

## Presight AI Holdings

| Current Price | Target Price | Upside/Downside (%) | Rating |
|---------------|--------------|---------------------|--------|
| AED 2.83      | AED 3.55     | +25%                | BUY    |

### 3Q25 Net Profit higher than our estimate

- Net revenue rose 15.3% YOY to AED 653 Mn in 3Q25, driven by continued deployment of ENERGYai, rise in international expansion, execution of multi-year projects, and strong order inflows, supported by strong contribution from quick turn contracts.
- AIQ contributed c. AED 155 Mn in revenue during 3Q25, equivalent to 23.8% of group revenue.
- Revenue from project services declined marginally from AED 554 Mn in 3Q24 to AED 551 Mn in 3Q25. Meanwhile, revenue from the sale of hardware and software licenses boosted substantially from AED 13 Mn in 3Q24 to AED 102 Mn in 3Q25.
- Revenue contribution from international market grew significantly from 14.3% (AED 81 Mn) in 3Q24 to 46.0% (AED 300 Mn) in 3Q25.
- Gross profit increased 19.5% YOY to AED 245 Mn in 3Q25, reflecting a margin of 37.5%.
- EBITDA rose 14.2% YOY to AED 132 Mn in 3Q25, due to strong growth in organic EBITDA, which grew 37.2% YOY, partially offset by a softer contribution from AIQ's quarterly deployment mix.
- AIQ contributed AED 24 Mn in EBITDA during 3Q25, equivalent to 18.2% of group EBITDA.
- Presight AI recorded a net profit growth of 7.8% YOY to AED 105 Mn in 3Q25 driven by strong growth in International segment despite higher G&A and tax expenses, with a net profit margin of 16.0% in 3Q25.
- Presight AI maintained a robust, debt-free position with AED 1.9 Bn in cash as of 3Q25, ensuring ample flexibility for future inorganic and organic growth.

### Earnings Call Summary

- Secured AED 700 Mn in new contracts during 3Q25, bringing YTD order value to AED 2.44 Bn in 2025.
- Backlog nearly doubled on YOY basis to AED 3.7 Bn in 3Q25 compared to AED 1.6 Bn 3Q24.
- New contracts signed with key UAE federal and state entities, including the Federal Civil Defense Authority, Federal Public Prosecution Office, Ministry of Industry & Advanced Technology, and the UAE Central Bank.
- Strengthened its role as the UAE's sovereign AI transformation partner by signing strategic agreements with Abu Dhabi's government entities, including economic development, government enablement, civil defense, law enforcement, prosecution, and the central bank.
- Kazakhstan now functions as Presight's fully established regional HQ with 55+ staff, supporting multi-sector deployments, cloud and supercomputing services. Also, delivered Kazakhstan's first national supercomputer, the most advanced AI computing cluster in Central Asia.
- Commenced construction of a 2.4 MWT high-density data centre in Kazakhstan, supporting the country's ambition to build modern, scalable, sovereign digital infrastructure. Also, launched a dedicated AI R&D lab with Kazakhstan's government.
- International deployments in Jordan, Central Asia, and Africa continued to gain traction, with Presight's AI platforms supporting healthcare, education, smart city, safety, and economic development programmes. Several major contracts are now expected to convert into revenue during 1Q26.
- Official global launch of NewsPulse, an AI-powered news intelligence platform, on the Microsoft Azure Marketplace, offered as a SaaS subscription through the Microsoft partner network.
- Quick-turn execution, now a structural feature of Presight's business, allows solutions to be delivered within the same year of signing. Management highlighted that revenue mix will structurally remain balanced, with roughly 50-55% from backlog execution and 45-50% from quick-turn deployments, supporting a more flexible and scalable operating model.

- Launched USD 100 Mn Shorooq-Presight Fund to invest in deep-tech, smart city, AR/VR, energy & fintech AI startups.
- Secured a new contract with the Abu Dhabi Department of Government Enablement (ADDGE) to provide Data & AI enablement services, including system integration and the delivery of scalable, sustainable AI solutions.
- Signed a new agreement with the Abu Dhabi Department of Economic Development (ADDED) to upgrade and provide operational support for the Procurement Support Digital Platform, a key element of the Abu Dhabi SME Champions Platform that expands procurement access for local SMEs.
- Entered a strategic cooperation agreement with Abu Dhabi Police GHQ to develop advanced AI technologies, integrating Presight's AI-Policing Suite to strengthen data-driven law enforcement, enhance public safety, and support the creation of secure, intelligent urban environments.
- Presight strengthened its presence in the financial sector through AI-driven initiatives with the UAE Central Bank, CBUAE joint venture, and pilot projects with major banks to enhance digital currency, compliance, and cross-border payment solutions.
- International revenue projected to account for 35–40% of full-year revenue in 2025.
- Management expects 2025 results to align with the mid-to-upper end of guidance.
- AIQ has transitioned from EPC-focused upstream AI solutions for ADNOC to deploying agentic AI platforms under a USD 340 Mn contract.
- The company benefits from partnerships with Microsoft, OpenAI, Cisco, and Oracle, supported by data center and talent initiatives under Microsoft's USD 3.5 Bn UAE investment.
- Within the UAE, Presight focuses solely on software and AI deployments, eliminating the need for infrastructure investment and achieving faster execution with improved margin.
- Company expects a strong pickup in backlog in 4Q25, supported by multiple large contracts in advanced negotiation stages.
- Management reaffirmed its target of 25-30% EBITDA margin, expecting a recovery within this range by year-end as software revenues rise and project mix normalizes.

#### Presight AI – P&L

| AED Mn                       | 3Q24       | 2Q25       | 3Q25       | 3Q25F      | Var.         | YOY Ch       | QOQ Ch       |
|------------------------------|------------|------------|------------|------------|--------------|--------------|--------------|
| Revenue                      | 566        | 524        | 653        | 645        | 1.1%         | 15.3%        | 24.6%        |
| Cost of sales                | -361       | -356       | -408       | -413       | -1.3%        | 12.9%        | 14.6%        |
| <b>Gross Profit</b>          | <b>205</b> | <b>168</b> | <b>245</b> | <b>232</b> | <b>5.4%</b>  | <b>19.5%</b> | <b>45.9%</b> |
| G&A & marketing exp          | -102       | -81        | -129       | -119       | 8.4%         | 26.9%        | 60.4%        |
| Finance income               | 17         | 18         | 16         | 13         | 27.6%        | -4.4%        | -7.6%        |
| <b>EBITDA</b>                | <b>115</b> | <b>104</b> | <b>132</b> | <b>127</b> | <b>3.2%</b>  | <b>14.2%</b> | <b>26.2%</b> |
| <b>Profit before tax</b>     | <b>120</b> | <b>105</b> | <b>132</b> | <b>126</b> | <b>4.8%</b>  | <b>9.8%</b>  | <b>25.8%</b> |
| Income tax expense           | -11        | -15        | -21        | -19        | 13.8%        | 97.9%        | 42.7%        |
| <b>Profit before NCI</b>     | <b>109</b> | <b>90</b>  | <b>110</b> | <b>107</b> | <b>3.3%</b>  | <b>1.1%</b>  | <b>22.9%</b> |
| Non-controlling interest     | 12         | 13         | 6          | 15         | -61.5%       | -52.5%       | -54.3%       |
| <b>Profit for the period</b> | <b>97</b>  | <b>77</b>  | <b>105</b> | <b>92</b>  | <b>13.9%</b> | <b>7.8%</b>  | <b>35.6%</b> |

FABS estimate & Co Data

#### Presight's Management medium term Guidance (2023-2027):

- Group Revenue growth of 21% to 27%.
- Group EBITDA growth of 17% to 22%.
- Group Post-tax Profit growth of 7% to 12%, applying a 15% corporate tax rate.

## Research Rating Methodology:

| Rating     | Upside/Downside potential |
|------------|---------------------------|
| BUY        | Higher than +15%          |
| ACCUMULATE | Between +10% to +15%      |
| HOLD       | Lower than +10% to -5%    |
| REDUCE     | Between -5% to -15%       |
| SELL       | Lower than -15%           |

## FAB Securities Contacts:

### Research Analyst

Ahmad Banihani +971-2-6161629 [ahmad.banihani@Bankfab.com](mailto:ahmad.banihani@Bankfab.com)

### Sales & Execution

Abu Dhabi Head Office

Trading Desk +971-2-6161700/1 Online Trading Link

+971-2-6161777

Institutional Desk +971-4-4245765

## DISCLAIMER

This report has been prepared by FAB Securities (FABS), which is authorised by the UAE Securities and Commodities Authority, licensing registration number 604002, and is a member of the Abu Dhabi Securities Exchange and Dubai Financial Market. The information, opinions and materials contained in this report are provided for information purposes only and are not to be used, construed, or considered as an offer or the solicitation of an offer or recommendation to sell or to buy or to subscribe for any investment security or other financial instrument. The information, opinions and material in this report have been obtained and derived from publicly available information and other sources considered reliable without being independently verified for their accuracy or completeness. FABS gives no representation or warranty, express or implied, as to the accuracy and completeness of information and opinions expressed in this report. Opinions expressed are current as of the original publication date appearing on the report only and the information, including the opinions contained herein, are subject to change without notice. FABS is under no obligation to update this report. The investments referred to in this report might not be suitable for all recipients. Recipients should not base their investment decisions on this report and should make their own investigations, and obtain independent advice, as appropriate. Any loss or other consequences arising from the uses of material contained in this report shall be the sole and exclusive responsibility of the recipient and FABS accepts no liability for any such loss or consequence. The value of any investment could fall as well as rise and the investor may receive less than the original amount invested. Some investments mentioned in this report might not be liquid investments, which could be difficult to realise in cash. Some investments discussed in this report could be characterised by high level of volatility, which might result in loss. FABS owns the intellectual property rights and any other material contained in this report. No part of this report may be reproduced, utilised or modified in any form either in whole or in part or by any electronic, mechanical or other means, now known or hereafter invented, including photocopying and recording, or stored in any retrieval system without the prior consent of FABS in writing. While utmost care has been taken to ensure that the information provided is accurate and correct, neither FABS, nor its employees shall, in any way, be responsible for the contents. By accepting this document, the recipient agrees he/she has read the above disclaimer and to be bound by the foregoing limitations/restrictions.