

FY 2025



Full Year 2025 Results

Management Discussion & Analysis Report



05.02.2026

Alpha Data reports full-year 2025 results reflecting record profitability, strong cash generation and margin improvement exceeding guidance, driven by strategic focus on high-value services.

- ❖ FY 2025 revenue reached a new historic high at AED 2.49 billion (+7.1% YoY), supported by favourable market dynamics in the regional ICT and AI services landscape.
- ❖ Gross profit increased 18% YoY to AED 343 million, with gross margin expanding 130 basis points YoY to 13.8% driven by operational efficiency and favorable business mix.
- ❖ Profit before tax (PBT) reached AED 158 million, up 13.5% YoY, with PBT margin expanding to 6.4% from 6.0% in 2024, beating the FY2025 guidance.
- ❖ Free Cashflow reached AED 157 million in FY2025, with net cash position increasing to AED 101 million despite dividend payments of AED 65 million.
- ❖ Continued growth in Saudi Arabia, with robust interest in Alpha Data's offerings resulting in revenue growth by 166% YoY to AED 64.5 million with gross margin at 12.7%, reaffirming the positive outlook.
- ❖ FY-2025 profit guidance was delivered and extended for FY-2026, backed by a solid delivery pipeline.

Alpha Data PJSC (ADX: ALPHADATA) reported its full year 2025 results, demonstrating strong operational execution and margin discipline across all business segments while maintaining strong financial health.

Revenue growth in FY2025 was supported by sustained demand for digital transformation services, with particular strength in AI-driven infrastructure solutions, managed services, and cloud migration projects. The Company continued to expand its regional footprint, most notably in Saudi Arabia, while deepening strategic vendor partnerships and strengthening its position across Solutions, Services, and Talent.

Performance Overview

ALPHA DATA PJSC – FY2025 KEY PERFORMANCE INDICATORS

REVENUE & GROWTH (AED m)			
Metric	FY 2025	FY 2024	Change
Group Revenue	2,487	2,323	7.1%
• Solutions	1,994	1,835	8.7%
• Services	326	362	-9.9%
• Talent	167	127	31.5%

SEGMENT GROSS MARGINS			
Segment	FY 2025	FY 2024	Change
Solutions	10.79%	9.62%	1.2%
Services	30.29%	24.72%	5.6%
Talent	17.67%	19.82%	-2.2%

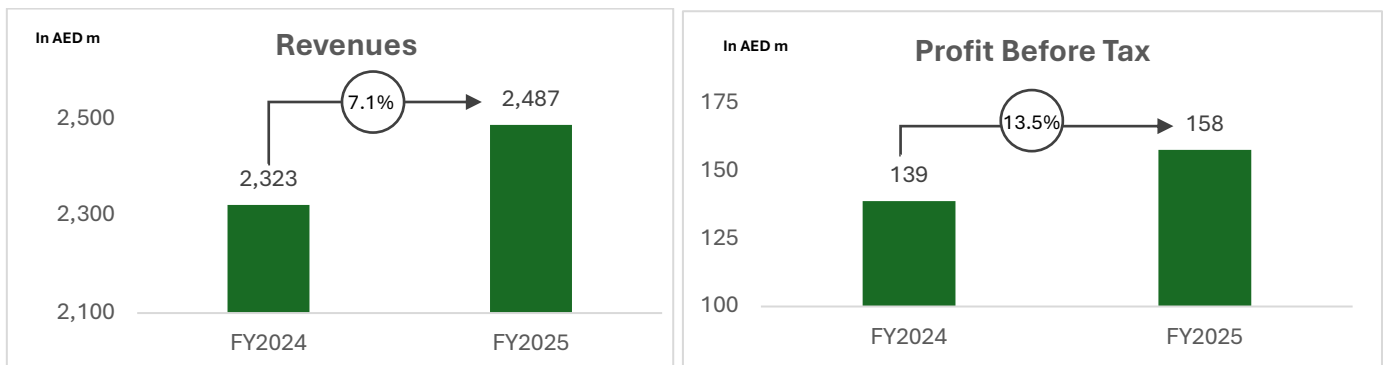
CASH FLOW (AED m)			
Metric	FY 2025	FY 2024	Status
Operating CF	162	183	↓
Free CF	157	182	↓
CAPEX	5	1	↑

PROFITABILITY (AED m)			
Metric	FY 2025	FY 2024	Change
Gross Profit	343	291	18%
Gross Margin	13.8%	12.5%	+130bps
PBT	158	139	13.5%
PBT Margin	6.36%	6.00%	↑

BALANCE SHEET (AED m)			
Item	FY 2025	FY 2024	Change
Total Assets	1,151	961	19.8%
Total Equity	303	229	32.3%
Cash	101	35	188.6%
NWC	244	232	5.2%

KEY RATIOS & PIPELINE			
Ratio	FY 2025	FY 2024	Trend
NWC as % Revenue	9.79%	10.00%	Strong
Current Ratio	1.42x	1.35x	↑
Backlog (AED m)	~1,200	~950	Strong

Year on Year evolution of Revenues and Profit Before Tax



Alpha Data Group

Group revenues increased in FY2025 by 7.1% to AED 2.49 billion in 2025 as Alpha Data continued to strengthen its Managed Services and Cloud Migration offerings and secured multiple high-value projects focused on AI-driven solutions in addition to the traditional large-scale infrastructure.

Gross profit for the FY 2025 increased by 18% YoY, with gross margin improving by 130 basis points to 13.8% from 12.5% in 2024. This improvement was driven by strong operational efficiency that drove profit improvements, in addition to an improved sales mix favoring value accretive services. Effective cost-control measures and streamlined delivery across all business units further strengthened performance. Profit Before Tax (PBT) rose by 13.5% in FY2025 compared to FY2024, reaching AED 158 million. The PBT margin improved to 6.4%, up from 6% in the previous year.

The Balance Sheet position reiterates the strong commitment of the company in optimizing capital deployment and preservation of sustainable cashflow generation. Despite the improvement of the company's current ratio to 1.42x in 2025 vs. 1.35x in 2024, Alpha Data delivered AED 157 million of free cash flow and increase its net cash position at the end of the year to AED 101 million from AED 23 million in 2024, and despite paying dividends of AED 65 million.

The Company's FY2025 performance reflects a divergence between top-line momentum and profitability resilience when assessed against guidance. This is attributed to the strategic shift toward higher-margin offerings. The notable improvements in operational efficiency and strategic shift to higher margin revenue resulted in margin discipline with the PBT margin expanding to 6.4%, exceeding the base guidance of 6.0%. This translated into PBT growth of 13.5%, materially outperforming the implied sub-11% target and demonstrating the Company's ability to generate superior earnings leverage. Collectively, the results highlight management's success in driving profitability enhancement initiatives and strengthening the earnings profile, although sustained improvements in revenue conversion remain a key priority.

Solutions Segment

The Solution segment delivered a strong performance in FY2025, supported by robust demand for digital transformation, particularly scalable and secure infrastructure solutions. Revenues stood at AED 1.99 billion in FY2025 (+9% YoY) against AED 1.83 billion in FY2024 and an improved gross margin by 117 bps year-on-year to 10.8%. The Solutions division accounts for 80% of the Alpha Data total sales and 63% of gross profit, slightly higher than 2024.

Looking ahead to 2026, the segment will deepen strategic vendor partnerships and intensify its focus on AI and Cloud-led offerings, targeting sustained double-digit profitable growth.

Services Segment

The Services segment revenues stood at AED 326 million, against AED 362 million in FY2024. The gross profit generated by the Services division however, despite the consolidation of revenue, grew by 10% YoY to AED 99 million representing 29% of Alpha Data's gross profit generation.

During FY2025, the Services segment delivered strong profitability, with gross margin expanding to 30% (vs. 24.7% in 2024) and profit growth was maintained despite revenue consolidation. This performance reflects a deliberate shift toward high-value managed services.

In 2026, the segment is focused on returning to top-line growth by expanding long-term annuity contracts and further enhancing service excellence to strengthen client retention.

Talent Segment

The Talent segment continued to experience solid demand, recording year-on-year revenue growth of 32% in FY2025 with revenues soaring to AED 167 million against AED 127 million in the previous year, reflecting a sustained market demand. The Talent segment gross profit grew by 17.4% YoY to AED 29.5 million in FY2025 with the gross margin declining by 2.1 percentage points to 17.7% compared to 2024, consistent with the trends observed throughout the year as a result of changing projects mix.

The Talent segment delivered the fastest growth in the portfolio, driven by strong demand for digital transformation skills. Looking forward, the margins of the segment are expected to prove resilient on the current levels.

The segment is gearing up for aggressive regional expansion in 2026, supported by the development of specialized niche talent pools and continued scaling of operations to sustain its growth momentum.

KSA

Revenues in Saudi Arabia surged to AED 64 million in FY2025, marking a 165% year-on-year increase from AED 24 million, underscoring the successful scale-up of operations in the Kingdom. Gross profit reached AED 8 million at 12.7% gross margin, reflecting the Company's continued investment phase in the Kingdom as it scales operations and builds market presence.

Balance Sheet and Cash Flow

Alpha Data reported a strong improvement in its financial position for FY2025, reflecting continued business momentum, stronger liquidity, and an even healthier balance sheet. The Company's current ratio increased to 1.42 from 1.35 last year, underscoring its strengthened ability to meet short-term commitments. Net Working Capital also improved to 9.8% from 10% of Revenues, reaffirming the strong commitment on cashflow discipline.

The balance sheet saw material strengthening during the year. Current assets grew 20% to AED 1.12 billion, comfortably outpacing the 14% increase in current liabilities. As a result, Alpha Data enters 2026 with a more resilient liquidity position. Total equity expanded by 32% to AED 303 million, driven by stronger retained earnings and continued financial discipline.

Operational performance translated into significantly improved cash generation, with Alpha Data delivering positive Free Cash Flow of AED 157 million in FY2025. This improvement was supported by the Company's strong organic cash turnaround performance, discipline in working capital management and enhanced cash-collection processes.



Even after dividend distributions, the Company maintained a strong liquidity buffer and solid financial flexibility—demonstrating prudent capital management and the underlying strength of the business.

As Alpha Data moves into 2026, the Company remains focused on sustaining its financial momentum, strengthening liquidity, and deploying capital efficiently to support long-term growth opportunities and deliver continued value to its investors.

Overall Outlook / Guidance 2026

Looking ahead to 2026, the Company aims to sustain double digit top-line growth, continue pursuing higher-margin revenue while continue improving its financial health through strong cash conversion and operational efficiency and financial discipline. The Solutions Segment is targeting further revenue expansion and profitability improvement, supported by deeper vendor partnerships and accelerated adoption of AI, Security and Cloud-led offerings. The Services segment will be more focused on top line growth, driven by the expansion of long term annuity contracts and enhanced service excellence to further strengthen client retention. Meanwhile, the Talent segment is positioned for regional growth, leveraging the build out of specialized niche talent pools and scaled operational capacity. Across all segments, the Company will fast track the rollout of AI solutions for both Alpha and its clients, reinforcing its competitive position and supporting sustained, profitable growth.

The Management's **Guidance for 2026** is:

- Revenues are expected to grow by low to mid teens YoY,
- The PBT margin guidance is for greater than 6%,
- The Company reiterates its commitment for dividends distribution of 80% of the net profit, in accordance to its statements in the IPO Prospectus.

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.

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