



Q1 2024 Earnings Call

6 May 2024



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Operations

Overview

Mohsin Al Marri

Acting Chief Executive Officer



Operational Highlights

Financials

- Revenue growth in higher margin segments – Data Centers, Managed Services and Cloud
- Total revenue declined due to drop in lower margin Solutions revenue (10.1%)
- EBITDA margin increased to 32.4% and highest Q1 Net Profit on record



Commercials

- QR 1.2b in committed contract value, Net Pipeline of QR 1.3b
- 1 MW in MV-4 is Ready for Service, pending final approval
- Received final revised proposals for MV-4 4MW extension
- Issued RFI for financing of capacity expansion



Stakeholder Engagement

- "Best ICT Service Provider of the Year" 2023 (MCIT)
- "HPE Service Provider Partner of the Year" 2023
- Platinum sponsor of the 2024 Web Summit Qatar
- Launched MEEZA.AI with H.E. MCIT Minister





Operations

Commercial Overview

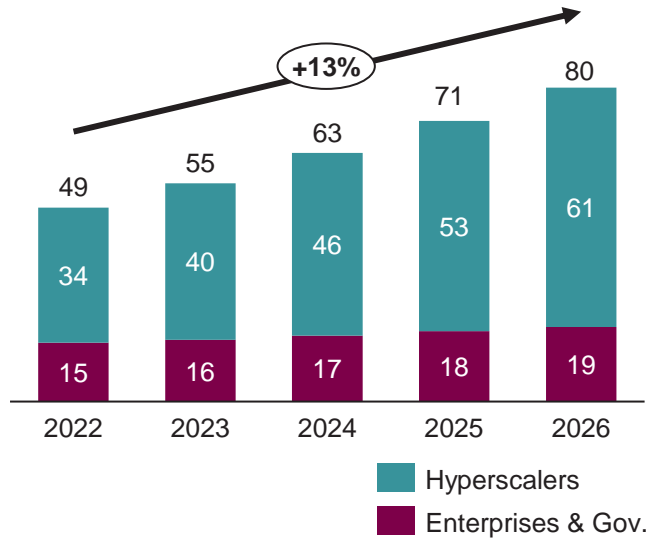
Dr. Fadi Nasser
Chief Commercial Officer



Data Center Market Overview

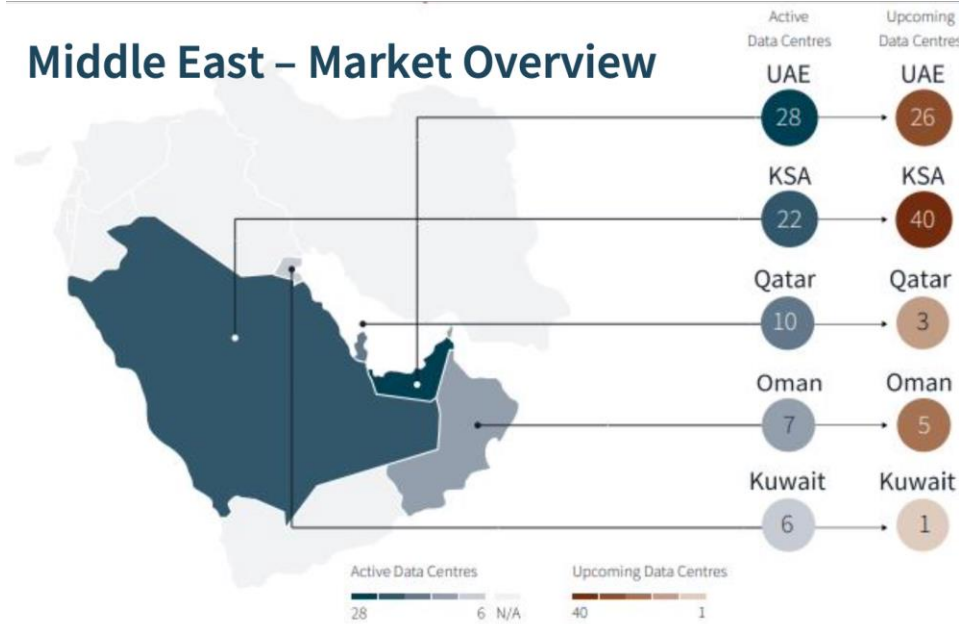
Qatar's DC capacity is expected to reach more than 100 MW by 2030

DC MW demand in Qatar – BEFORE AI
(MW, 2022-2026)



ADL MEEZA study, June 2022

Middle East – Market Overview



JLL Market Study, 2024

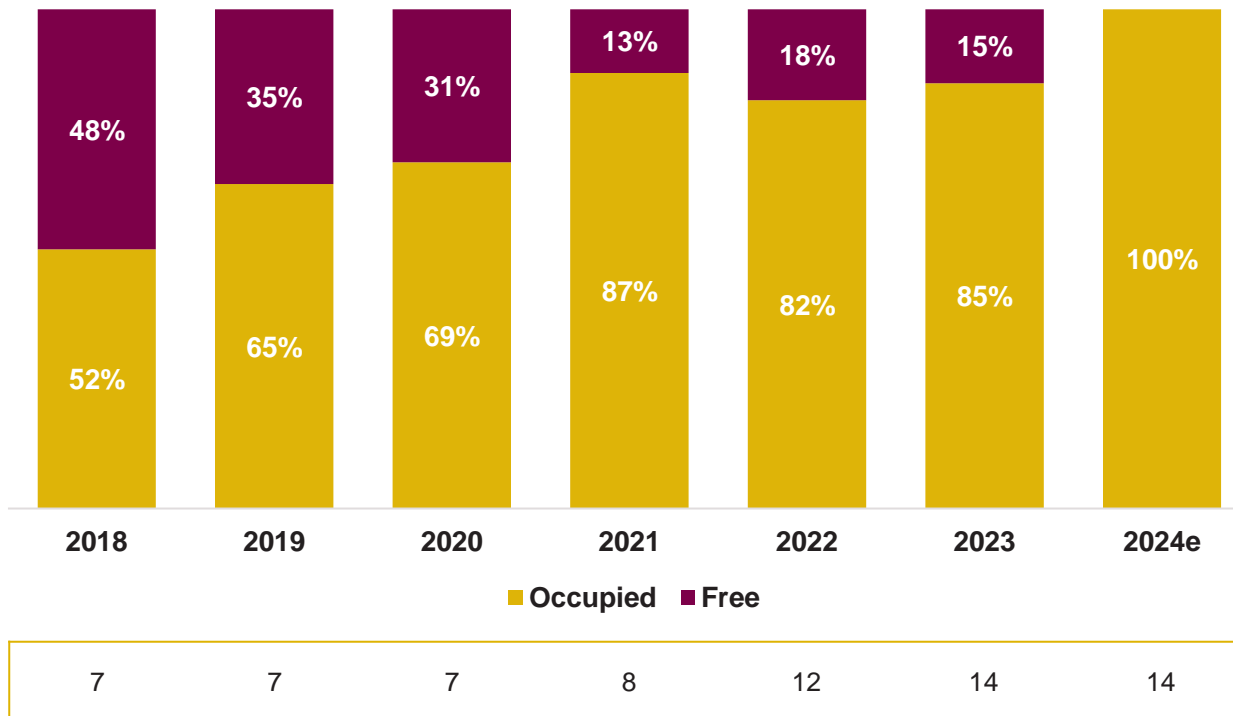


“Qatar aims to double its national cloud data center capacity” by 2030

MEEZA's Data Center Expansion Plan

MEEZA will invest in adding two data centers to maintain its ~50% of market share

Utilization Trend 2018 - 2024



MEEZA expects to fill the remaining 1 MW in Q2 2024.

MEEZA has set the locations and is currently finalizing the design to deliver 12 MW included in its capacity rollout plan.

- MV-4 Extension (4 MW)
- MV-6 / MV-7 (8 MW)

MEEZA also expects to add an additional 25 MW to its new data center campuses over the next 5 years, for a projected total capacity exceeding 50 MW by 2030.

The above is based on current management projections and subject to change based on market factors.



Operations

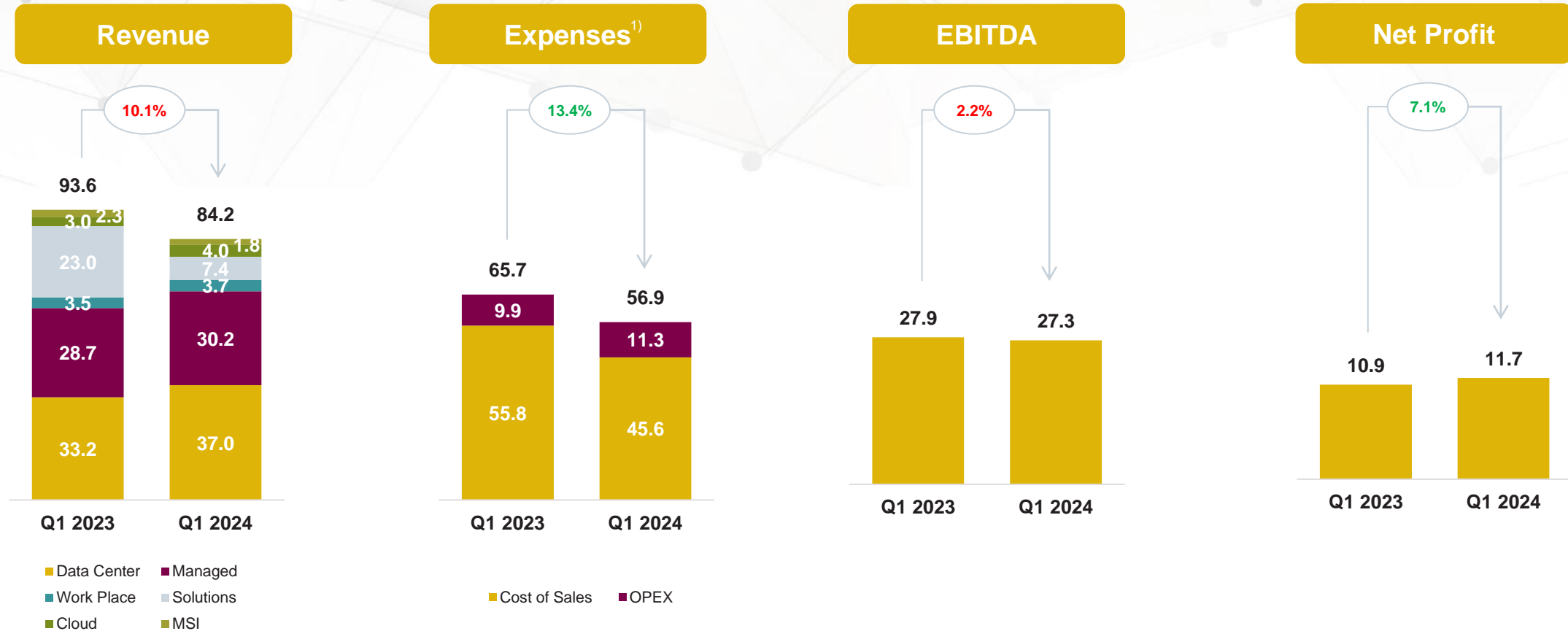
Financial Results

James Corby
Chief Financial Officer



YTD FY24 Financial Performance | Q1 FY24 v Q1 FY23

Year on Year | QRm (rounded to nearest QR 100k)



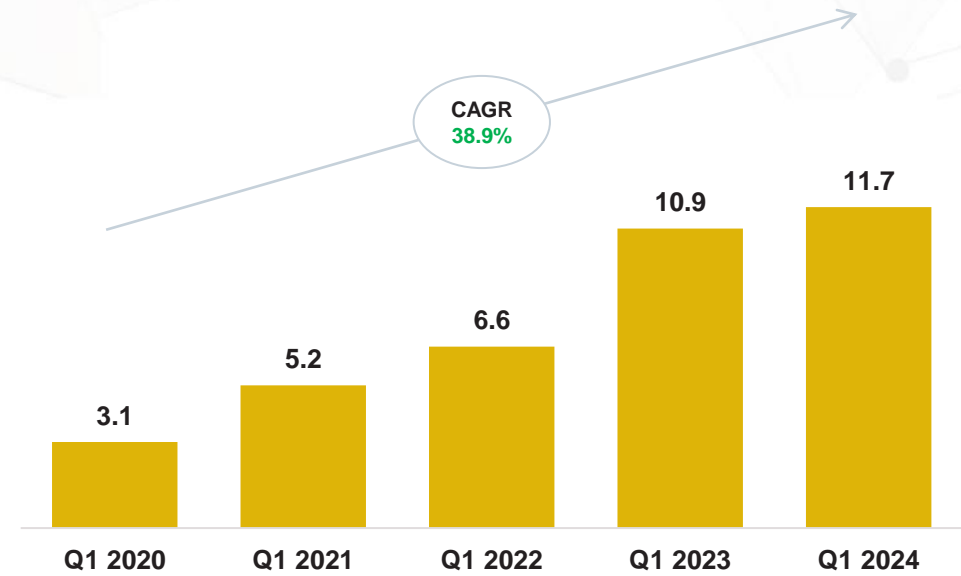
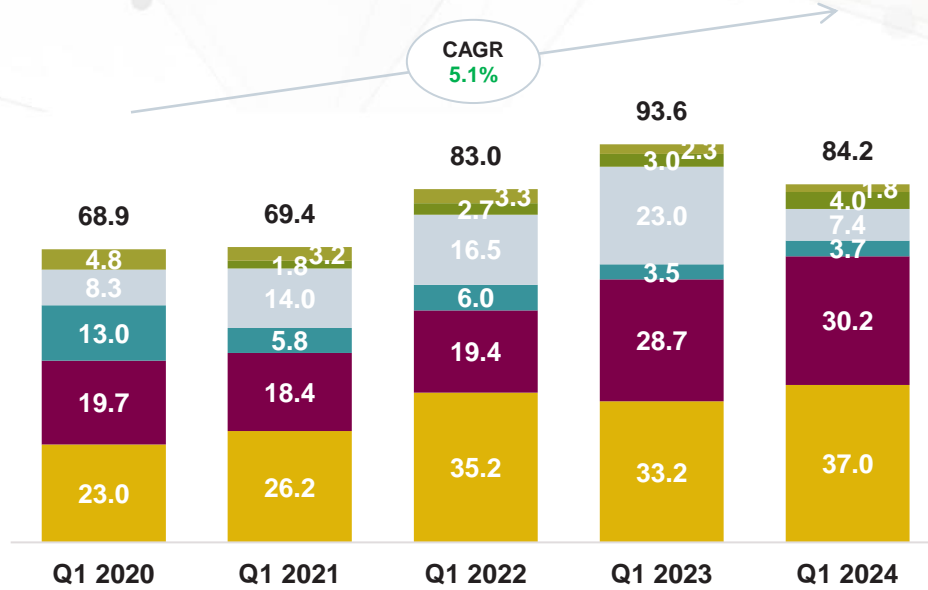
- Total Revenue decreased by 10.1% primarily due to lower Solution Services partially offset by growth in DC, MS, Cloud and WP
- Expenses decreased by 13.4% due to revenue mix and cost optimization initiatives
- EBITDA decreased QR 0.6m due to lower revenue but EBITDA margin increased by 2.6pp due to growth of higher margin segments
- Net Profit 7.1% higher primarily due to revenue mix and finance income

YTD FY24 Financial Performance | Q1 Trend

Year on Year | QRm (rounded to nearest QR 100k)

Revenue

Net Profit



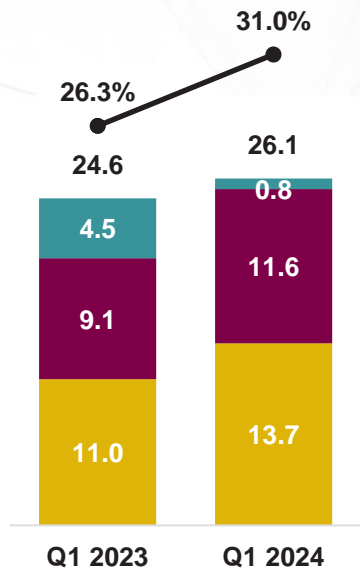
■ Data Center ■ Managed ■ Work Place ■ Solutions ■ Cloud ■ MSI

- Revenue growth across key higher margin segments: Data Centre Services (12%), Managed Services (5%), Workplace Services (5%) and Cloud Services (33%)
- Net Profit shows continued strong trend and highest Q1 to date despite delay in onboarding 1MW

YTD FY24 Gross Margin Analysis | Q1 FY24 v Q1 FY23

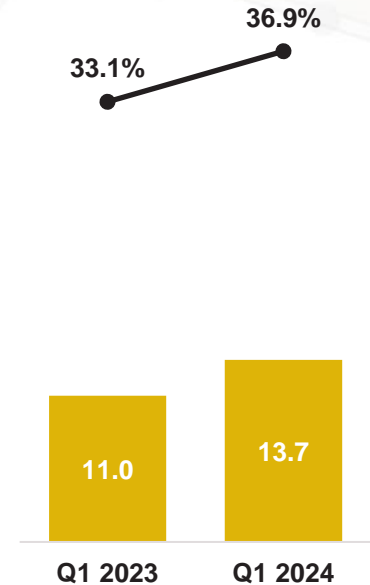
Year on Year | QRm (rounded to nearest QR 100k)

Total

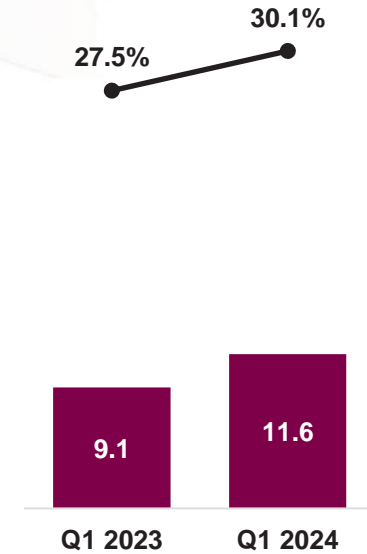


■ Solutions & MSI
 ■ Managed, Cloud & Workplace
 ■ Data Center

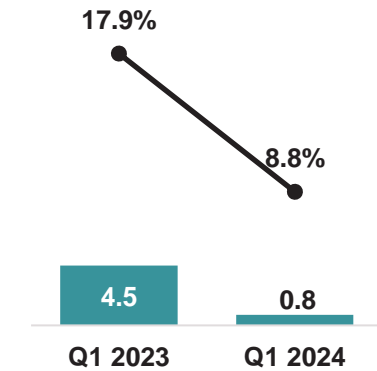
Data Center



Managed, Cloud & Workplace



Solutions & MSI

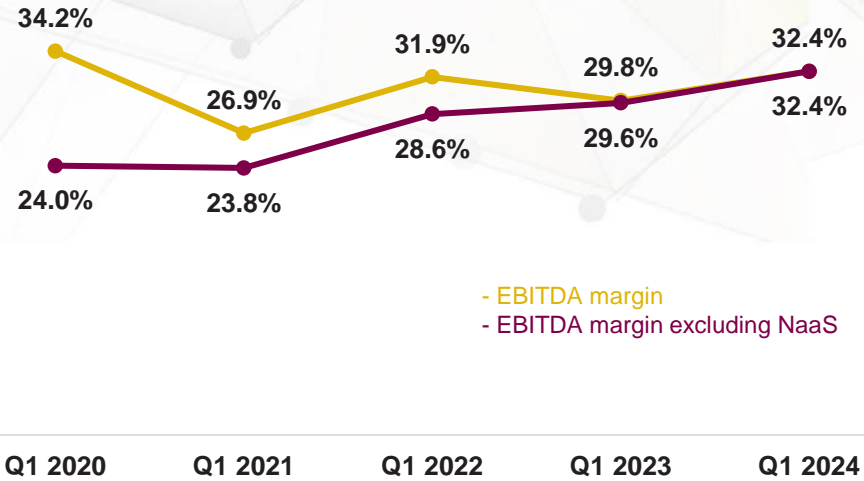


- Gross Margin improved by QR 1.5m driven by DC and MS service growth, partially offset by lower margin on Solution Services
- Data Centre Margin improved 3.8pp YoY to 36.9% due to growth in Data Centre revenue

YTD FY24 Financial Performance | Q1 Efficiencies & Margins

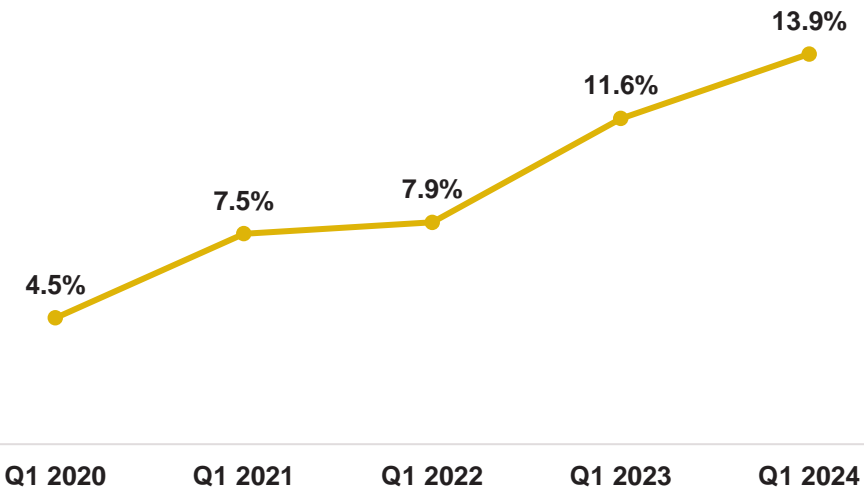
Year on Year

EBITDA Margin



- EBITDA margin excluding NaaS increasing by 8.4pp since FY20 driven by revenue mix and cost optimization

Net Profit Margin



- Net Profit Margin expands 9.4pp since FY20 driven by EBITDA flow through, higher returns from capital expenditure and higher finance income

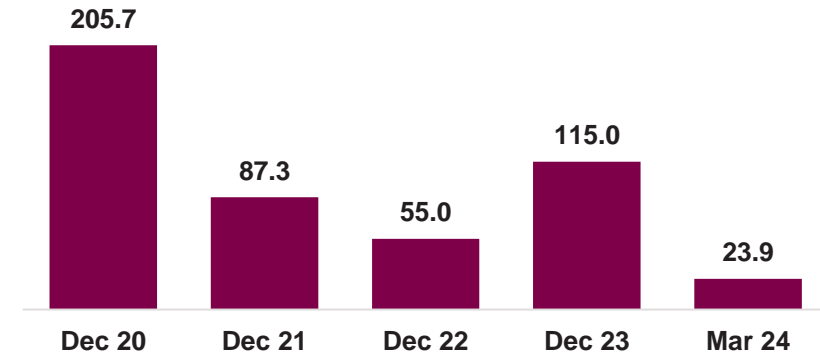
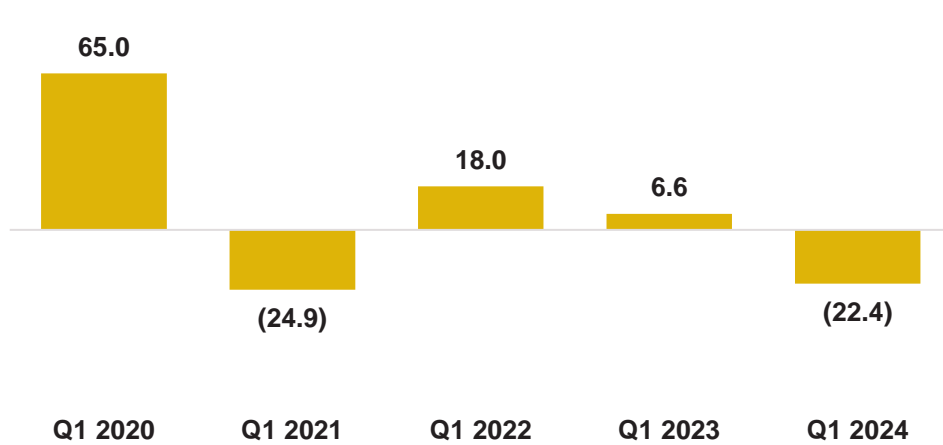
YTD FY24 Financial Performance | Q1 Cash Flow from Operations

QRm

Cash generated from Operations *

(Net Debt) / Net Cash

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



Cash	265.8	235.7	203.4	250	155.6
Debt	60.2	148.4	148.4	135	131.7
Dividend	33.0		66.0	18.4	52.7

- Slow collection cycle due to Ramadan in Q1

- Company in a **net cash position** with QR 156m cash on hand
- Cash position impacted by payment of FY 2023 dividends and lower collections

Q&A



Appendix



Q1 FY24 | Statutory results

Consolidated Statement of Income & Statement of Financial Position

QR 000's (unless otherwise stated)	Mar 31, 2024 (Unaudited)	Mar 31, 2023 (Unaudited)	YoY
Revenue	84,170	93,601	(9,431)
Cost of sales	(58,037)	(69,024)	10,987
Gross profit	26,133	24,577	1,556
General and administrative expenses	(12,642)	(11,131)	(1,511)
Finance income	2,472	1,776	696
Interest expense on lease liabilities	(2,071)	(2,128)	57
Finance costs	(2,240)	(2,207)	(33)
Other income/(expenses)	10	(1)	11
Profit for the period	11,662	10,886	776
Other comprehensive income	-	-	-
Total comprehensive income for the period	11,662	10,886	776
Basic and diluted earnings (QR Per share)	0.02	0.02	0.00
Number of Shares (000's)	648,980	648,980	-

QR 000's (unless otherwise stated)	Mar 31, 2024 (Unaudited)	Dec 31, 2023 (Audited)	Variance
ASSETS			
Non-current assets			
Property, plant and equipment	471,013	475,280	(4,267)
Right-of-use assets	140,476	143,231	(2,755)
Contract asset	10,325	11,162	(837)
Other non-current assets	4,108	4,447	(339)
Total non-current assets	625,922	634,120	(8,198)
Current assets			
Prepayments and other assets	31,548	18,754	12,794
Due from related parties	56,993	43,719	13,274
Contract asset	149,897	120,548	29,349
Trade and other receivables	161,253	122,978	38,275
Cash and bank balances	155,552	249,975	(94,423)
Total current assets	555,243	555,974	(731)
Total assets	1,181,165	1,190,094	(8,929)
EQUITY and LIABILITIES			
Equity			
Share capital	648,980	648,980	-
Statutory reserve	14,537	14,537	-
Retained earnings	14,915	55,942	(41,027)
Total equity	678,432	719,459	(41,027)
Non-current liabilities			
Employees' end of service benefits	11,541	11,251	290
Contract liability	32,564	33,466	(902)
Lease liabilities	148,284	148,396	(112)
Borrowings	118,246	121,597	(3,351)
Total non-current liabilities	310,635	314,710	(4,075)
Current liabilities			
Contract liability	40,879	16,104	24,775
Lease liabilities	9,787	9,934	(147)
Borrowings	13,404	13,404	-
Due to related party	7,315	6,193	1,122
Trade and other payables	120,713	110,290	10,423
Total current liabilities	192,098	155,925	36,173
Total liabilities	502,733	470,635	32,098
Total equity and liabilities	1,181,165	1,190,094	(8,929)



Thank You

MEEZA Investor Relations



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