

Financial Results Presentation Q3 2025

Introductory Message



The nine months period of 2025 marked another solid achievement for stc, reflecting its effective strategic direction and sustained focus on operational excellence and financial strength.

Performance

Revenues

57.92 bn

Net Profit¹

11.58 bn

- > **stc Group** continued to maximize its **revenues** with an increase of **2.58%** during the nine-month period, compared to the same period last year.
- > **stc Group** reported a **net profit** of **ﷲ 11.58 billion** during the nine-month period, reflecting strong growth of **14.84%** when excluding the non-recurring items.

Financial Strength

Cash & Equivalents²

16.62 bn

Net Cash³

1.47 bn

Capex

6.08 bn

- > **stc's strong cash position** reinforces its exceptional balance sheet, providing a solid foundation for **financial stability** and supporting **future growth opportunities**.
- > **Positive cash position**, with total debt down **1.19%**, reflecting **stc Group's** financial discipline and resilient balance sheet.
- > The **Capex** strategy ensure an effective implementation of targeted investments, achieving a **Capex intensity ratio** of **10.49%** during the nine-month period.

Shareholder Returns

Dividends

0.55 p/s

Dividend Yield⁵

9.53%

- > **stc's** fixed quarterly distribution⁴ of **ﷲ 0.55 per share** underscores its commitment to providing **consistent returns** to its shareholders.
- > **stc's** focus on shareholder value is demonstrated through its robust **dividend yield** and an **83.67% payout ratio**⁵.

All numbers are in ﷲ.

1-Net profit attributable to the equity holders of the parent company.

2-Includes cash and cash equivalents + short-term murabahas.

3-((Cash and cash equivalents + Short-term murabahas) – (Short-term borrowings + Long-term borrowings))

4-Please refer to the dividend policy on slide 14.

5-Calculated based on the last 12 months (including special dividend of ﷲ 2), DY is based on September 30th 2025 closing price.

9M at-a-Glance

Throughout the nine months period of 2025, stc demonstrated strong progress, characterized by strategic partnerships and notable milestones.

Key Milestones and Strategic Partnerships								
stc’s Brand Value	stc & AWS	stc & Ooredoo	stc & Kyndryl	stc a Platinum Sponsor of the Saudi-American Investment Forum	stc Expand its 5G Network Nationwide	stc Group’s “Tali Ventures” led a strategic investment in Tarmeez Capital.	Strong Surge in Local Content Index	stc & Red Sea Global
stc Group has been recognized as the most valuable telecom brand in the Middle East for the fifth consecutive year and ranked 9th among the most valuable telecom brands globally, according to “Brand Finance”.	stc Group and Amazon Web Services (AWS) announced a strategic collaboration to advance digital transformation in Saudi Arabia.	stc Group and Ooredoo Oman announced the signing of a Heads of Terms (HoT) agreement to establish an international ground fiber optic network corridor between the Kingdom of Saudi Arabia and the Sultanate of Oman.	stc Group has entered into a multi-year strategic partnership with Kyndryl, the world’s leading IT infrastructure provider, to design and implement an advanced Multicloud Management Platform strategy.	stc Group participated as a digital partner and platinum sponsor of the Saudi-American Investment Forum, highlighting its commitment to strengthening economic and tech ties.	stc’s 5G network spans over 9,500 sites across the Kingdom, expanding high-speed coverage in both cities and remote areas.	Tali Ventures led a strategic funding round in Tarmeez Capital, one of Saudi Arabia’s fastest-growing fintech firms in the sukuk and debt instruments sector.	stc Group announced a significant rise in its local content index, reaching 50.70% in 2025 with total annual spending of ﷲ 21.31 bn.	stc Group announced the signing of a strategic partnership with Red Sea Global with an investment exceeding ﷲ 1.2 bn, with the aim of establishing an advanced digital infrastructure and providing next-generation connectivity services to Red Sea destinations.
January	February	March	April	May	June	July	August	September
stc Signed a ﷲ32.64 Bn Contract stc Group signed a contract with a Government entity for the purpose of building, operating and providing telecommunications infrastructure services for a value of ﷲ 32.64 billion.	stc Sets Global Milestone with Localization of eSIM Software stc Group has become the first telecom operator worldwide to achieve GSMA Security Accreditation Scheme for UICC Production (SAS-UP), a global certification by the GSM Association ensuring the highest security standards in eSIM production.	sirar by stc Obtained Tier 1 License The National Cybersecurity Authority has announced the licensing of sirar by stc as a Tier 1 provider of Managed Security Operations Center (MSOC) services in the kingdom, positioning sirar among the leading national companies in the field.	stc & Singtel stc Group and Singtel Group have signed a strategic partnership to collaborate on digital platforms, talent development, subsea cable expansion and IoT solutions.	Strategic Partnership between stc Group and Oracle Worth Over ﷲ2 Bn stc Group and Oracle have signed a partnership agreement worth more than ﷲ2 billion aimed at accelerating digital transformation across the Kingdom.	stc Achieved Record-High Network Performance During Hajj season, stc’s network achieved exceptional results with Muzdalifah recording its highest-ever traffic hour, and some peak hours seeing more than a 64% increase in data volume and over a 129% increase in advanced 5G usage compared to the same hour last year.	stc Group Launched Business Critical Network stc Group launched the Kingdom’s first Business Critical Network for secure, high-speed connectivity.	center3 to invest ﷲ37.5 Bn to reach 1GW of capacity by 2030 center3 plans to expand its data centers capacity to 1GW by 2030 to support AI, cloud computing, and major tech companies across the MENA region.	STC Bank Official Launch STC Bank announced that it has received a Non-Objection from the Saudi Central Bank SAMA, allowing it to officially launch as a digital bank in Saudi Arabia.
Investor Relations 2025		iot squared & VIZZIO Technologies iot squared has signed a strategic partnership with VIZZIO Technologies to integrate advanced artificial intelligence technologies in the fields of security and smart city planning.				stc & Huawei stc Group and Huawei have successfully implemented a pioneering global trial for ultra-high-speed optical solution of up to 2.4 Tbps via fiber optics, marking the first deployment of this solution worldwide, thus enhancing the Kingdom of Saudi Arabia’s position as a global digital hub.		

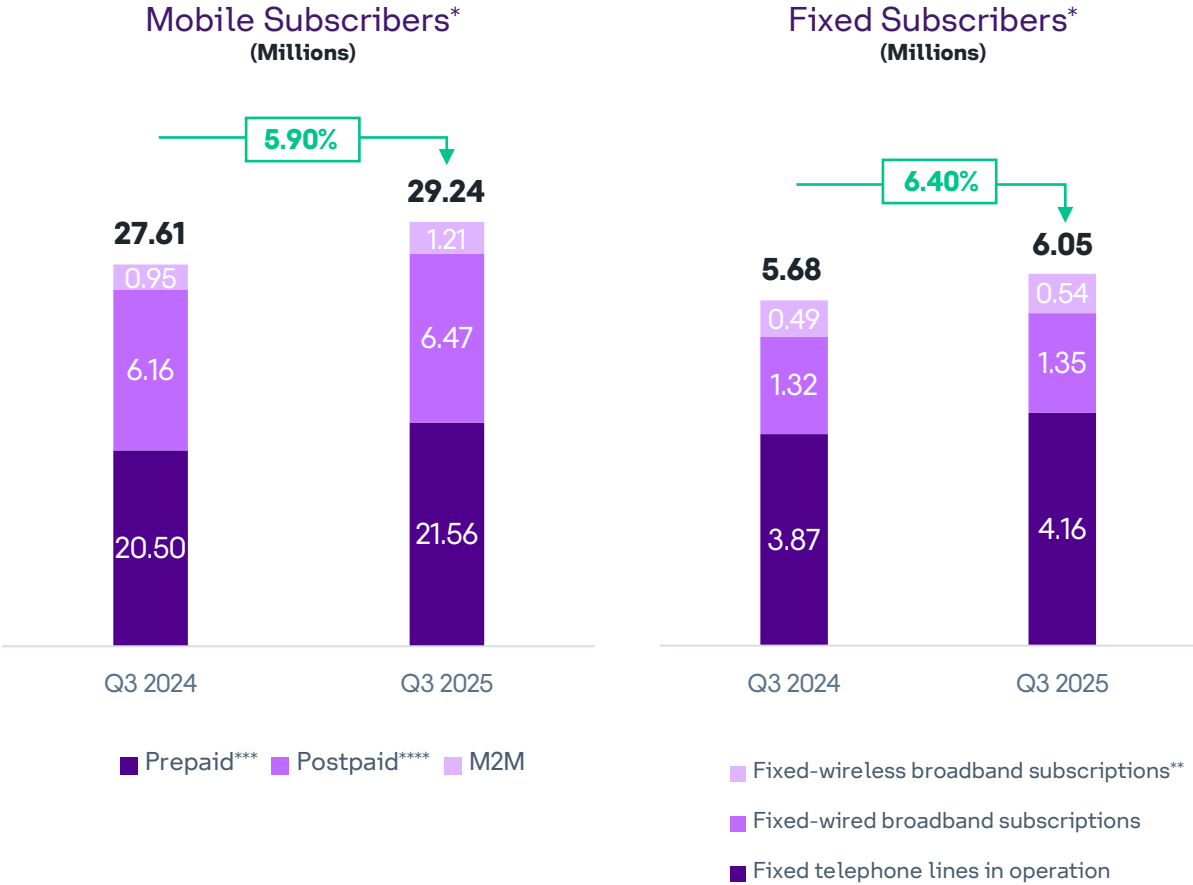
Operational Highlights

Operational Highlights

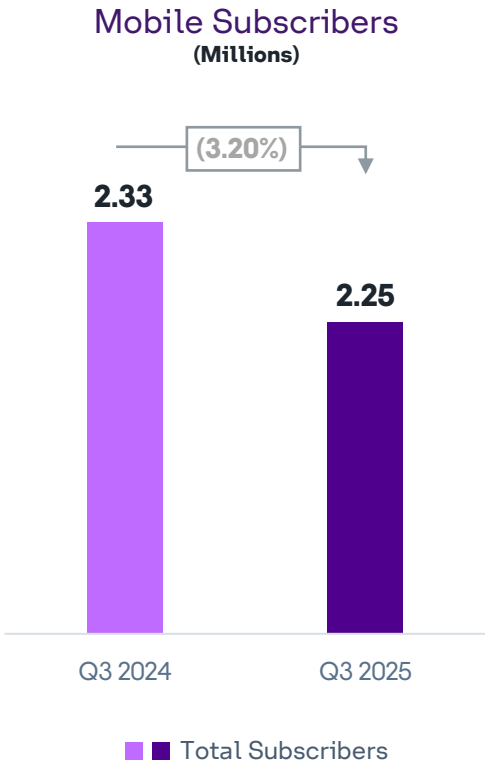
stc’s continued growth in its customer base reflects its strong market position and consistent value creation.



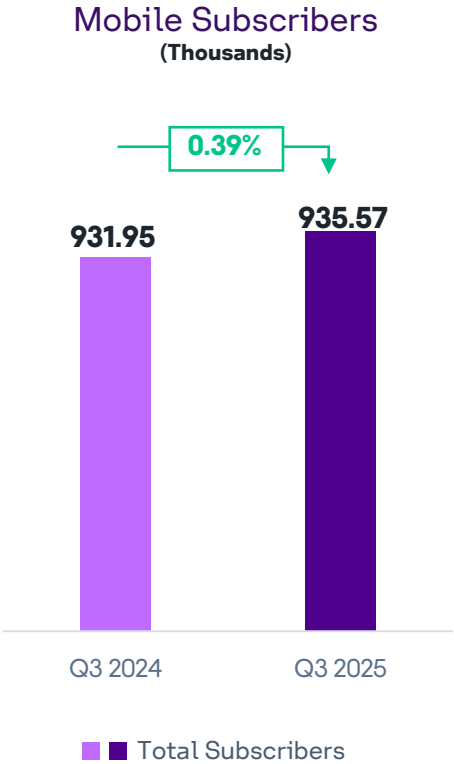
stc KSA



stc Kuwait



stc Bahrain



Percentage changes are calculated based on full figures.
*Figures are not audited.
**Fixed-wireless broadband subscribers includes 4G and 5G subscribers.
***Prepaid subscribers includes mobile voice, standard mobile broadband, and dedicated data mobile broadband subscriptions.
****Postpaid subscribers includes mobile voice, standard mobile broadband, and dedicated data mobile broadband subscriptions.

Operational Highlights



stc's operational performance has played a key role in driving robust results and maintaining its leadership in the telecom sector.

#1

in **ICT segment** in
Saudi Arabia

#1

in **consumer segment** in
Saudi Arabia

#1

in **enterprise segment** in
Saudi Arabia

#1

rank as the **most valuable
telecom brand** in the
Middle East



5G Towers

9.42K
9M 2025

vs

8.83K
9M 2024



5G Coverage¹

60.78%
9M 2025

vs

49.95%
9M 2024



Fiber Optic Connections²

3.69 Mn
9M 2025

vs

3.55 Mn
9M 2024



Fiber Optic Length

253.00K Km
9M 2025

vs

245.82K Km
9M 2024



Loyalty Program (Qitaf)

18.85 Mn users
9M 2025

vs

16.06 Mn users
9M 2024



stc tv

5.71 Mn subscribers³
9M 2025

vs

4.89 Mn subscribers³
9M 2024



STC Bank

5 Mn customers

Since launch in January 2025



Credit Rating

Fitch: **A+**

S&P: **A+**

Moody's: **Aa3**

Tassnief: **AAA**

Financial Performance

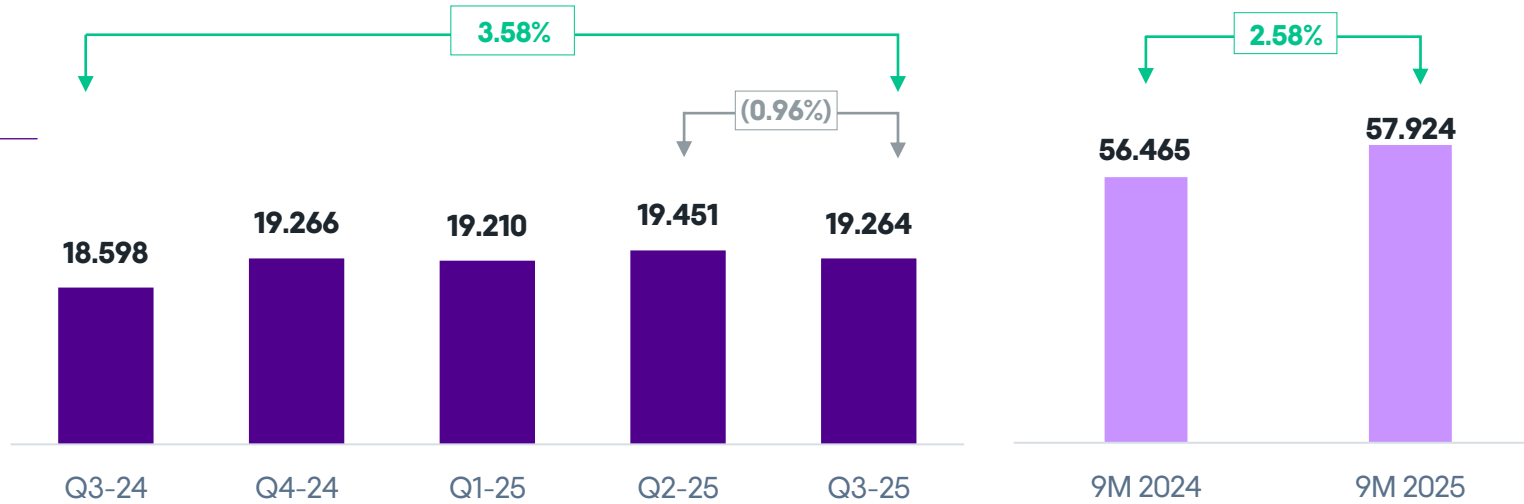
Q3 2025

stc Group – Revenue and Gross Profit



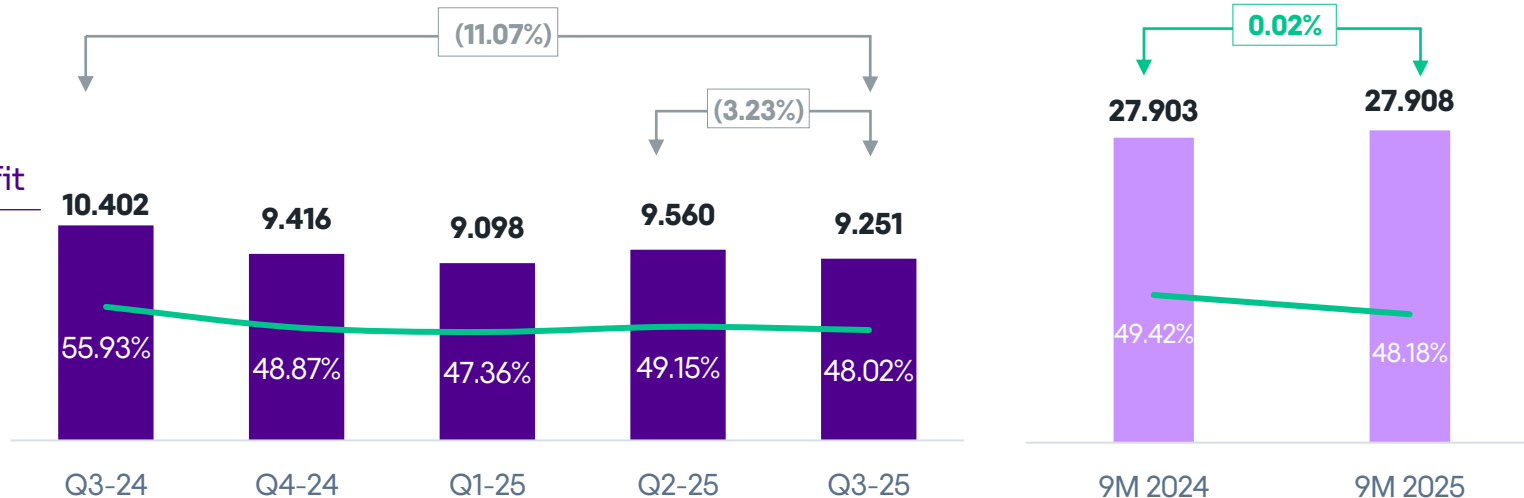
Revenue rose 3.58% YoY in Q3-25, while gross profit increased by 3.92% when excluding the non-recurring items.

Revenue



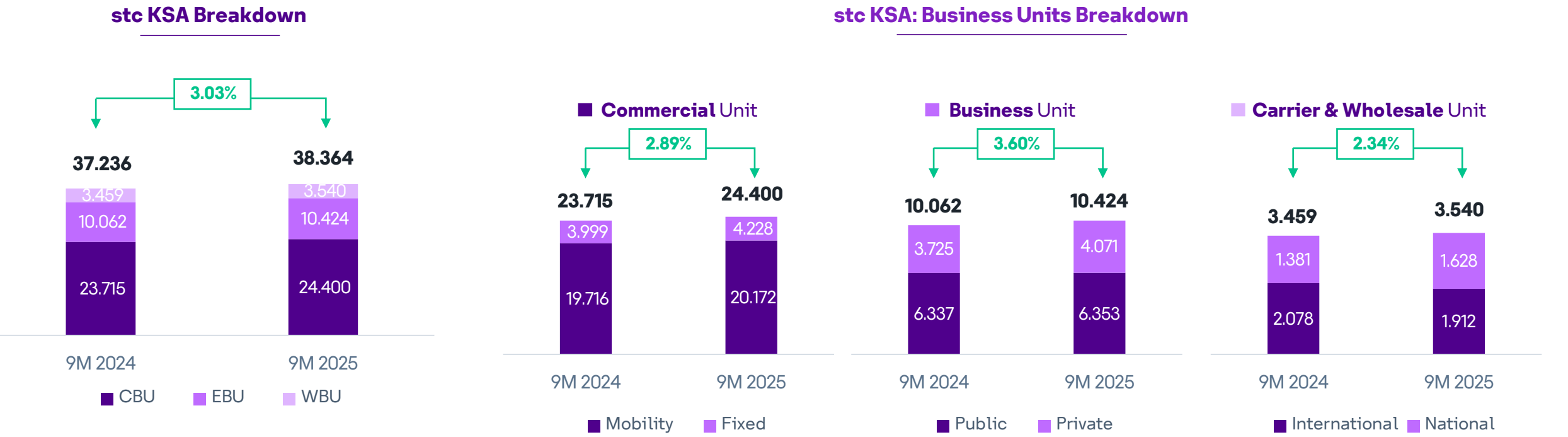
- stc Group's revenue increased 3.58% YoY in Q3-25, which was mainly attributed to the increase in commercial unit revenues by 3.06%, business unit revenues by 5.25%, carriers and wholesale unit revenues by 17.46%.
- For the nine months period of 2025, revenue grew 2.58% YoY, representing the highest revenue in its history for a nine-month period, with an increase of ₪ 1.459 billion compared to the same period last year.

Gross Profit



- Gross profit for Q3-25 reached ₪9.251 billion, up 3.92% when excluding the non-recurring items, following the exclusion of the effect of reversing a withholding tax provision of ₪1.500 billion in the same quarter of last year.
- Gross profit for the nine months period grew by 0.02% YoY, and 5.70% when excluding the non-recurring items.

stc KSA’s revenue grew 3.03%, driven by strong performances across all key segments, including a 2.89% rise in the Commercial Unit, 3.60% in the Business Unit, and 2.34% in the Carrier & Wholesale Unit, reflecting solid overall growth momentum.



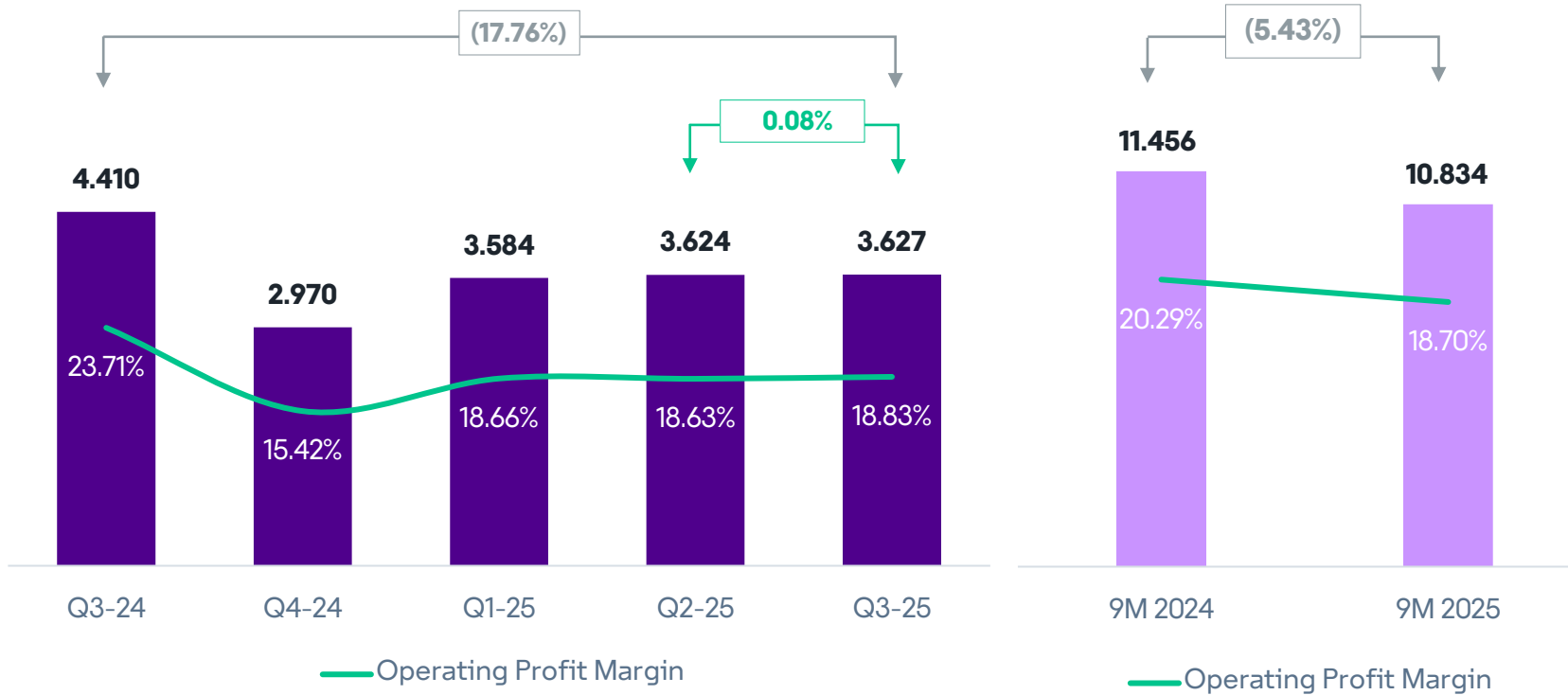
The **Commercial Unit** continued to deliver strong results, recording a **2.89%** revenue growth for the 9M period of 2025, driven by a **2.31%** increase in **Mobility** revenue and a **5.73%** rise in **Fixed** revenue compared to the same period last year. The **Business Unit** also posted a **3.60%** revenue growth, supported by a **9.29%** increase in the **Private** segment revenue, and a **0.25%** rise in the **Public** segment revenue. Whereas, the **Carriers and Wholesale Unit** reported revenue growth by **2.34%**, primarily due to a **17.89%** increase in the **National** segment revenue, which helped to reduce the impact of the **(7.99%)** decrease in **International** segment revenue.

stc Group – Operating Profit

Third quarter operating profit grew by 2.69% YoY when excluding the non-recurring items.



Operating Profit



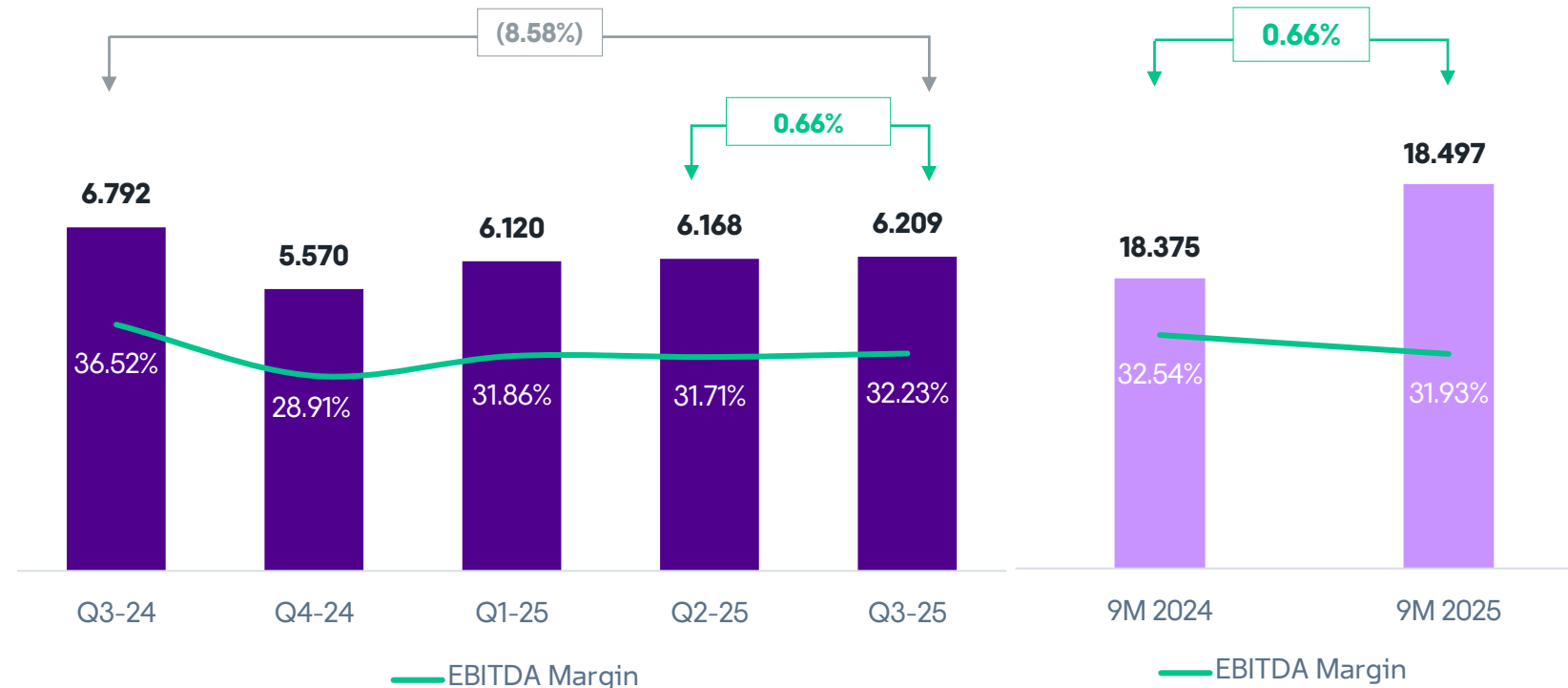
- Operating profit for Q3-25 reached **ﷲ3.627 billion**, and the growth in operating profit was 2.69%, when excluding the non-recurring items.
- Operating profit for the nine months period stood at **ﷲ10.834 billion**, noting that the growth in operating profit was 2.42%, when excluding the non-recurring items.

stc Group – EBITDA



Driven by sustained efficiency improvements, EBITDA grew by 5.72% YoY for the nine-month period, when excluding the non-recurring items.

EBITDA



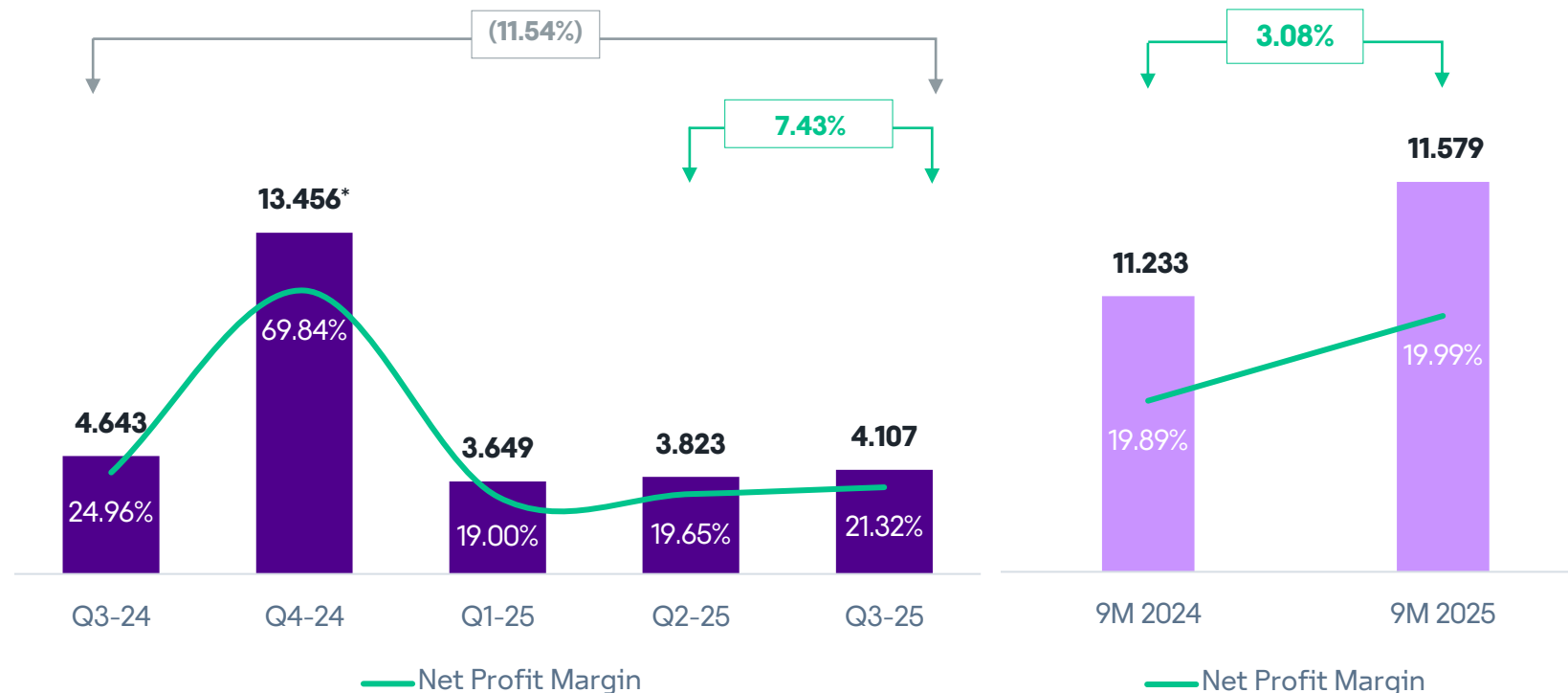
- EBITDA for Q3-25 increased by 4.98%, compared to the same quarter of the previous year when excluding the non-recurring items.
- EBITDA for the nine months period reached ₪ 18.497 billion, rising by 0.66% as compared with the previous period last year, noting that the growth in EBITDA was 5.72% when excluding the non-recurring items.

stc Group – Net Profit



Net profit for the third quarter saw a 19.21% YoY increase when excluding the non-recurring items, reflecting continued momentum and strong financial performance.

Net Profit

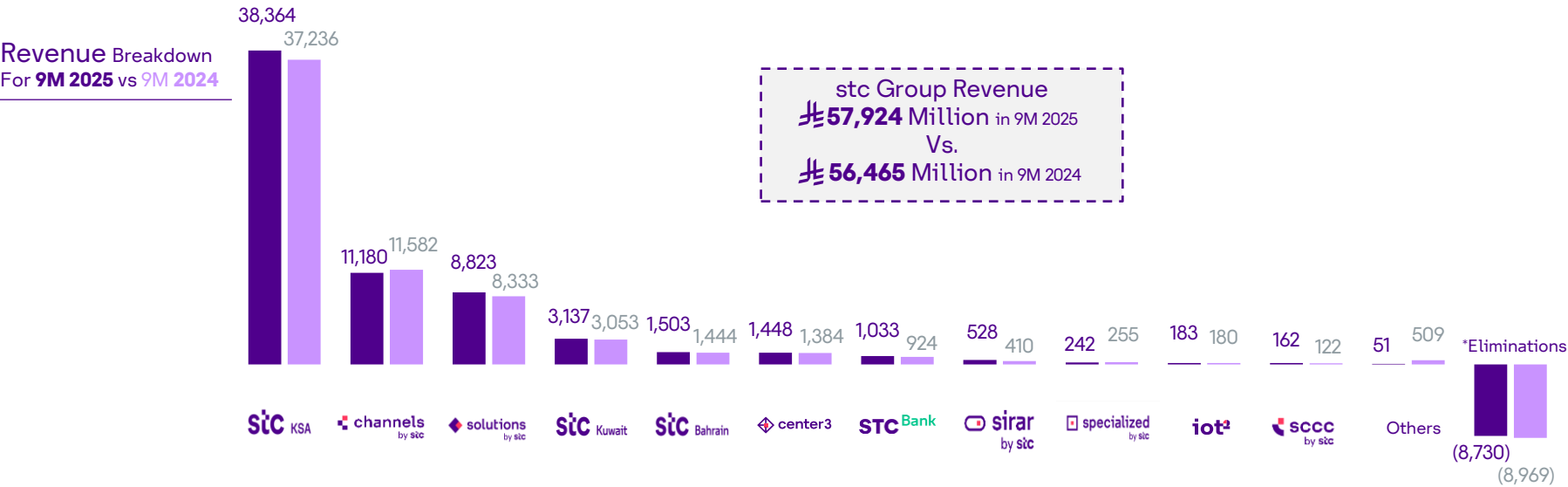


- Net profit for Q3-25 reached **﷼ 4.107 billion**, up 19.21% when excluding the non-recurring items in the current and the comparable quarter last year.
- The quarter recorded nil net profit from discontinued operations versus **﷼ 385 million** in the prior year, and total other income of **﷼ 404 million** was mainly driven by a **﷼ 474 million** revaluation gain on STV LP fund units.
- A positive impact of zakat and income tax of **﷼ 157 million** was recorded, mainly due to the reversal of zakat provision related to previous years which are no longer required.
- Net profit for the nine month period stood at **﷼ 11.579 billion** rising by 3.08% as compared with the previous period last year, noting that the growth in net profit was 14.84% when excluding the non-recurring items.

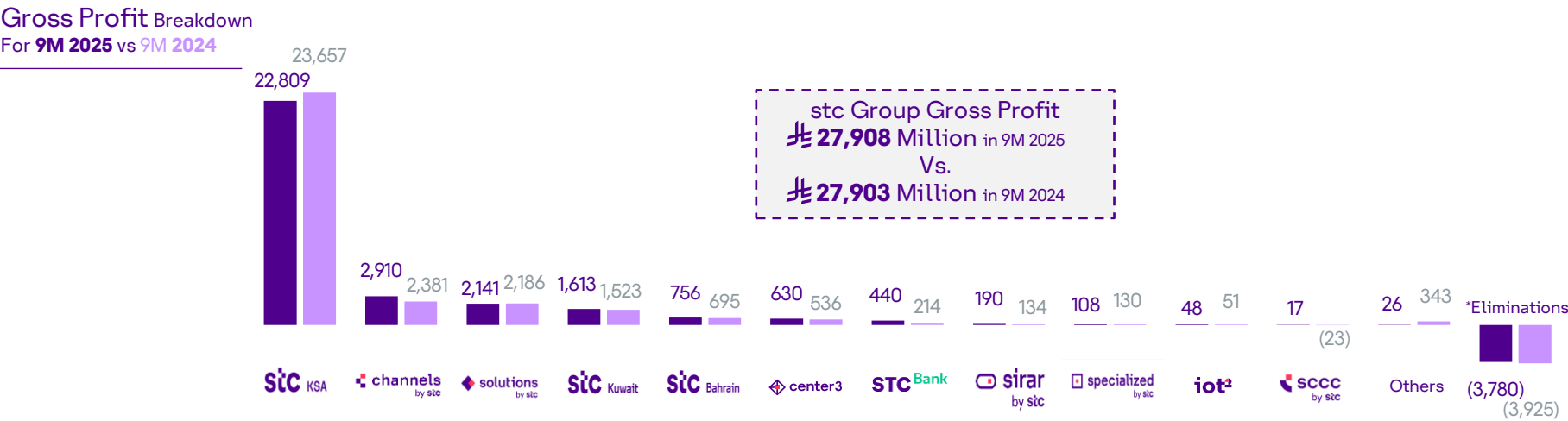
stc Group – Breakdown by Subsidiaries



sccc delivered a strong performance in the 9M period 2025, achieving a 173.91% YoY increase in gross profit, and 32.79% growth in revenue.



- Subsidiaries' revenue for 9M 2025 increased by 1.72% compared to 9M 2024, reflecting a solid overall performance.
- Among the Group's subsidiaries, sccc led with 32.79% YoY growth for 9M 2025, followed by sirar with 28.78%, STC Bank with 11.80%, solutions with 5.88%, and center3 with 4.62%.



- Gross profit for the Group's subsidiaries rose by 20.09% in 9M 2025 compared to 9M 2024.
- sccc delivered exceptional growth with a 173.91% increase in gross profit.
- STC Bank, sirar, channels, and center3 also achieved notable increases in gross profit, growing by 105.61%, 41.79%, 22.22%, and 17.54% respectively.

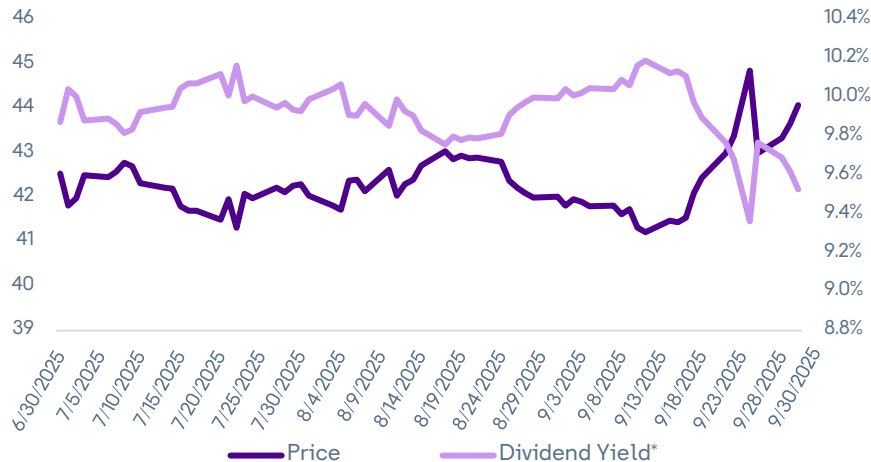
All figures are in Millions of SAR

Dividends and EPS

Strong and consistent dividend yield upheld under the current dividend policy.



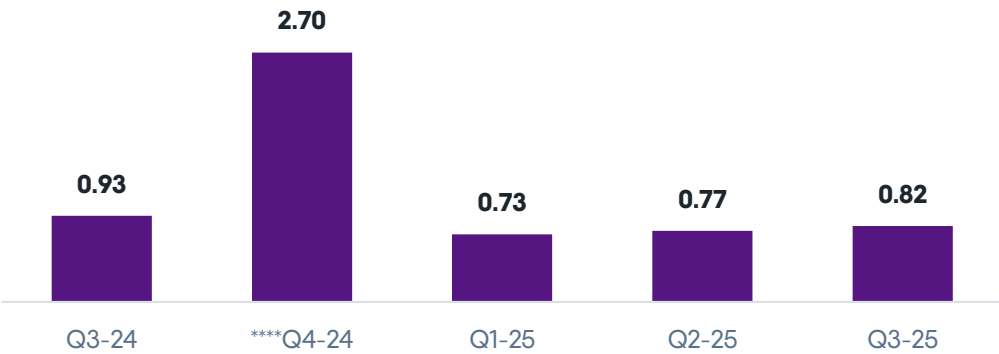
Price vs. Yield Fluctuation***



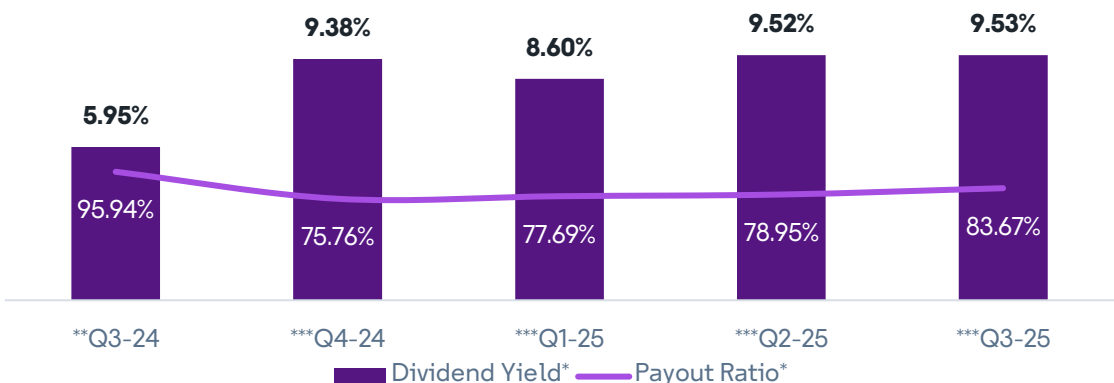
Dividends Policy

- stc commits to pay $\text{S}0.55$ per share per quarter for the next three years starting from the dividends distribution of the 4th quarter of 2024 until the 3rd quarter of 2027. Further, the company may consider paying special dividends after the assessment of the Company's financial position, future outlook, strategic investments and capital expenditure requirements. Any special dividends will be subject to stc's Board of Directors recommendation and the General Assembly's ratification.
- The dividends policy will remain subject to:
 - Any material changes in the stc's strategy and business (including the commercial environment in which stc operates).
 - Laws, regulations and legislations governing the sector in which stc operates.
 - Any banking, other funding or credit rating covenants or commitments that stc may be bound to follow from time to time.

Earnings Per Share (EPS)



Payout Ratio/Dividend Yield



*Based on the last 12 months.
**Including the special dividend of $\text{S}1$.
***Including the special dividend of $\text{S}2$.
****Including special gains from the TAWAL deal.

Appendix

Business Highlights

- ✓ stc Group released its 2024 Sustainability Report, highlighting progress across environmental, social, and governance priorities. The group reduced Scope 1 emissions by 3.6%, Scope 3 emissions by 14.6%, and energy intensity by 9.8%, while maintaining a 90% Saudi nationalization rate and a workforce representing 61 nationalities. Additionally, 96% of procurement was local, supporting the Saudi economy and digital transformation. These achievements reflect stc Group's commitment to environmental performance, human capital development through digital innovation, and strong governance.
- ✓ Tali Ventures, the corporate venture capital arm of stc Group, has led a strategic funding round in Tarmeez Capital, one of Saudi Arabia's fastest-growing fintech firms in the sukuk and debt instruments sector, which plays an increasingly important role in deepening the Kingdom's capital markets. The investment aligns with stc Group's broader strategy to support high-growth digital platforms shaping the future of finance and to strengthen the Kingdom's financial ecosystem.
- ✓ stc Group has unveiled its latest wireless communications network, the Business Critical Network, designed to transform connectivity for Saudi Arabia's most critical sectors. As one of the first networks of its kind in the Kingdom, it delivers high-speed, high-availability, and encrypted communication, empowering industries to operate with unmatched efficiency and resilience. The network is built for the future, offering seamless adaptability and compatibility with emerging technologies such as artificial intelligence, edge computing, and the Internet of Things (IoT).
- ✓ stc Group has announced a significant rise in its local content reaching 50.70% for 2025, with total annual spending of SAR 21.31 billion. This milestone highlights stc's commitment to enhancing local content and establishing it as a key driver of sustainable growth in the telecommunications and IT sector. The achievement is a direct result of the "Rawafed" program, stc's strategic initiative to maximize local spending, foster innovation, develop local talent, and attract investments.
- ✓ center3 is implementing a major expansion plan for its data center capacity, aiming to reach 1 gigawatt by 2030 to support the growth of artificial intelligence, cloud computing, and major tech companies (hyperscalers) in the MENA region. center3 has previously invested SAR 11.25 billion and plans to invest an additional SAR 37.5 billion to reinforce Saudi Arabia's position as a leading digital hub, in line with Saudi Vision 2030.
- ✓ stc Group and Huawei have successfully trialed an ultra-high-speed optical solution capable of delivering data transmission speeds of 2.4 terabits per second (Tbps). As the first operator globally to deploy this cutting-edge solution, stc Group is establishing a pivotal foundation for Saudi Arabia's transformation into a premier global digital hub. As Saudi Arabia undergoes rapid digital transformation, the demand for Peta bps-level data transmission is surging, driven by data-intensive industries and advanced computing applications. Leveraging Huawei's next-generation optical transport platform OptiX OSN 9800 K12, the solution achieved a single-fiber capacity to 96Tbps while delivering 2.4Tbps per port, equipping the Kingdom to address the growing demands of advanced digital services over the next decade.
- ✓ stc Group has won the Platinum Operator Award for Esports for the first half of 2025, marking its ninth consecutive win. Recognized for its leadership in supporting digital transformation and the Esports sector, stc Group's advanced digital infrastructure, smart data centers, and efficient networks enable high-performance gaming and viewing experiences. The Group also played a key role in the world's largest Esports event, using AI-driven solutions to ensure network stability and fast response times. This reflects stc Group's commitment to strengthening the Esports ecosystem and positioning the Kingdom as a leading regional hub, with the tournament drawing significant global engagement.
- ✓ stc Group has introduced "sccc by stc" as the new identity for its cloud service subsidiary, known as the Saudi Cloud Computing Company (sccc). This new identity emphasizes the company's commitment to empowering Saudi Arabia's key sectors with hyperscale cloud infrastructure and secure, locally hosted solutions. Established in 2022, sccc by stc offers an extensive portfolio of advanced global cloud services, with over 100 local cloud products across Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) models, serving public and private organizations. These services provide flexible infrastructure, streamlined development tools, and ready-to-use software within a scalable, cost-effective, and integrated ecosystem.
- ✓ Red Sea Global (RSG), the developer of regenerative tourism destinations The Red Sea and AMAALA, has announced a landmark agreement under which stc Group will invest over SAR 1.2 billion to expand digital infrastructure and services across RSG's resorts and communities. Building on their strong partnership, stc will deliver next-generation connectivity and ICT solutions, including high-speed networks, resilient backup systems, AI-driven services, cloud-based operations, advanced analytics, enhanced cybersecurity, and state-of-the-art data centers.
- ✓ center3 has signed a strategic framework agreement with HUMAIN, a Public Investment Fund (PIF) subsidiary, to advance the Kingdom's ambition of becoming a global AI hub. Through this partnership, HUMAIN will leverage center3's infrastructure and secure connectivity to national and international networks. This foundation will power HUMAIN's full-stack AI ecosystem and support its goal to operate across the entire AI value chain — from infrastructure and cloud services to data, models, and advanced applications.

Disclaimer

This presentation has been prepared as an informative guide that might assist interested parties in gaining an insight into the history and background of telecommunications within Saudi Arabia, as they relate to the Saudi Telecom Company (stc). Furthermore, it does not constitute an invitation or inducement to purchase or dispose of any securities, either in stc, or any companies in which stc has a financial interest.

In addition, there may also be 'forward looking' statements included within the meaning of current securities laws and regulations. In this context, any opinions expressed within this document, regarding the company's potential future performance, should be viewed as being accurate at the time of preparation. However, cognizance should be taken of the fact that uncertainty may dictate that actual performance differs substantially from any views articulated herein.

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Thank you