Investor Relations Release

*For the three months period ended on **31st March 2026***

Financial Results Overview

For the three months period ended on 31st March 2026

stc group announced its interim consolidated financial results for the three months period ended on 31st March 2026.

12%

Increase in Net Profit for Q1 2026 compared to Q1 2025 after excluding the non-recurring items.

Financial Results Highlights (Millions of ⃁)

	Q1 2026	Q1 2025	%
Revenue	**19,939**	19,210	3.8%
EBITDA	**6,557**	6,120	7.1%
Operating Profit	**3,978**	3,584	11.0%
Net Profit (Attributable to Equity Holders)	**3,696**	3,649	1.3%
Change in Net Profit (Attributable to Equity Holders) (After excluding the non-recurring items)			12.0%
Capex[1]	**1,700**	1,660	2.4%
Net Debt[2] **/ EBITDA**	**1.1x**	(2.0x)	-

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

Credit Rating

1 Purchase of property and equipment, intangible assets, and investment properties

2 (Total Debt - (Cash and cash equivalents from non-banking operations + Short-term murabahas))

GCEO Statement

stc group CEO Eng. Olayan Alwetaid stated that the group began 2026 with strong operational and financial momentum, successfully translating the group's strategy into tangible growth and reinforcing its role in the digital economy. In the first quarter, the group achieved a 3.8% increase in revenue, 7.1% EBITDA growth, and a rise in net profit (after excluding non-recurring items) by 12% compared to the same quarter last year. These results demonstrate a robust business model and an effective balance between investments opportunities, operational efficiency, and digital infrastructure development, supporting sustainable and competitive long-term growth.

The GCEO highlighted the group's continued execution of its strategy to expand regional digital infrastructure through the Silklink project. This initiative, in partnership with the Syrian Sovereign Fund and an investment of ⃁3 billion, aims to implement telecommunications infrastructure in Syria. The project is a significant step toward building a cross-border digital ecosystem by developing advanced infrastructure that connects Syria regionally and internationally through a fiber-optic network of over 4,500 kilometers, as well as data centers and international submarine cable landing stations. This strengthens stc's role in supporting regional digital connectivity and creates new opportunities for growth and expansion in telecommunications and digital services.

Further, stc supported millions of Riyadh Season visitors with advanced telecommunications and digital services, demonstrating efficient service delivery during peak periods. The group also showed high readiness during Ramadan by serving Umrah performers and visitors to the Two Holy Mosques through enhanced infrastructure and increased operational capacity, meeting rising data and voice traffic demands. During Ramadan, internet data traffic rose by more than 21% at the Grand Mosque and over 40% at the Prophet's Mosque year-on-year, with 5G accounting for over 48% of traffic. These results highlight the efficiency of stc's digital infrastructure and its ability to provide reliable, high-quality connectivity to visitors worldwide.

To advance local content and national capabilities, the group enhanced its role in building a resilient and sustainable digital ecosystem by localizing technologies, developing supply chains, and enabling national partners. In 2026, the group participated in the Private Sector Forum and signed several agreements to boost local content, expand supplier networks, and support national partners in workforce training and technological advancement. These efforts strengthened local digital industries, advanced the telecommunications and IT sector, and improved global competitiveness.

On the institutional excellence and innovation front, the group continued to cement its digital maturity by embedding best practices in data governance, which enable innovation, improve business efficiency, and support reliable decision-making. This progress was recognized by two data governance awards received across the Middle East, reflecting stc's achievements in building an advanced digital ecosystem.

The GCEO concluded that in the first quarter of 2026, the group demonstrated its ability to execute its strategy, achieve objectives, and strengthen its leadership in telecommunications and technology. This maximized its contribution to the national and digital economy and enhanced its societal impact. The group's efforts reinforce its role as a key partner in digital transformation across the Kingdom and region, in alignment with Saudi Vision 2030.

Olayan Mohammed Alwetaid

stc group CEO

Financial Performance Summary

Key financial data and indicators

1 Balance Sheet (Millions of ⃁)

	Q1 2026	Q1 2025	%
Cash & Equivalents[1] (Cash and cash equivalents from non-banking operations + Short-term murabahas)	15,412	27,569	(44.1%)
Working Capital[2]	25,602	29,508	(13.2%)
Total Assets	166,157	162,611	2.2%
Total Liabilities	78,607	68,610	14.6%
Total Debt[3]	22,475	15,130	48.5%
Total Shareholders Equity (After Deducting Minority Equity)	84,743	91,069	(6.9%)

2 Income Statement (Millions of ⃁)

	Q1 2026	Q1 2025	%
Revenue	19,939	19,210	3.8%
Gross Profit	9,772	9,098	7.4%
Operating Profit	3,978	3,584	11.0%
EBITDA	6,557	6,120	7.1%
Net Profit (Attributable to Equity Holders)	3,696	3,649	1.3%

3 Cash Flows Statement (Millions of ⃁)

	Q1 2026	Q1 2025	%
Net Cash from Operating Activities	5,585	2,314	141.4%
Net Cash from Investing Activities	(3,745)	1,026	(465.0%)
Net Cash from Financing Activities	4,354	(2,985)	245.9%
Free Cash Flow[4]	3,885	654	494.0%

1 (Excluding cash from banking operations) 2 (Current Assets – Current Liabilities) 3 (Short-term borrowings + Long-term borrowings) 4 (Net cash from operating activities – Capex)

Stock Performance & Financial Calendar

stc

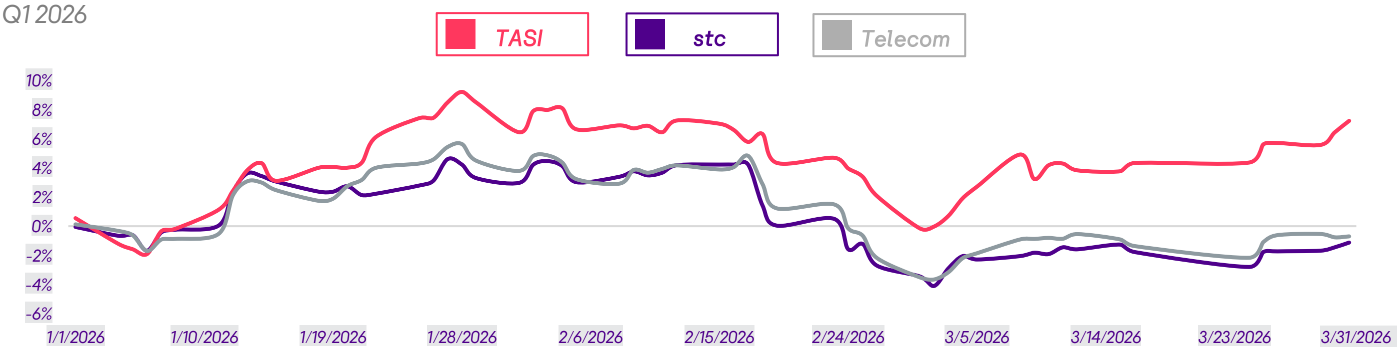
Analysts' Estimates

Q1 2026

Average Analysts Estimates for Revenue (Mn ⃁)	Actual (Mn ⃁)	Change %	Average Analysts Estimates for Net Profit (Mn ⃁)	Actual (Mn ⃁)	Change %
19,635	19,939	1.5%	3,382	3,696	9.3%
Number of Estimates for Revenue	15 Analysts		Number of Estimates for Net Profit	14 Analysts	

Stock Performance

Q1 2026



Payout Ratio 1	P/E Ratio 2	Dividend Yield 3	Return on Equity 4	Price to Book Ratio
140.9%	14.3x	9.9%	16.9%	2.5x

Financial Calendar

Q1 2026

January

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Date	Event
6 Jan	stc announced its intention to issue International Trust Certificates (sukuk) denominated in U.S. dollars.
8 Jan	stc announced the start of the offering of its U.S. dollar denominated issuance of International Trust Certificates (sukuk).
11 Jan	stc announced the completion of the offering of U.S. dollar denominated International Trust Certificates (sukuk).
8 Feb	stc announced telecommunications infrastructure project award with Syrian Sovereign Fund worth ⃁ 3 Billion.
17 Feb	Year end 2025 financial results announcement and Q4 2025 dividend announcement.
19 Feb	stc's FY 2025 Earnings Conference Call.
12 Mar	Q4 2025 dividend distribution (⃁ 0.55 per share).

1-3 Includes special dividends for 2024 of ⃁ 2 per share which were distributed in June 2025

1-2-3-4 Numbers are calculated based on the last 12 months

4 Equity attributable to the equity holders of the Parent Company

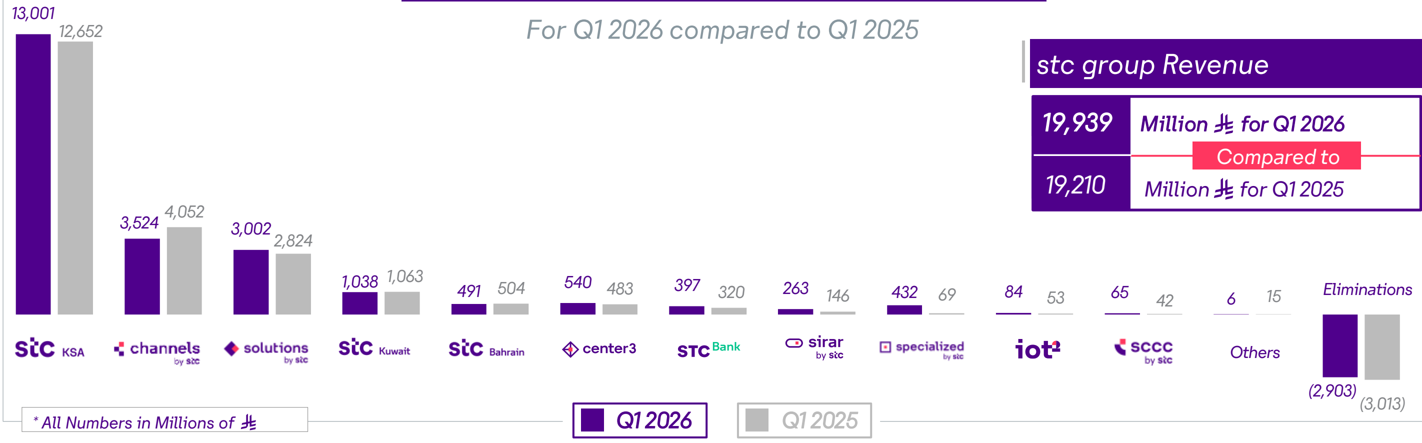
Segment Information

Revenue based on segments

For Q1 2026 compared to Q1 2025

stc group Revenue

19,939 Million ⃁ for Q1 2026
Compared to
19,210 Million ⃁ for Q1 2025



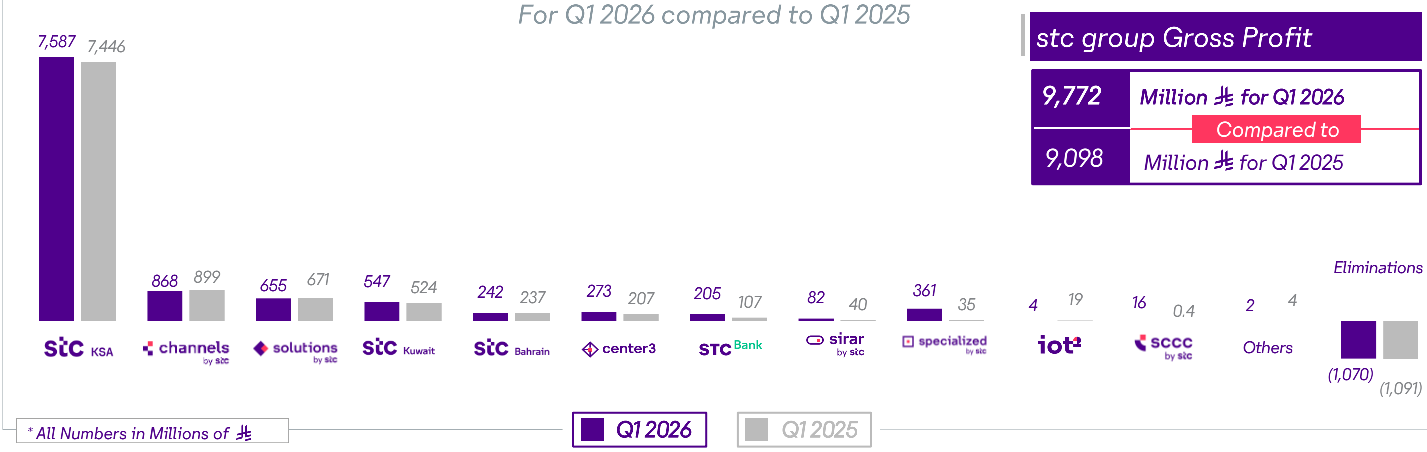
* All Numbers in Millions of ⃁

Gross Profit based on segments

For Q1 2026 compared to Q1 2025

stc group Gross Profit

9,772 Million ⃁ for Q1 2026
Compared to
9,098 Million ⃁ for Q1 2025



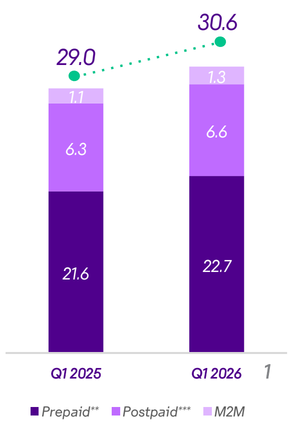
* All Numbers in Millions of ⃁

Subscribers at a Glance*

stc KSA

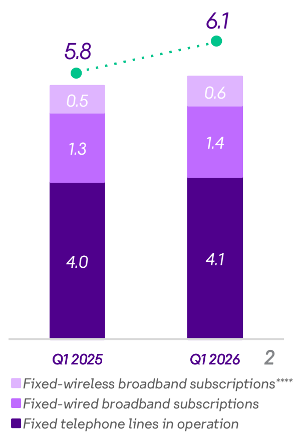
Mobile Subscribers (Millions)

5.3%



Fixed Subscribers (Millions)

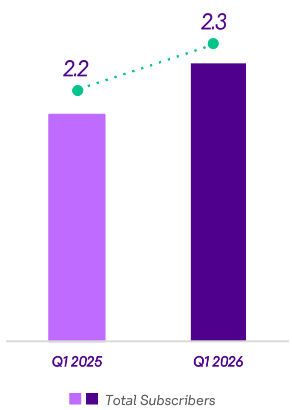
3.1%



stc Kuwait

Mobile Subscribers (Millions)

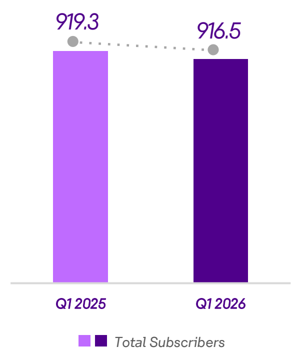
5.4%



stc Bahrain

Mobile Subscribers (Thousands)

(0.3%)



* Percentage changes are calculated based on full figures.
** 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.
1-2 Figures are not audited.

Key Highlights

Key News

stc signed an agreement to implement the "Silklink" project in the Syrian Arab Republic worth ⃁ 3 billion

stc group announced that it has signed an agreement to implement the "Silklink" project in the Syrian Arab Republic. This signing comes after the group won a competitive process for the project, which was attended by most regional telecommunications companies. With an investment of ⃁ 3 billion, "Silklink" aims to enhance telecommunications infrastructure and connect Syria regionally and internationally via a fiber-optic network extending over 4,500 kilometers, alongside the establishment of data centers and international submarine cable landing stations. The project provides high data transfer capacities and greater reliability, enabling telecom operators in Syria and the region to offer advanced communication services, and support digital applications, cloud services and the Internet of Things, in addition to improving internet quality and raising the efficiency of the digital infrastructure within Syria.

stc supported 12 million Riyadh Season visitors with smart digital services

stc group continued to deliver a comprehensive suite of advanced digital services as a Premium Official Partner of Riyadh Season, supporting more than 12 million visitors across the season's various zones and events. This marked the fifth consecutive year of stc group's strategic partnership with Riyadh Season, during which high-quality voice traffic exceeded 2.8 million calls. To support the scale of Riyadh Season, stc group strengthened the communications infrastructure across all event locations by providing more than 15,000 terabytes of network capacity through a combination of indoor and outdoor coverage solutions, leveraging 4G and 5G technologies. This ensured fast and stable connectivity for the high volume of visitors at entertainment zones and major events, while the number of roaming customers exceeded 10,000 subscribers. This underscores stc's broader commitment to supporting major national initiatives and enabling the digital transformation of the Kingdom's entertainment and tourism sectors.

stc reported record network usage at the Two Holy Mosques during Ramadan

stc group reported record growth in network traffic and demand for connectivity services at the Two Holy Mosques during Ramadan, driven by the increasing number of Umrah pilgrims and rising demand for connectivity and internet services in Makkah and Madinah. Network indicators showed that data traffic at Masjid Al-Haram in Makkah increased by more than 21%, with over 48% of internet traffic carried over the 5G network, representing an 18% increase compared to last year. At the Prophet's Mosque in Madinah, data traffic rose by more than 40%, with 5G accounting for more than 48% of total internet traffic, marking a 67% increase compared to the previous year. These figures reflect the network's operational efficiency and its ability to accommodate the significant rise in the number of visitors and pilgrims while maintaining high service quality.

stc showcased its leadership in supporting local content at the Private Sector Forum 2026

stc group concluded its participation at the PIF Private Sector Forum 2026, and the event provided stc group with a strategic platform to showcase leadership in localization through high-impact agreements, targeted partner development initiatives, and its flagship rawafed program which advances Saudi Arabia's local tech industry. During the event, stc group signed five agreements aimed at advancing critical Saudi capabilities. These included enhancing the Kingdom's network inspection infrastructure through collaboration with "Wire Filter"; improving wireless network performance and monitoring with "Saudi Net Link"; localizing the production of Customer Premises Equipment (CPE) devices in partnership with "Huawei" and "Interkey"; localizing technical quality assurance tests with "GCC Technical Services Co."; and supporting Saudi Arabia's environmental sustainability goals by deploying smart tree technology in partnership with "Netzero".

new milestone for stc in data governance and innovation leadership across the Middle East

stc group has achieved a significant milestone by winning two prestigious awards, "Best Use of Data Governance" and "Best Data Governance Innovator". This recognition reflects the group's strong commitment and ongoing efforts to advance data governance standards, strengthen trust in data, and enable data-driven decision-making, ultimately fostering innovation and sustainable growth. The group also works to implement a dynamic and evolving framework that promotes a culture of excellence and compliance by embedding the values of transparency, accountability, and resilience. stc group contributes to enhancing governance maturity, strengthening stakeholder confidence, and creating sustainable value for shareholders, partners, and society. These awards further affirm that strong data governance at stc group serves as a fundamental pillar for the success of its business, enhancing operational efficiency and achieving sustainable growth that aligns with its future objectives and supports its position as a leading digital company.

stc launched phase two of "New Calling" with a real-time translation pilot in Riyadh

stc group has announced the launch of the second phase of its "New Calling" service by introducing a pilot that enables real-time voice call translation between Arabic and English. The service is powered by the advanced "New Calling" network and integrated language model capabilities, allowing callers to speak in their native language while the conversation is translated instantly and accurately for the other party, taking into account the context and nature of the call. At this stage, the service will be available to a limited number of customers in Riyadh, building on the first phase announced in 2024 as part of the group's efforts to enhance the calling experience and improve communication efficiency among diverse user groups. The solution relies on advanced network-level processing technologies, combined with intelligent and secure voice network capabilities and optimized language models for both Arabic and English, ensuring clear and accurate translation during live calls while maintaining the highest standards of privacy and information security.

stc square attracts the regional headquarters of "Supermicro" and "Siemens Healthineers"

stc square has signed strategic agreements with "Supermicro" and "Siemens Healthineers" to establish their regional headquarters at stc square, in a step that reflects the project's growing position as a leading business destination and an integrated hub for smart city solutions and advanced technologies. These agreements come as part of stc square's ongoing efforts to develop a comprehensive business ecosystem that supports the growth of global companies, accelerates innovation, and provides an advanced environment for future technologies and vital sectors. These partnerships also underscore stc square's ability to attract major global companies from diverse industries, enhancing the project's appeal both regionally and internationally, while reinforcing its role as a key hub for business and technology and a destination that contributes to digital transformation and the development of an innovation-driven economy.

stc showcased specialized digital media solutions portfolio at the Saudi Media Forum

stc group participated in the Saudi Media Forum as the digital enabler of this leading media platform, which brought together prominent media organizations and key decision-makers in the sector. The forum provided an opportunity for stc group to showcase an integrated portfolio of advanced digital solutions designed to drive a qualitative transformation in the Saudi media sector. Building on its position as a trusted partner to the media industry and its extensive expertise in digital infrastructure and 5G networks, stc showcased — in collaboration with its subsidiaries, including solutions, sirar, and sccc — a comprehensive suite of services aimed at enhancing the technological capabilities of the media ecosystem. These offerings include advanced connectivity solutions, cloud infrastructure, and secure digital platforms that support the entire media value chain, from content production and distribution to security, compliance, and audience engagement.

specialized by stc demonstrated its advanced mission-critical communications solutions at World Defense Show 2026

specialized by stc concluded its participation in the World Defense Show 2026, following a prominent presence that reflected national readiness aligned with global standards and highlighted the pivotal role the company plays in supporting the Kingdom's vital sectors. This year's participation reaffirmed specialized's position as a national leader in mission-critical communications, showcasing advanced operational and technical capabilities that enhance communication reliability and continuity in the most demanding environments. The exhibition also witnessed the signing of several MoUs with strategic partners, strengthening the integration of technical solutions and supporting the development of a flexible and scalable communications infrastructure that contributes to raising the readiness of vital sectors and aligns with the Kingdom's aspirations for greater technological sovereignty and innovation.

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