net cash position** with QR 262.9m cash on hand



Operations

## Q&A







Operations

# Appendix



# H1 FY23 | Statutory results

## Consolidated Statement of Income & Statement of Financial Position

QR 000's (unless otherwise stated)	30-Jun-23	30-Jun-22	YoY
Revenue	221,789	156,283	65,506
Cost of sales	(164,128)	(101,761)	(62,367)
<b>Gross profit</b>	<b>57,661</b>	<b>54,522</b>	<b>3,139</b>
General and administrative expenses	(23,175)	(23,416)	241
Finance income	3,989	1,515	2,474
Interest expense on lease liabilities	(4,184)	(4,315)	131
Finance costs	(4,546)	(3,079)	(1,467)
Other income/(expenses)	(29)	3	(32)
<b>Profit for the period</b>	<b>29,716</b>	<b>25,230</b>	<b>4,486</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income for the period</b>	<b>29,716</b>	<b>25,230</b>	<b>4,486</b>
<b>Basic and diluted earnings (QR per share)</b>	<b>0.05</b>	<b>0.04</b>	<b>0.01</b>
<b>Number of Shares (000's)</b>	<b>648,980</b>	<b>648,980</b>	

\* On 26 September 2022 it was resolved to convert the advances from shareholders into share capital and retained earnings issuing new shares with a nominal value of QR 1 (instead of QR 1,000), thus increasing the number of shares to 648,980,000 (previously there were 200 shares as at 30 June 2022 but we have included 648,980,000 for comparative purposes)

QR 000's (unless otherwise stated)	30-Jun-23	31-Dec-22	YoY
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	492,295	508,493	(16,198)
Right-of-use assets	146,656	151,941	(5,285)
Other non-current assets	10,242	12,102	(1,860)
<b>Total non-current assets</b>	<b>649,193</b>	<b>672,536</b>	<b>(23,343)</b>
<b>Current assets</b>			
Prepayments and other assets	42,217	33,037	9,180
Due from related parties	80,857	110,390	(29,533)
Trade and other receivables	171,647	132,183	39,464
Cash and bank balances	262,908	203,405	59,503
<b>Total current assets</b>	<b>557,629</b>	<b>479,015</b>	<b>78,614</b>
<b>Total assets</b>	<b>1,206,822</b>	<b>1,151,551</b>	<b>55,271</b>
<b>EQUITY and LIABILITIES</b>			
<b>Equity</b>			
Share capital	648,980	648,980	-
Statutory reserve	8,515	8,515	-
Advances from shareholders	-	-	-
Retained earnings /(accumulated losses)	32,969	21,687	11,282
<b>Total equity</b>	<b>690,464</b>	<b>679,182</b>	<b>11,282</b>
<b>Non-current liabilities</b>			
Employees' end of service benefits	11,932	10,821	1,111
Contract liability – long term	24,861	27,205	(2,344)
Lease liabilities	155,322	155,791	(469)
Borrowings	128,155	134,858	(6,703)
<b>Total non-current liabilities</b>	<b>320,270</b>	<b>328,675</b>	<b>(8,405)</b>
<b>Current liabilities</b>			
Contract liability – short term	2,307	3,159	(852)
Lease liabilities	9,116	8,283	833
Borrowings	13,548	13,548	-
Trade and other payables	171,117	118,704	52,413
<b>Total current liabilities</b>	<b>196,088</b>	<b>143,694</b>	<b>52,394</b>
<b>Total liabilities</b>	<b>516,358</b>	<b>472,369</b>	<b>43,989</b>
<b>Total equity and liabilities</b>	<b>1,206,822</b>	<b>1,151,551</b>	<b>55,271</b>



# Company Highlights

Provision world-class  
End-to-end Managed IT  
Services and Solutions



Established  
in 2008



Certified LEED  
Platinum and Gold  
State-of-the-art Data  
Centres



Four Tier III certified  
datacentres offering  
uptime of 99.98 %



1st Company to  
achieve 4 Star SDI  
(Service Desk Institute)



1st Centralised  
Command & Control  
Centre in Qatar



1st Commercial  
Security Operations  
Centre in Qatar

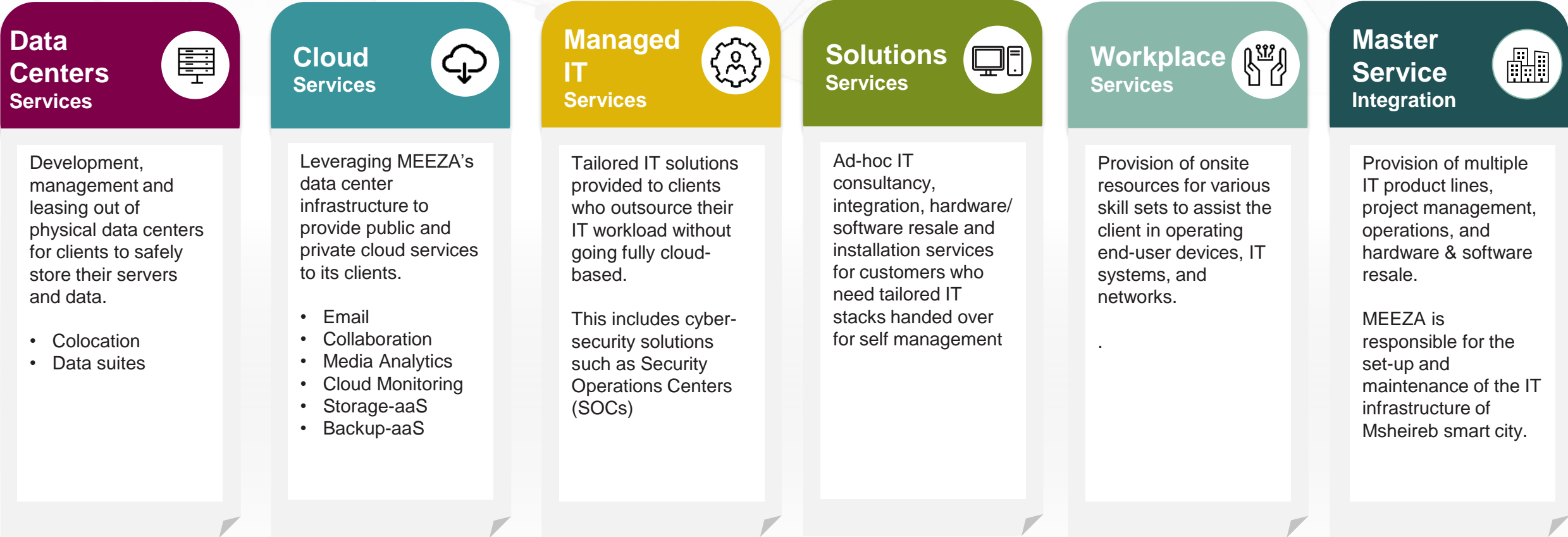


Systems integrator in  
the area of Smart Cities  
and internet of Things





# End-to-end IT Service Portfolio



# Key Investment Highlights

## Leading Position in Digitalization

- World is experiencing a data boom, creating significant demand for data centers and IT services
- Operate in a market where energy prices and telecom connectivity are favorable making supply chains reliable.
- Qatar's Data Center pioneer

## Unique Product Offering

- Fully integrated, end-to-end IT services in Qatar offering managed services, solution services, and cloud services
- Five state-of-the-art data centers with guaranteed uptime of 99.98%
- Ongoing expansion plans

## Strong Financials

- Strong stable growth over the last 3 years with revenue growing 11.3% CAGR between 2020 and 2022
- Net income growing at a CAGR of 22.4% over the last 3 years to reach 52.1 million in 2022
- Healthy financial position with a growing fixed asset base, significant cash reserves, and low leverage

## Long-term customer relationships

- Client base of numerous strategic sovereign entities, international hyper-scalers and large corporates.
- Majority long-term contracts
- Recurring revenue streams, high visibility on cash flows, and ability to cross-sell new managed services

## Experienced Leadership

- Senior management team with significant professional experience delivering key strategic projects
- Blend of local Qatari leaders coupled with the global expertise of foreign senior management members
- Experience from some of the largest technology and service provider companies in the world



Thank You

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**Yaman AlJundi**  
Head of Investor Relations



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