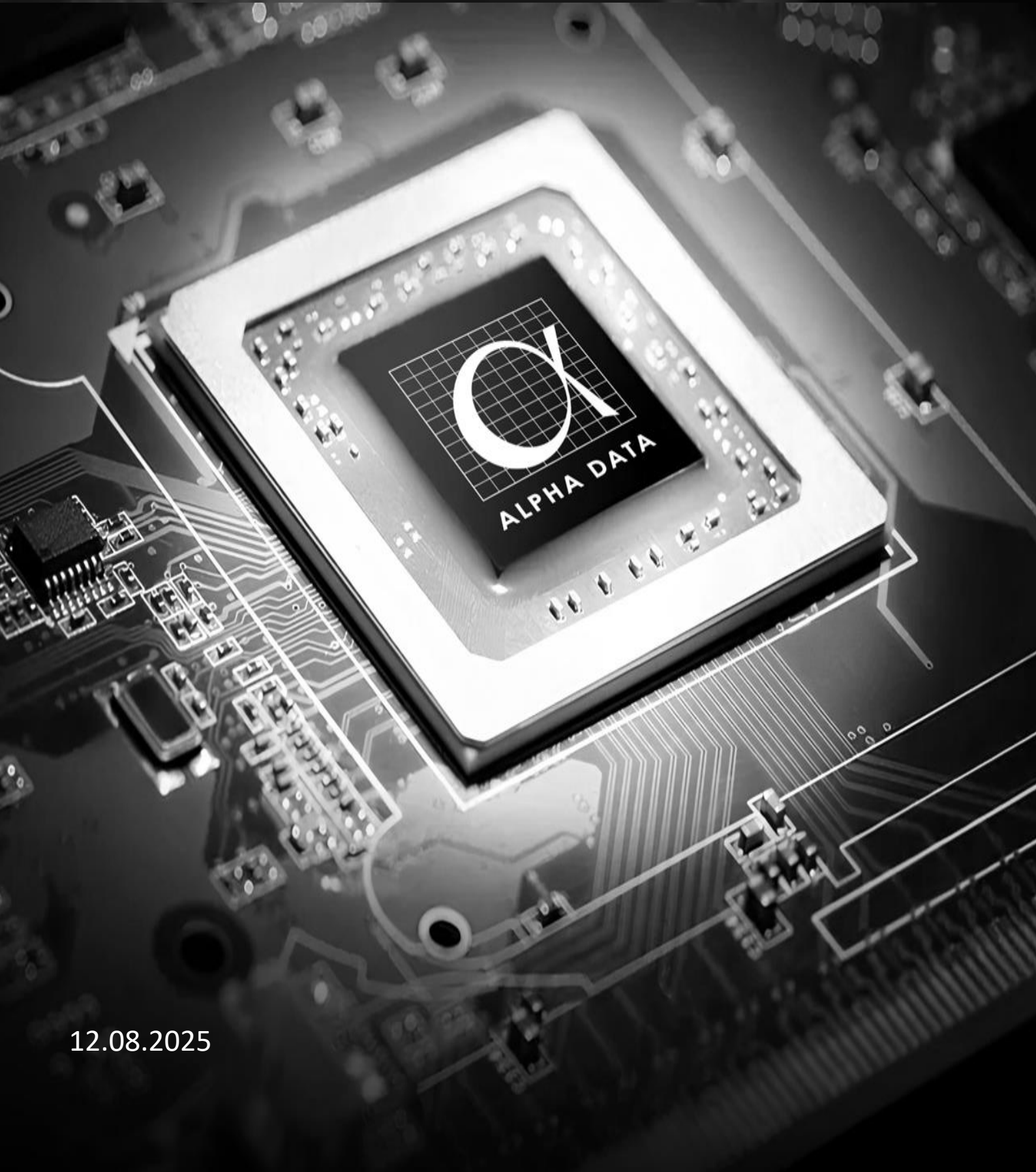


Management Discussion & Analysis Report

H1-2025



12.08.2025

Alpha Data with a solid first half of the year underpinned by robust revenue growth and strong profitability. Full-year 2025 outlook maintained.

- H1-2025 revenue of AED 1.30 billion, +11.5% YoY, supported by favourable market dynamics in the regional ICT and AI services landscape
- H1-2025 gross profit of AED 186 million, +26.0% YoY, with a gross margin of 14.2%
- Profit before tax (PBT) of AED 84.9 million, +12.0% YoY. PBT margin of 6.5%, on a par with H1-2024 and in line with medium-term guidance
- All three segments, Solutions, Services, and Talent recorded YoY revenue growth in H1-2025
- Continued expansion in Saudi Arabia, with growing interest in Alpha Data's offerings
- FY-2025 guidance reaffirmed, backed by a solid delivery pipeline

Alpha Data PJSC (ADX: ALPHADATA) delivered a successful first half of 2025. In its second earnings release following its IPO on March 11, Alpha Data demonstrated again why the company stands for stability, good management and consistent delivery.

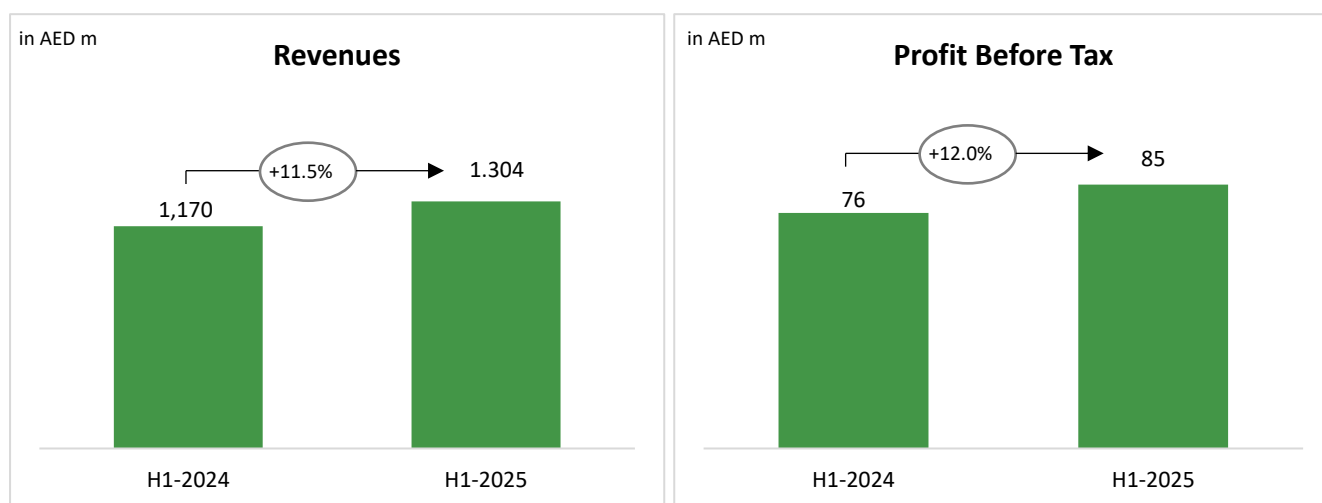
Growth in the first half of 2025 was fueled by accelerating demand for digital transformation, with particular momentum in scalable and secure infrastructure solutions. The Company continued to expand its Managed Services and Cloud Migration businesses and secured several high-value projects in AI-based solutions.

Performance Overview

Revenues (in AED m)	H1-2025	H1-2024	YoY Change
Group	1,304	1,170	11%
Solutions	1,117	1,022	9%
Services	121	91	32%
Talent	66	57	17%
KSA	28	4	592%

Gross profit (in AED m)	H1-2025	H1-2024	YoY Change
Group	186	147	26%
Solutions	122	88	39%
Services	52	47	12%
Talent	11	13	-9%
KSA	3	1	190%

YoY evolution of Revenues and Profit Before Tax



Alpha Data Group

Group revenues were up in H1-2025 by 11.5% to AED 1.30 billion fueled by the strong demand for Alpha Data's services. Particularly, the group saw momentum in the digital transformation side of the business, supported by increased regional appetite for modern, AI-driven and agile technology infrastructure.

Gross profit increased in H1-2025 by 26.0% compared to H1-2024, with gross margin improving by 1.6 ppt YoY to 14.2% reflecting a solid improvement in profitability.

PBT increased by 12.0% in H1-2025 vs. H1-2024, reaching AED 84.9 million. The PBT margin stood at 6.5%, on a par with H1-2024. In Q2-2025, the PBT margin increased to a very solid 7.0%.

Solutions Segment

Solutions delivered year-on-year growth in both revenues and gross margins in H1-2025, reflecting sustained strong traction across key growth verticals. Revenues increased by 9% to AED 1,117 million, while gross profit rose by 39% to AED 122 million, resulting in a gross margin expansion from 8.6% to 10.9%. The strong performance was driven by a surge in demand for AI based solutions and a higher mix of premium-margin services (cloud migration, cybersecurity, AI).

Services Segment

The Services segment delivered a strong performance in H1-2025, supported by robust demand for digital transformation, particularly scalable and secure infrastructure solutions. Revenues increased by 32% year-on-year to AED 121 million, while gross profit grew by 12% to AED 52 million, reflecting a solid gross margin of 43.0%. This strong performance was driven by continued expansion in Managed Services and Cloud Migration initiatives, as well as the successful delivery of large-scale digital transformation projects.

Talent Segment

The Talent segment continued to experience solid demand, recording year-on-year revenue growth of 17% in H1-2025. The gross profit margin declined in H1-2025 and Q2 showed a similar trend. The margin compression reflected the lower contribution of a previously high-margin account. However, as the division onboards new large clients, it expects the performance in the second half of the year to surpass that of the first.

KSA

In KSA, revenues increased strongly, reaching AED 28 million in H1-2025, up from AED 4 million in the prior year period, further showcasing the successful ramp-up of the group's operations in the Kingdom. Gross profit grew to AED 3 million, although gross margin declined year-on-year to 10.7%. It is worth noting that the gross margin in KSA was unusually high in H1-2024, but this was based on a very limited revenue base of approximately AED 4m. At such low volumes, margin fluctuations can be misleading, as the invoicing of a single project can disproportionately affect the H1 margin.

Balance Sheet and Cash Flow

Alpha Data closed H1-2025 with a solid liquidity position of AED 87.7 million. Net working capital stood at 14.4% of FY-2024 revenues, in the upper end of the Group's target corridor of 10%–15%. Free cash flow was subdued and stood at AED 5 million in the first half of the year, mainly due to a temporary working capital build-up from higher trade receivables following strong project completions in Q2. The Group expects a release of working capital in H2-2025, supporting a strong rebound in free cash flow, similar to the pattern observed in H2-2024.

Guidance reaffirmed

With strong execution in H1-2025 and solid business momentum, the Group remains fully confident in achieving its 2025 targets:

- Revenues in 2025 are expected to grow in line with the medium-term target of a low-to mid-teens increase.
- The PBT margin is expected to reach approximately 6%, following the typical seasonality pattern, with lower business activity and earnings during the summer period, and stronger margins towards year-end.
- KSA revenues are projected to grow significantly in 2025, reaching a mid- to high-double-digit million AED range.
- The Company intends to distribute a dividend of AED 130 million for the financial year ending 31 December 2025, payable in two equal installments in October 2025 and April 2026.

Disclaimer on Forward-Looking Information

This presentation contains forward-looking statements relating to, among other things, Alpha Data's strategy, objectives, future business plans, financial performance, and market developments. These statements are based on current expectations, estimates and projections of the Company's management and are subject to a number of risks, uncertainties and assumptions that are difficult to predict and beyond the Company's control.

Forward-looking statements are typically identified by the use of words such as "believes", "expects", "aims", "intends", "may", "will", "should", "could", "plans", "estimates", "targets", "anticipates" or the negative thereof, or other variations or comparable terminology.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties, including, but not limited to, macroeconomic conditions, changes in market dynamics, regulatory developments in the UAE and other jurisdictions, the execution of the Company's growth strategy, operational risks, reliance on key clients and contracts, competitive pressures, cybersecurity risks, and other factors described in Alpha Data's investor communications or public disclosures.

Actual results may differ materially from those expressed or implied in these statements. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.