Financial Results Presentation 9M 2026

Investor Relations
2026

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9M 2026 Overview

9M 2026 Key Messages

Solid nine months performance, with broad-based growth and continued execution of strategic priorities.

stc group's solid operational and financial performance in 9M 2026, was supported by growth across its core telecom and digital businesses, continued infrastructure expansion and disciplined execution of its strategic priorities.

Sustained Business Momentum

- Operational momentum underlined by subscriber growth in KSA, with increases across mobile, fixed and stc tv customers.
- Business performance enabled by infrastructure investment and leading network position, strengthened by expansion in 5G towers and fiber optic connections.

Good Strategic Progress

- Expanded in key growth areas within core telecom and digital businesses.
- Advanced strategic partnerships and initiatives to strengthen the capabilities that underpin stc's future growth ambitions.

Robust Financial Performance

- Solid topline performance with accelerated growth in the group's subsidiaries, which grew revenue by 9.0% and gross profit by 39.4% YoY.
- Healthy expansion in the group's operating profit of 4.1% YoY, driven by revenue growth and expense efficiencies.

9M 2026 Key Financial Features

Strong financial results reflected in higher revenue, operating profit growth and a strong financial position.

Performance	Revenue	**60.1 bn**	> Sustained **revenue growth** of **3.7%** YoY, with solid performance from stc KSA and accelerated growth across the group's subsidiaries. > **Net profit increased** by **2.6%** (excluding non-recurring items), as **operating profit rose by 4.1%**.
	Net Profit[1]	**10.9 bn**	
Financial Strength	Cash & Equivalents[2]	**8.3 bn**	> **stc group maintained a strong liquidity** position as it continued to invest in its expansion and development. > Continued investments, with **capex intensity of 12.9%**, supported the group's growth and strategic priorities. > **stc group's** financial profile remained healthy, with an **interest coverage ratio** of **10.2x**, reflecting its ability to meet its financing obligations while funding its transformational strategic ambitions.
	Capex	**7.7 bn**	
	Net-Debt / EBITDA[3]	**0.6x**	
Shareholder Returns	Dividends	**0.55 p/s**	> **Quarterly dividend distribution** of ﷼ **0.55** per share in line with the dividend policy, brought **total distributions** for the nine-month period to ﷼ **8.2 billion**. > **stc** continues to deliver attractive shareholder returns, reflecting its commitment to creating and delivering value for shareholders.
	Dividend Yield[4]	**5.1%**	

All numbers are in ﷼ unless otherwise stated.

1- Net profit attributable to the equity holders of the parent company.
2- Excluding cash & equivalents from STC Bank & including short-term murabahas.
3- Net-Debt is calculated as (Total Debt - (Cash and cash equivalents from non-banking operations + Short-term murabahas)), as at 30 September 2026 | EBITDA is based on the last 12 months.
4- Calculated based on the last 12 months. (DY is based on 30 September 2026 closing price).

Operational & Strategic Review

Performance Highlights

stc group continues to strengthen its leading market position and competitive standing.

#1

in **consumer segment** in Saudi Arabia

#1

in **enterprise segment** in Saudi Arabia

#1

in **ICT segment** in Saudi Arabia

#1

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

5G Coverage[1]

65.86%
9M 2026
vs
60.78%
9M 2025

5G Towers

12.38K
9M 2026
vs
9.42K
9M 2025

Fiber Optic Connections[2]

3.95 Mn
9M 2026
vs
3.69 Mn
9M 2025

stc tv

6.49 Mn subscribers[3]
9M 2026
vs
5.71 Mn subscribers[3]
9M 2025

Group Efficiency Program (GEP)

Launched in 2024, remains on track.
Supporting profit and FCF growth.

Healthy Balance Sheet

0.6x

Net-Debt/EBITDA (LTM)

Credit Rating

Fitch: **A+**
S&P: **A+**
Moody's: **Aa3**
Tassnief: **AAA**

Dividends

8.2 billion distributed YTD, reflecting a **5.1%** dividend yield (LTM)[4]

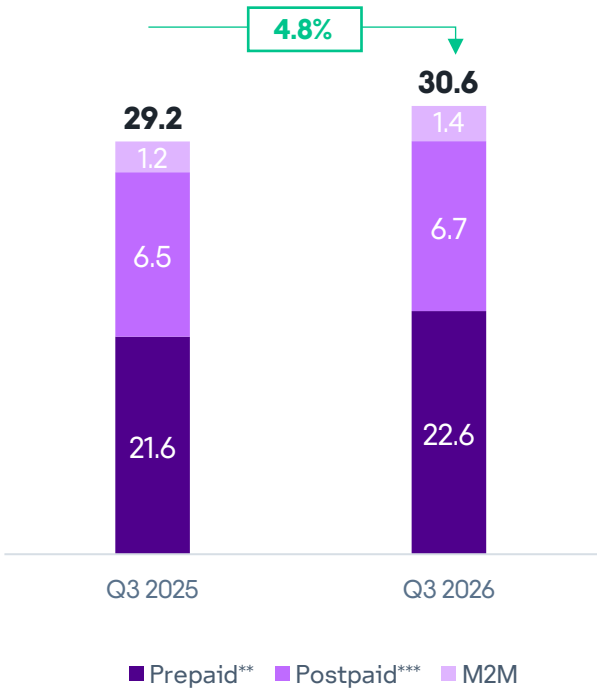
1- Coverage of residential & populated areas
2- Households connected with fiber (The number includes all the dwelling units handed over and ready for service).
3- Authorized Subscribers (Customers who have generated their login credentials and logged into stc tv or Jawwy TV at least once in their lifetime).
4- Calculated based on the last 12 months. (Based on 30 September 2026 closing price).

Operational Highlights

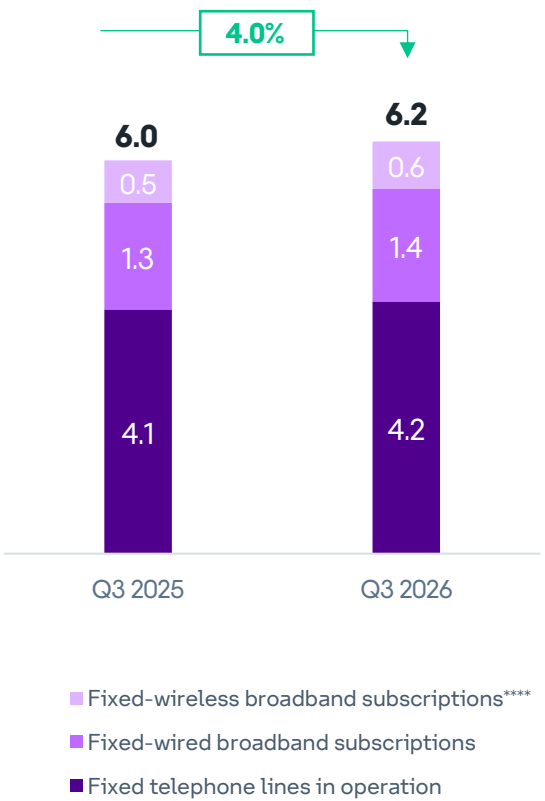
stc group's growing customer base reinforces its market leadership and commercial momentum.

stc KSA

Mobile Subscribers*
(Millions)

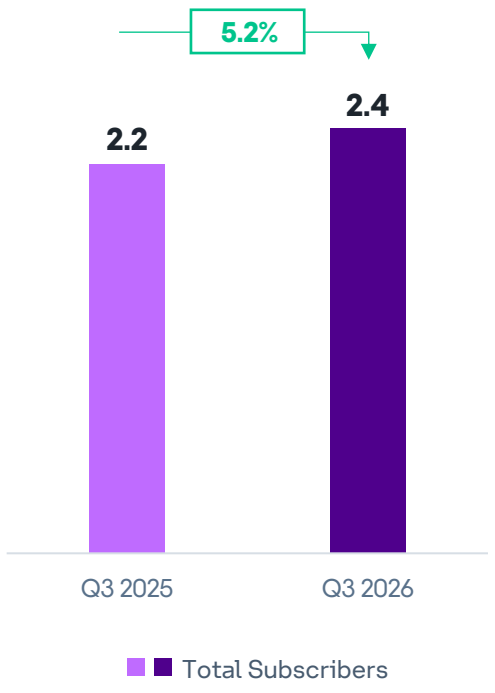


Fixed Subscribers*
(Millions)



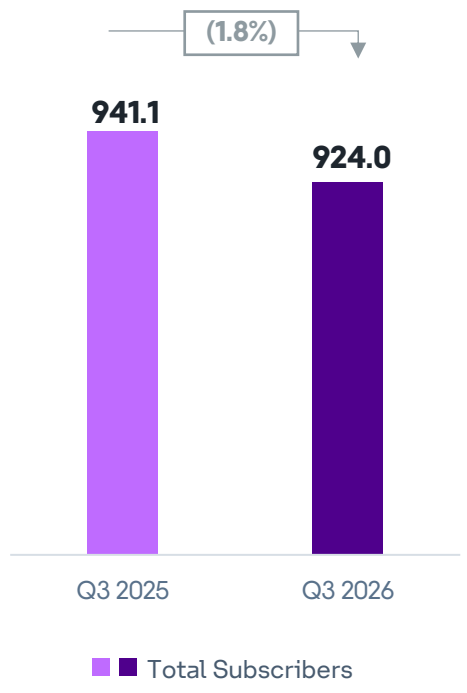
stc Kuwait

Mobile Subscribers
(Millions)



stc Bahrain

Mobile Subscribers
(Thousands)



Percentage changes and totals are calculated based on full figures.
* Figures are not audited.
** 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.
**** Fixed-wireless broadband subscribers includes 4G and 5G subscribers.

Q3 2026 Business and Strategic Highlights

stc group continued to expand its business capabilities, strengthen strategic partnerships and advance key initiatives to support long-term growth and market leadership.

stc group won Sukuk & Bond Deal of the Year award

stc group has been awarded Sukuk & Bond Deal of the Year 2025 at the Saudi Capital Market Awards, recognizing its significant contribution to the development of Saudi Arabia's debt capital market. The recognition follows stc group's successful USD 2 billion international sukuk issuance.

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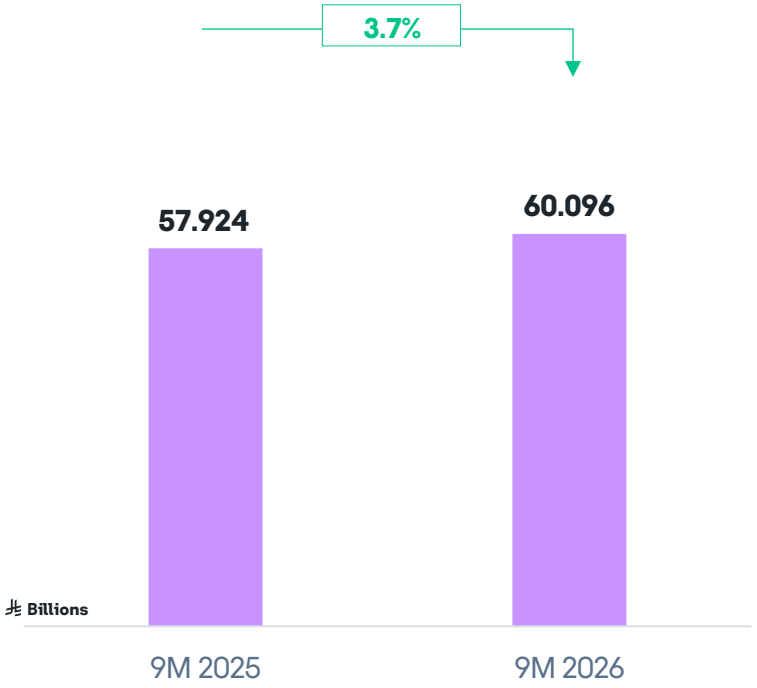
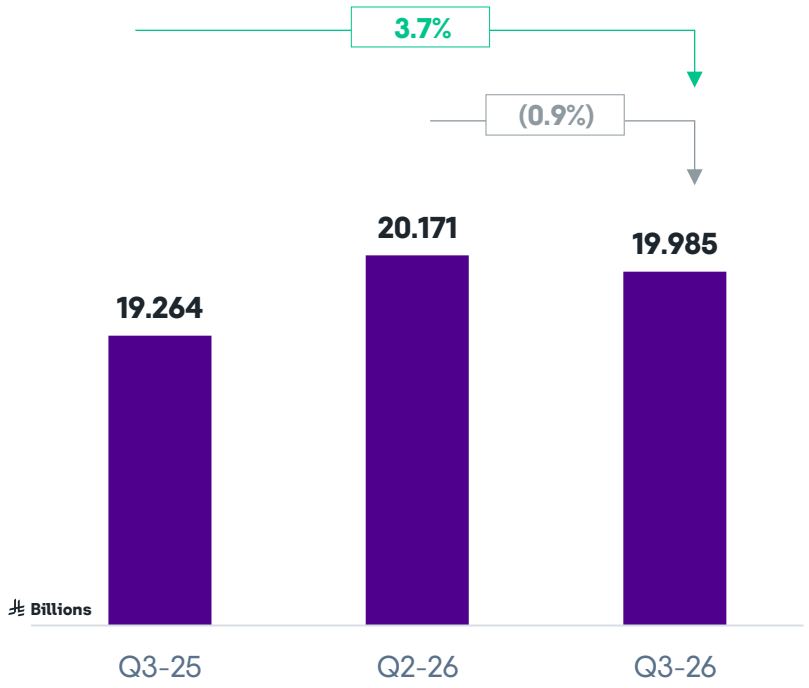
Financial Performance

9M 2026

stc group – Revenue

Revenue recorded a 3.7% YoY increase in 9M 2026, supported by positive contributions from stc KSA and the group's subsidiaries.

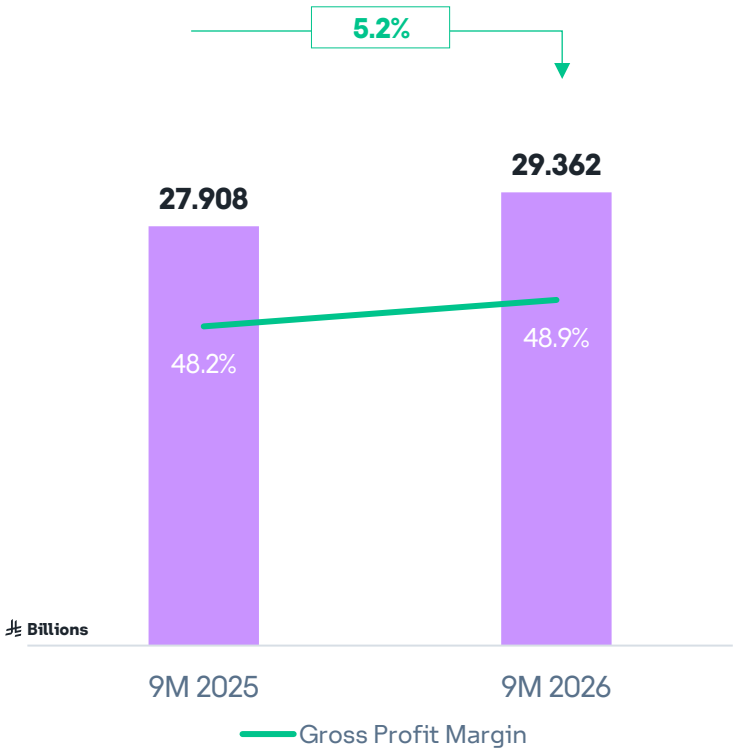


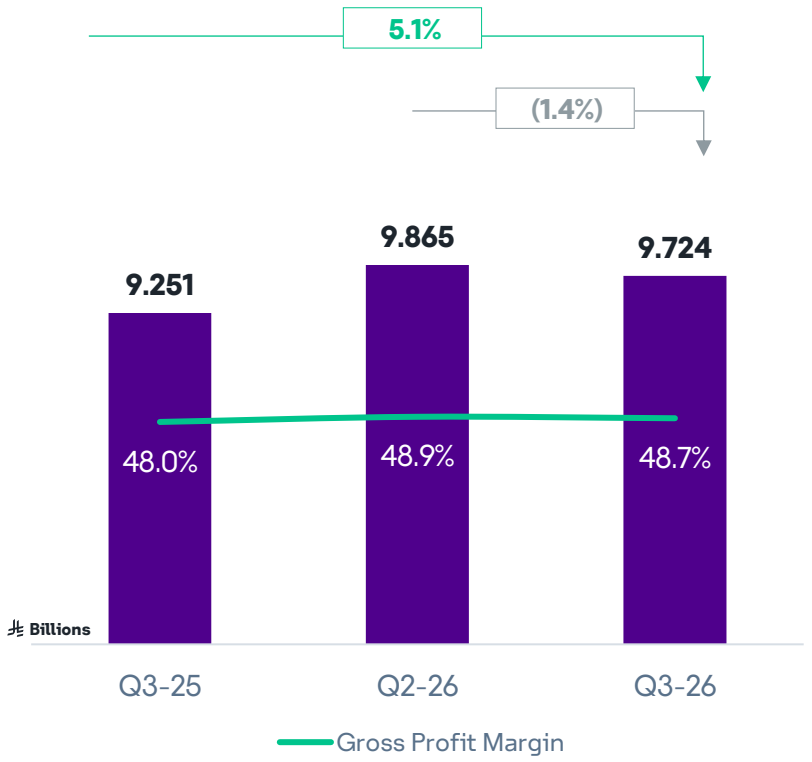


- **9M 2026** revenue grew by 3.7% YoY, supported by 1.0% growth in stc KSA and 9.0% growth across the group's subsidiaries.
- stc sustained **Q3 2026** revenue growth of 3.7% YoY, driven by 18.5% growth from the group's subsidiaries.

stc group – Gross Profit

The group's gross profit grew by 5.2% YoY in 9M 2026 and 5.1% YoY in Q3 2026, reflecting improved profitability.



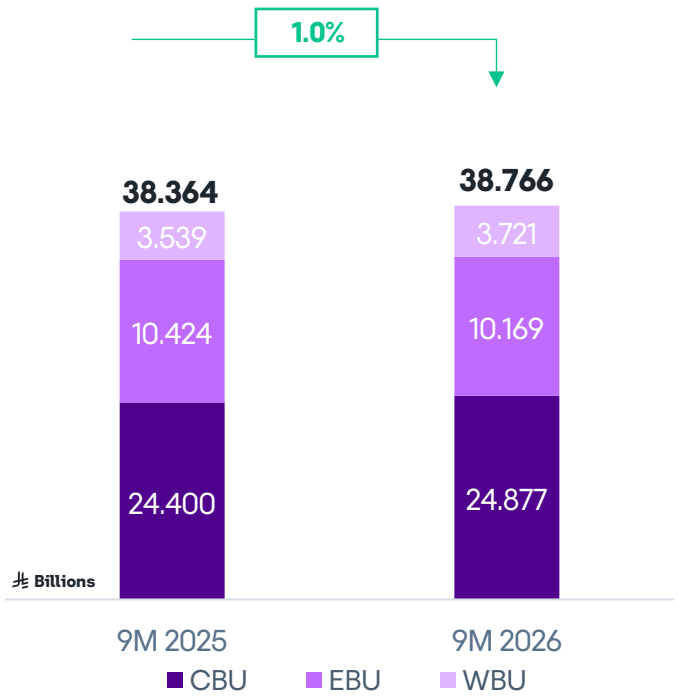


- Gross profit reached 29.362 billion in **9M 2026**, increasing by 5.2% YoY, with gross profit margin improving to 48.9% from 48.2% in the comparable period last year.
- Subsidiaries' achieved strong gross profit expansion of 39.4% in **9M 2026.**

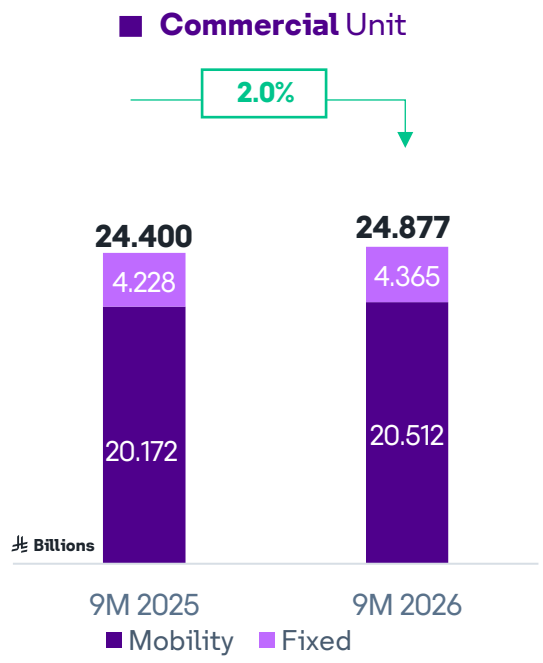
Revenue Breakdown for stc KSA

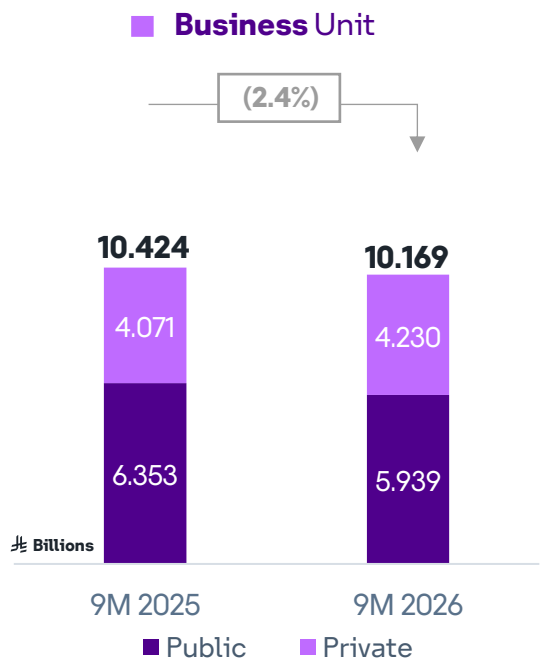
stc KSA recorded a 1.0% increase in 9M 2026, driven by the Commercial Unit and Carrier & Wholesale Unit.

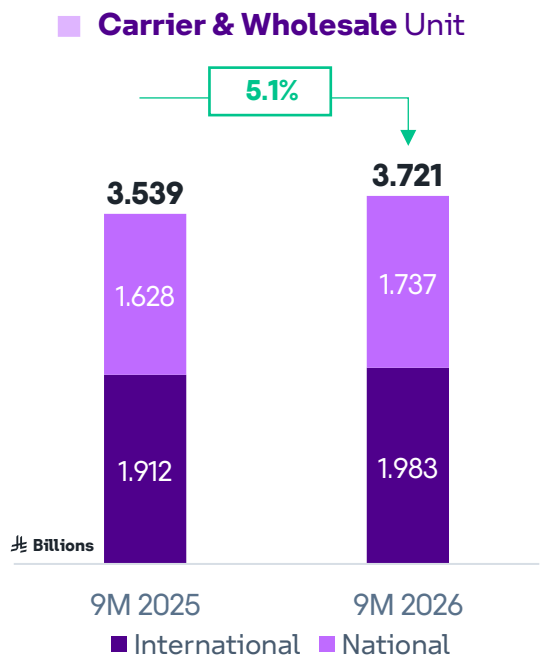
stc KSA Breakdown



stc KSA: Business Units Breakdown





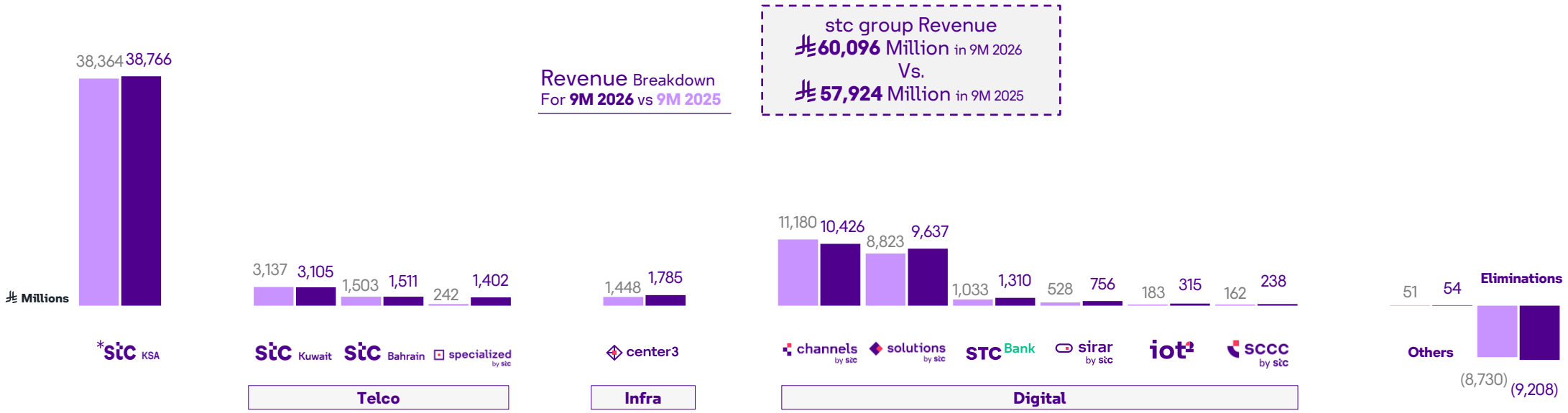


The solid performance across stc KSA's business units supported overall revenue growth and reinforced the group's market position, with the **Commercial Unit** growing by **2.0%,** driven by increases in the **Mobility (+1.7%)** and **Fixed (+3.2%)** segments; while the **Carrier & Wholesale Unit** recorded **5.1%** growth, supported by strong performance in the **National (+6.8%)** and **International (+3.2%)** segments. These performances partially offsetting the **2.4%** decline in the **Business Unit**.

The totals and percentage changes are calculated based on full figures.

Revenue Breakdown by Subsidiaries

Subsidiaries' revenue recorded strong growth of 9.0% YoY in 9M 2026 and 18.5% YoY in Q3 2026.

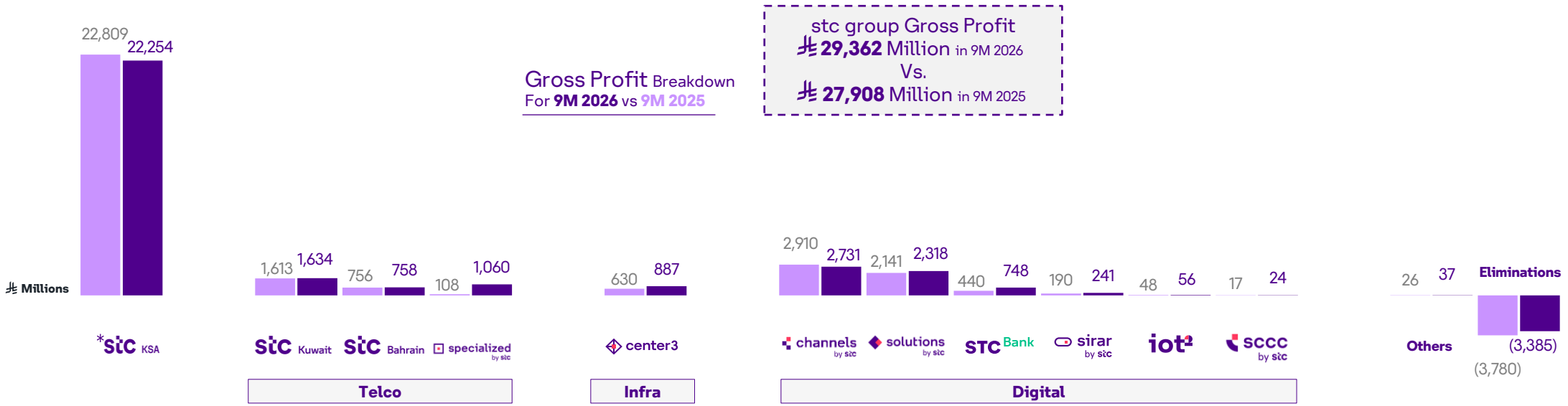


- The strength of the group's portfolio was reflected in the strong performance of the subsidiaries, which **contributed 35.5% to the group's total revenue** during 9M 2026.
- The subsidiaries delivered **robust and broad-based YoY revenue growth**, including solutions (+9.2%), center3 (+23.3%), STC Bank (+26.8%), sirar (+43.2%) and specialized (+479.0%).

Percentage changes are calculated based on the numbers reported in the financial statements.
* Includes stc's business units.

Gross Profit Breakdown by Subsidiaries

The group's subsidiaries underpinned the group's gross profit growth, increasing by 39.4% YoY in 9M 2026, with an acceleration to 51.5% YoY in Q3 2026.

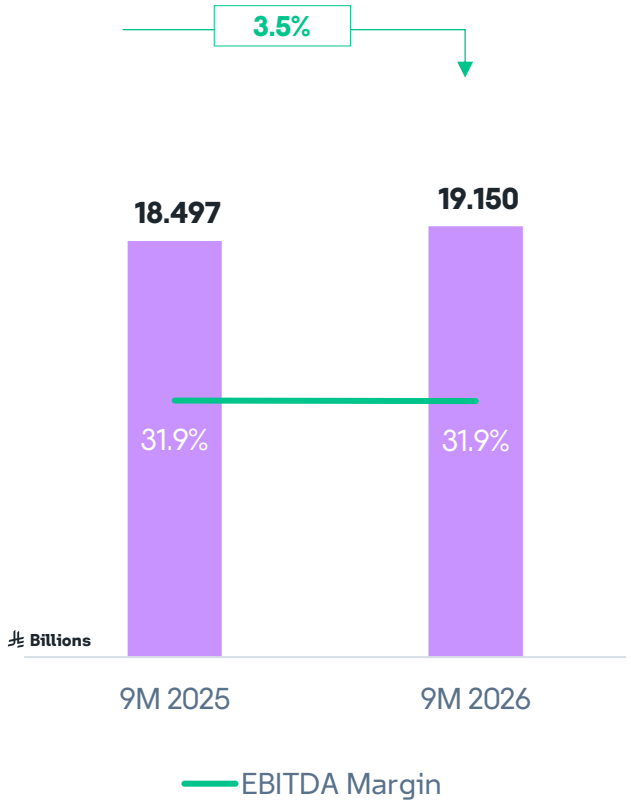


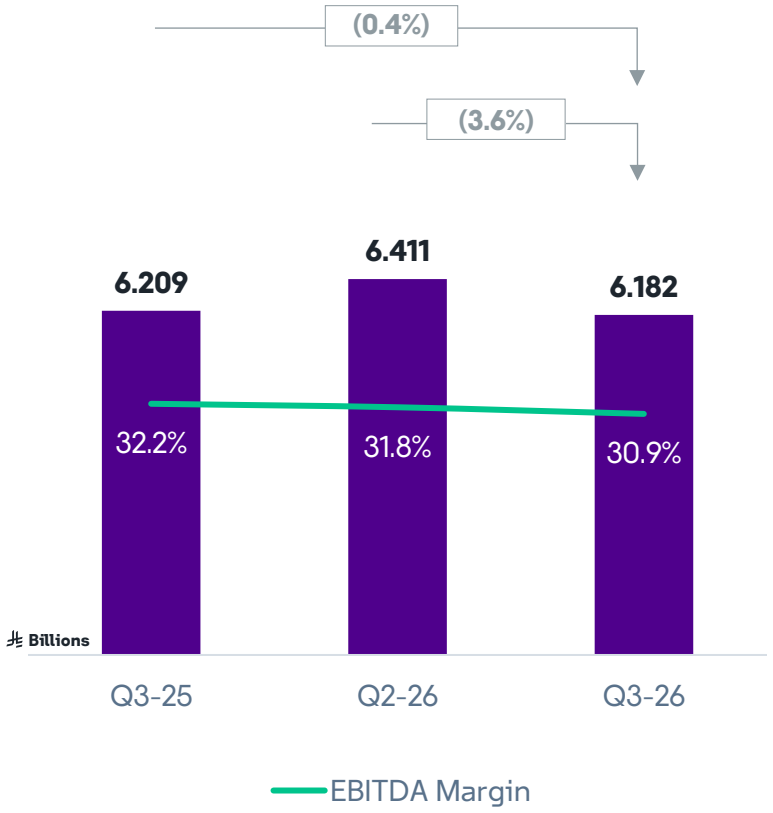
- The subsidiaries' **contribution to the group's total gross profit increased to 24.2%** in 9M 2026, compared to 18.3% in the same period of 2025, underlining the progress in stc's strategic progress to expand in digital infrastructure and services.
- **Strong YoY gross profit growth expansion** was delivered across several subsidiaries such as solutions (+8.3%), center3 (+40.7%), STC Bank (+70.3%), sirar (+26.9%) and specialized (+884.4%).

Percentage changes are calculated based on the numbers reported in the financial statements.
* Includes stc's business units.

stc group – EBITDA

EBITDA increased by 3.5% YoY in 9M 2026, on the back of revenue growth and expense efficiencies.

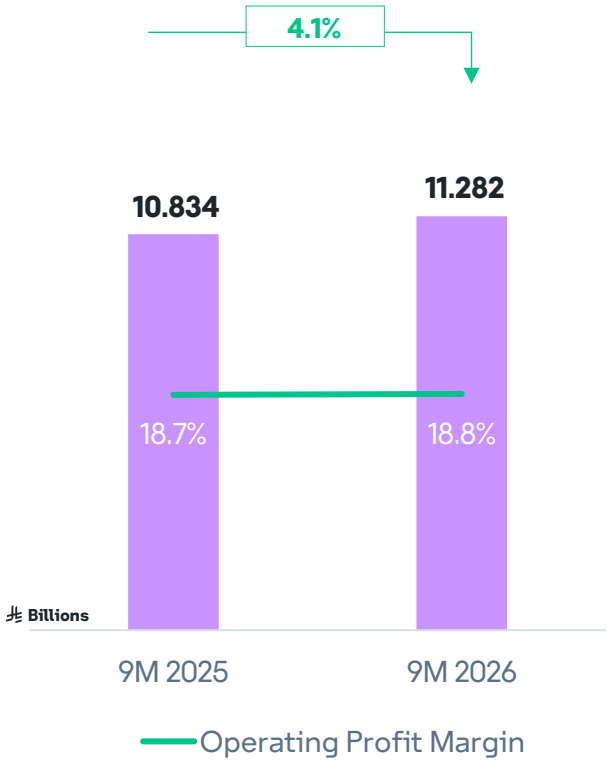


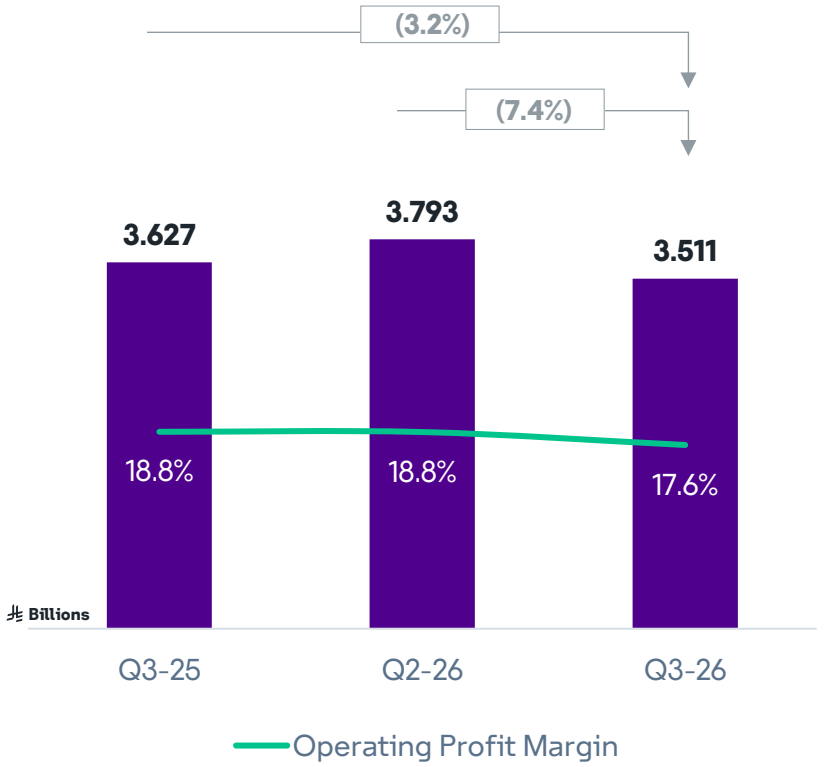


- **9M 2026** EBITDA grew to ﷼19.150 billion, representing a 3.5% YoY increase.
- EBITDA margin remained stable at 31.9% in **9M 2026**.

stc group – Operating Profit

Operating profit rose by 4.1% in 9M 2026 YoY.

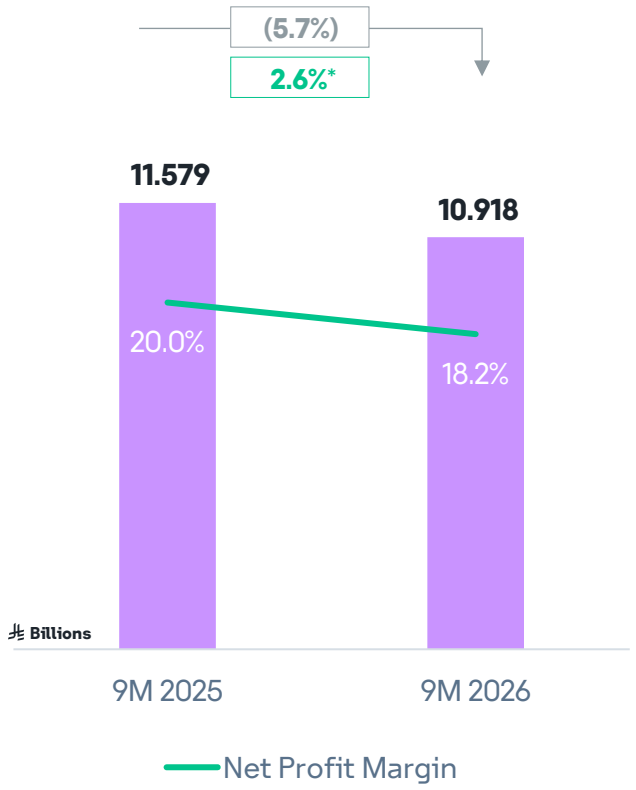


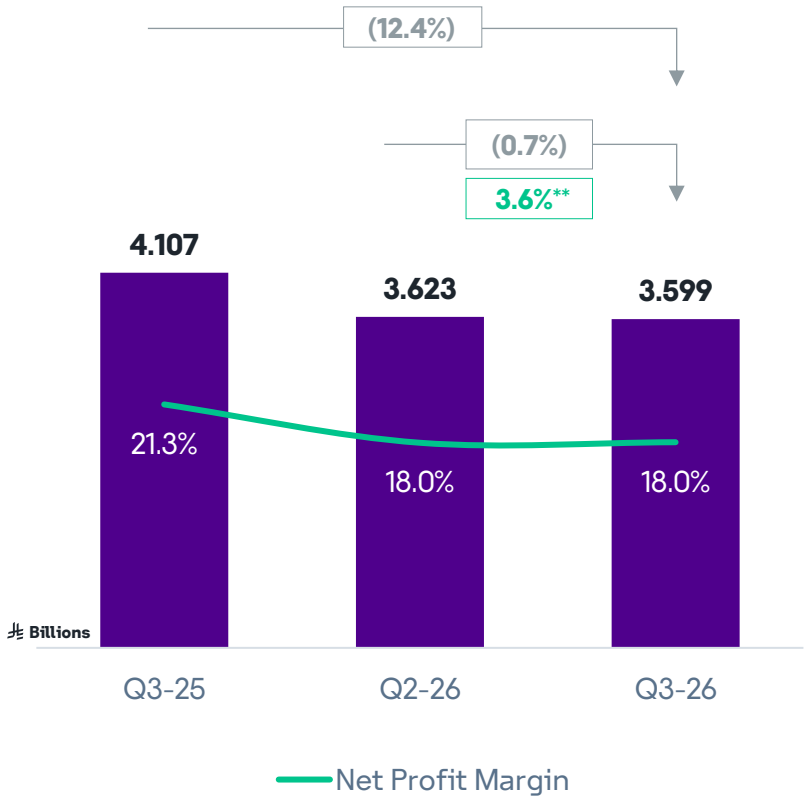


- **9M 2026** operating profit grew to ﷼ 11.282 billion, representing a 4.1% YoY increase.
- Operating profit margin improved slightly to 18.8% in **9M 2026**, compared to 18.7% in 9M 2025.

stc group – Net Profit

Net profit increased by 2.6% YoY in 9M 2026, excluding non-recurring items, driven by the group's solid operating performance.





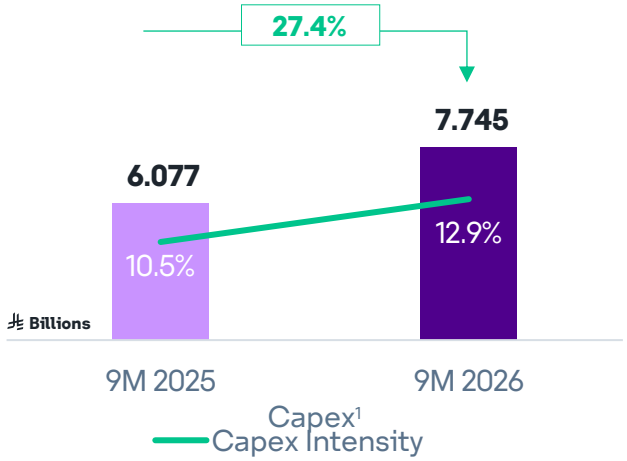
Net profit for **9M 2026** reached ﷼ 10.918 billion, resulting from:

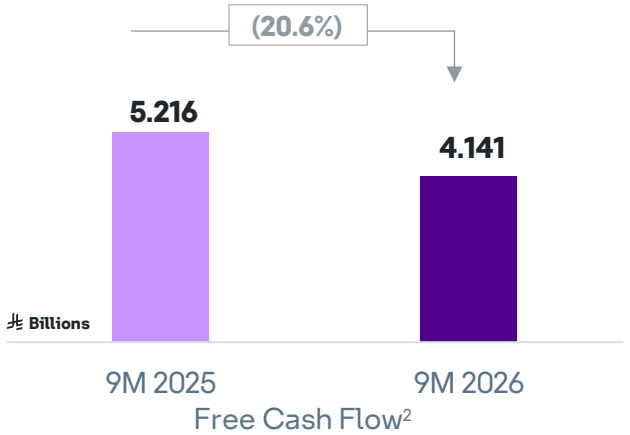
- An increase in operating profit by 4.1%.
- Higher net finance costs, partially offset by improved net other income, an increase in the net share of results from associates and joint ventures, and higher net other gains.
- Recognition of zakat and income tax expense amounting to (﷼ 357 million), compared to a positive contribution of ﷼ 683 million , mainly due to the reversal of zakat provision related to prior years, during the comparable period last year, that was no longer required.

* Excluding the non-recurring items in the current and the comparable period last year.
** Excluding the non-recurring items in the previous quarter.

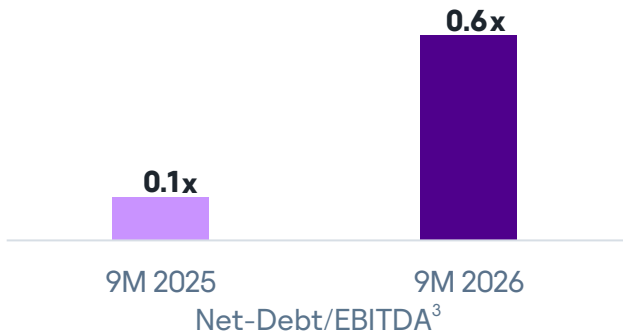
Additional Financial Insights

stc group's strong financial position at the end of 9M 2026, supports its resilience and capacity to drive its strategic ambitions.









- Capex increased by 27.4% YoY in **9M 2026** to ﷼ 7.745 billion, with an intensity of 12.9%, supporting future growth and strategic priorities.
- Free cash flow moderated to ﷼ 4.141 billion, mainly reflecting the group's higher investment in the period.
- Total assets grew by 9.4% YoY to reach ﷼ 168.305 billion.
- Net-Debt/EBITDA[3] (0.6x) remained moderate, emphasizing the group's financial flexibility and resilience, as well as its capacity to invest in future growth and expansion.

1- Purchase of property and equipment, intangible assets, and investment properties.
2- (Net cash from operating activities – Capex).
3- Net-Debt is calculated as (Total Debt - (Cash and cash equivalents from non-banking operations + Short-term murabahas)) | EBITDA is based on the last 12 months.

Closing Remarks

stc will continue to create long-term value by:

Sustaining topline momentum underpinned by strong growth across subsidiaries, driving stc's expansion in digital infrastructure and services.

Allocating capital prudently and strategically to support profitable growth.

Continuing to advance strategic initiatives and partnerships that strengthen the group's capabilities and unlock future growth opportunities.

Maintaining the groups' financial flexibility and high investment-grade credit ratings across major international and local rating agencies (all with stable outlooks).

Delivering sustained value, through growth and shareholder returns, supported by strong cash flow generation and financial positions.

Appendix

9M at-a-Glance

stc group achieved tangible success during the first nine months of 2026, reflected in impactful strategic partnerships and notable milestones.

stc's Brand Value

stc group was named the Middle East's strongest and most valuable telecom brand, valued at ﷼ 66 billion, and ranked third strongest and ninth most valuable globally, according to Brand Finance.

Issue of a USD 2 Bn Sukuk Across Two Tranches

stc group successfully issued USD 2 billion in USD-denominated Sukuk across two tranches, comprising USD 750 million five-year sukuk priced at UST + 75 bps and USD 1.25 billion ten-year sukuk priced at UST + 90 bps.

"Silklink" Project Agreement in the Syrian Arab Republic Worth ﷼ 3 Bn

stc group won a project award with the Syrian Sovereign Fund to implement the "Silklink" "telecommunications infrastructure project in the Syrian Arab Republic, with an investment worth ﷼ 3 billion.

Strong Network Growth at the Two Holy Mosques in Ramadan

stc group reported record growth in network traffic and connectivity demand at the Two Holy Mosques during Ramadan, driven by the rising number of Umrah pilgrims and increased demand for services in Makkah and Madinah.

Expansion of Cloud Services with Oracle Alloy

stc group launched stc Cloud powered by Oracle Alloy, Saudi Arabia's first sovereign cloud, delivering fully local data residency, governance, and regulatory compliance to accelerate secure digital transformation.

stc group Tops Local Content for Third Year

stc group won the Local Content Award for state-owned companies for the third consecutive year, achieving a 50.69% local content score through its rawafed program.

stc group extended MoU with HUMAIN

stc group extended its MoU with HUMAIN for an additional six months, aiming to complete the remaining negotiations and regulatory requirements for the proposed joint venture through center3.

Record Network Traffic During Hajj Season

stc group continued serving pilgrims during Hajj season through an integrated ecosystem of connectivity services and AI-powered digital solutions, enabling the group to accommodate the record surge in data traffic, while ensuring the highest levels of network availability and service continuity across the holy sites.

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January

Participation at Riyadh Season

stc group delivered advanced digital services as a Premium Official Partner of Riyadh Season, supporting over 12 million visitors across its zones and events for the fifth consecutive year.

New Milestone in Data Governance & Innovation Leadership

stc group won two awards — "Best Use of Data Governance" and "Best Data Governance Innovator" — at the Middle East AI & Enterprise Analytics Summit 2025.

February

Participation at PIF Private Sector Forum 2026

stc group concluded its participation at the PIF Private Sector Forum 2026 by signing five agreements with Wire Filter, Saudi Net Link, GCC Technical Services Co., Netzero, Huawei and Interkey.

Participation at World Defense Show (WDS) 2026

stc group participated as a Principal Partner at WDS 2026, with specialized by stc showcasing Mission-Critical Communications and its role in enabling secure, reliable connectivity for defense and critical sectors.

March

Launch of Phase Two of "New Calling"

stc group launched the second phase of its "New Calling" service in Riyadh, introducing a pilot that enables real-time voice translation between Arabic and English.

April

stc group & ROSHN Group

stc group expanded its partnership with ROSHN Group to build a neutral fiber-optic network for Riyadh's Sedra community, enabling shared infrastructure for all telecom providers and improving network efficiency.

May

Local Content Recognition at PIF Partner Forum

stc group was honored at the PIF Partner Forum for advancing Saudi Arabia's local content ecosystem through rawafed's training and upskilling initiatives.

June

stc group's Sustainability Report for 2025

stc group published its Sustainability Report for the year 2025, highlighting an upgraded AA MSCI ESG Rating, 50.69% local content score, 97% local spending, and progress in emissions reduction and circular economy initiatives.

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