Investor Relations Release

For the six months period ended on **30th of June 2025**

Financial Results Overview

For the six months period ended on 30th of June 2025

stc Group announced its interim consolidated financial results for the period ending on June 30, 2025.

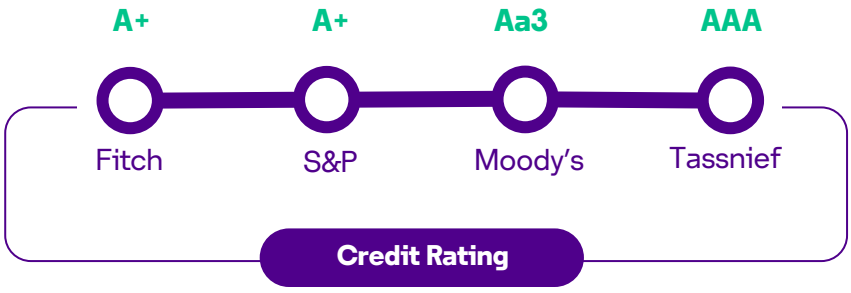
13.38% ↑

Increase in Net Profit for the 6 months period, compared to the same period last year.

Financial Results Highlights

(Millions of ﷼)

	6M 2025	6M 2024	%
Revenue	**38,660**	37,867	2.09%
EBITDA	**12,289**	11,583	6.10%
Net Profit *(Attributable to Equity Holders)*	**7,472**	6,590	13.38%
Total Shareholders Equity[1]	**82,699**	76,401	8.24%
Total Debt[2]	**15,222**	23,851	(36.18%)
Net Debt[3] **/ EBITDA**	**(0.04x)**	(0.22x)	-
CapEx[4]	**3,644**	4,218	(13.61%)



1 Shareholders Equity after deducting minority equity

2 (Short-term borrowings + Long-term borrowings)

3 (Total Debt - (Cash and cash equivalents + Short term murabahas))

4 (Purchase of property and equipment + Purchase of intangible assets + Additions to investment properties)

GCEO Statement

Commenting on the financial results for the first half of 2025, Eng. Olayan Alwetaid, CEO of stc Group, stated that the Group continued to deliver excellent performance through its commitment to its strategy and success in capitalizing on available opportunities within the ICT sector. He pointed out that the focus on financial discipline and improving the efficiency of capital management were key factors in supporting business stability, enhancing the Group's readiness to adapt to changes, and expanding into future growth avenues with confidence and sustainability. This was reflected in the Group's financial performance, as stc achieved revenue growth of 2.1% during the first six months of the year, and an increase in gross profit by 6.6%, compared to the same period last year. Additionally, the Cost Efficiency Program contributed effectively to enhancing operational and financial efficiency, which positively impacted the company's performance, resulting in EBITDA growth of 6.1% with an increase in EBITDA margin by 3.9% to reach 31.8%, which in turn led to a notable increase in net profit by 13.4%, reaching ﷼ 7.5 billion. The GCEO also emphasized that the growing demand for the Group's services is a testament to the community's trust in the efficiency of its digital solutions. This was demonstrated by the number of STC Bank customers surpassing three million within a short period since its launch at the beginning of 2025, reflecting the accelerated growth in the adoption of digital banking services and embodying the Group's growing role in developing the financial services sector.

Furthermore, the GCEO praised the tremendous efforts made by the Kingdom to provide a safe and comfortable environment for pilgrims and its continuous dedication to facilitating Hajj rituals and enhancing the quality of services provided to pilgrims. He also affirmed stc Group's dedication to contributing to the success of the Hajj season through the deployment of the latest technologies and digital solutions, including advanced AI solutions, which the Group implemented to boost network efficiency within the holy sites. During the season, the Group provided record internet speeds serving more than 1.6 million pilgrims and provided services to 1.49 million stc network users, which led to exceptional results, as stc's network recorded the highest traffic hour in its history in Muzdalifah, with a 64% increase in data usage and a 129% surge in 5G network traffic compared to the previous year. Meanwhile, the user experience index rose by 25%, underscoring the network's ability to support one of the world's most significant mass crowd movements.

As part of its efforts to expand coverage and provide high-speed connectivity in both urban and remote areas to bridge the digital divide and ensure the delivery of reliable high-quality communication services, stc's 5G network now covers more than 9,500 sites across the Kingdom. The Group has also continued to enhance its network technically by activating the low-frequency spectrum (600 MHz – N71) recently acquired, becoming the first operator in the region to activate this band commercially. This enables users in peripheral areas to access advanced communication services and high-speed connections, thanks to its superior coverage and penetration capabilities. In addition, stc has adopted the 5G standalone technology, which allows full utilization of advanced 5G features such as reduced latency and customized service quality through network slicing. This marks a pivotal step in enabling many vital sectors and strengthening the Kingdom's position in adopting and developing cutting-edge global technologies.

In line with its commitment to maintaining its leadership in the fields of telecommunications and information technology, stc Group signed several strategic agreements over the past period. In the field of cloud computing, the Group signed a partnership agreement with Oracle for a value of more than ﷼ 2 billion, aimed at accelerating digital transformation across the Kingdom, through the development of advanced AI-powered cloud infrastructure and the provision of sovereign cloud solutions via the Oracle Alloy platform, hosted at center3's data centers. Additionally, stc signed a strategic partnership with Singtel Group to collaborate across several areas, including digital platform integration, developing human capabilities, IoT solutions and expansion of subsea cable systems. These partnerships contribute to strengthening stc's position as a comprehensive digital provider across the region.

Finally, stc Group released its sixth Sustainability Report for the year 2024, which showcases the progress made across sustainability, environmental and social responsibility, and governance. The report also highlights the Group's efforts to enhance environmental performance and human capital development through digital innovation and upholding the principles of effective governance and ethical excellence. In recognition of these efforts, stc's ESG rating was upgraded from "BBB" to "A" in the latest MSCI ratings, reflecting the Group's commitment to adopting the highest local and international sustainability standards and practices. These initiatives reaffirm the Group's role as a key enabler of the national economy by supporting job creation, business growth, talent and skill enhancement, community well-being and the advancement of digital infrastructure. stc Group remains committed to advancing its sustainability efforts and continuing to maximize its positive impact on society, the environment and the economy by adopting sustainability principles across its various business areas.

Olayan Mohammed Alwetaid

stc Group CEO

Financial Performance Summary

Key financial data and indicators

1 Balance Sheet

(Millions of ﷼)

	6M 2025	6M 2024	%
Cash & Equivalents[1]	**15,691**	26,400	(40.56%)
Working Capital[2]	**19,993**	24,021	(16.77%)
Total Assets	**151,779**	160,039	(5.16%)
Total Liabilities	**66,265**	81,092	(18.28%)
Total Debt[3]	**15,222**	23,851	(36.18%)
Total Shareholders Equity *(After Deducting Minority Equity)*	**82,699**	76,401	8.24%

2 Income Statement

(Millions of ﷼)

	6M 2025	6M 2024	%
Revenue	**38,660**	37,867	2.09%
Gross Profit	**18,658**	17,501	6.61%
Operating Profit	**7,207**	7,046	2.28%
EBITDA	**12,289**	11,583	6.10%
Net Profit *(Attributable to Equity Holders)*	**7,472**	6,590	13.38%

3 Cash Flows Statement

(Millions of ﷼)

	6M 2025	6M 2024	%
Net Cash from Operating Activities	**4,895**	7,660	(36.10%)
Net Cash from Investing Activities	**9,543**	2,130	348.03%
Net Cash from Financing Activities	**(16,638)**	(5,480)	(203.61%)
Free Cash Flow[4]	**1,251**	3,442	(63.65%)

1 (Cash and cash equivalents + Short term murabahas)
2 (Current Assets – Current Liabilities)
3 (Short-term borrowings + Long-term borrowings)
4 (Net cash from operating activities – Capex)

Stock Performance & Financial Calendar

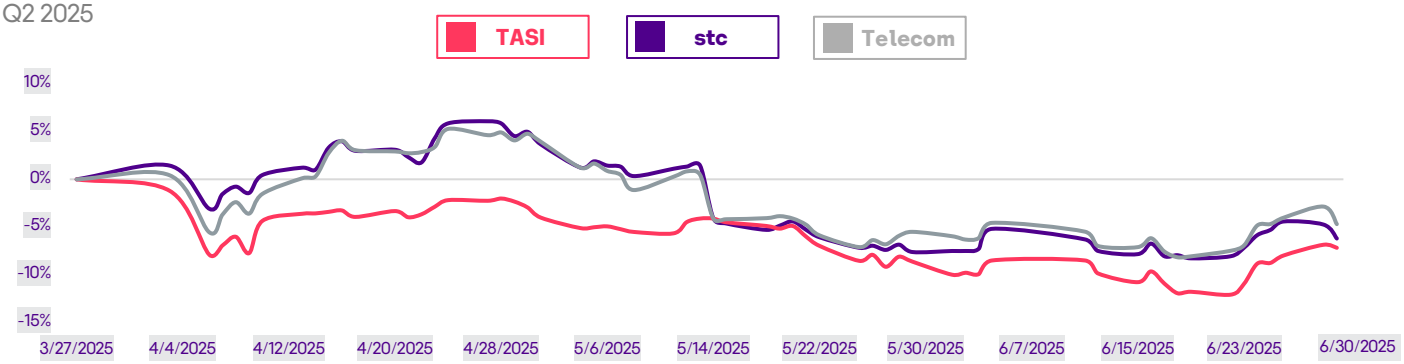
Analysts' Estimates

Q2 2025

Average Analysts Estimates for Revenue (Mn ﷼)	Actual (Mn ﷼)	Change %	Average Analysts Estimates for Net Profit (Mn ﷼)	Actual (Mn ﷼)	Change %
19,669	**19,451**	**(1.11%)**	3,472	**3,823**	**10.11%**
Number of Estimates for Revenue	**14 Analysts**		Number of Estimates for Net Profit	**16 Analysts**	

Stock Performance

Q2 2025



Payout Ratio 1	P/E Ratio 2	Dividend Yield 3	Return on Equity 4	Price to Book Ratio
78.95%	8.29x	9.52%	32.14%	2.57x

Financial Calendar

Q2 2025

April

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			

May

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

June

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					

7-8 April	EFG Hermes 11th annual conference.
22 April	stc's Board of Directors invited its Shareholders to attend the Ordinary General Assembly meeting (First meeting) by Means of Modern Technology. stc announced the latest development regarding the Board of Directors recommendation to distribute a special cash dividends for the year 2024.
27 April	Q1-2025 financial results & dividends announcement.
8 May	stc announced the date of E-Voting on the Agenda of the Ordinary General Assembly meeting (First meeting).
13 May	Ordinary General Assembly meeting.
14 May	stc announced the results of the Ordinary General Assembly meeting (First meeting).
19-20 May	Arqaam Capital 12th annual MENA investor conference.
20 May	Q1-2025 dividend distribution (﷼ 0.55 per share).
29-30 May	Capital Market Forum Hong Kong 2025.
2 June	Special Dividends Distribution for 2024 (﷼ 2 per share).
16-17 June	HSBC GCC Exchanges Conference 2025.
30 June	CEEMEA Corporate Days in Singapore Conference - Goldman Sachs.

1-3	Includes special dividends of ﷼ 2
1-2-3-4	Numbers are calculated based on the last 12 months
4	Equity attributable to the equity holders of the Parent Company
2-4	Includes special gains from TAWAL deal

Segment Information

Revenue based on segments

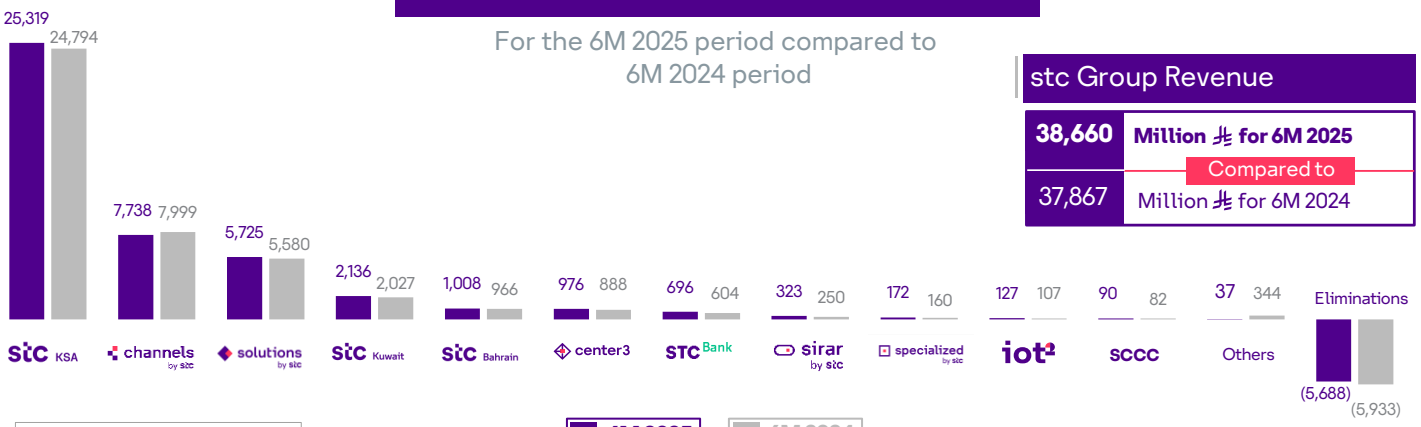
For the 6M 2025 period compared to 6M 2024 period

stc Group Revenue

38,660 Million ﷼ for 6M 2025

Compared to

37,867 Million ﷼ for 6M 2024



Gross Profit based on segments

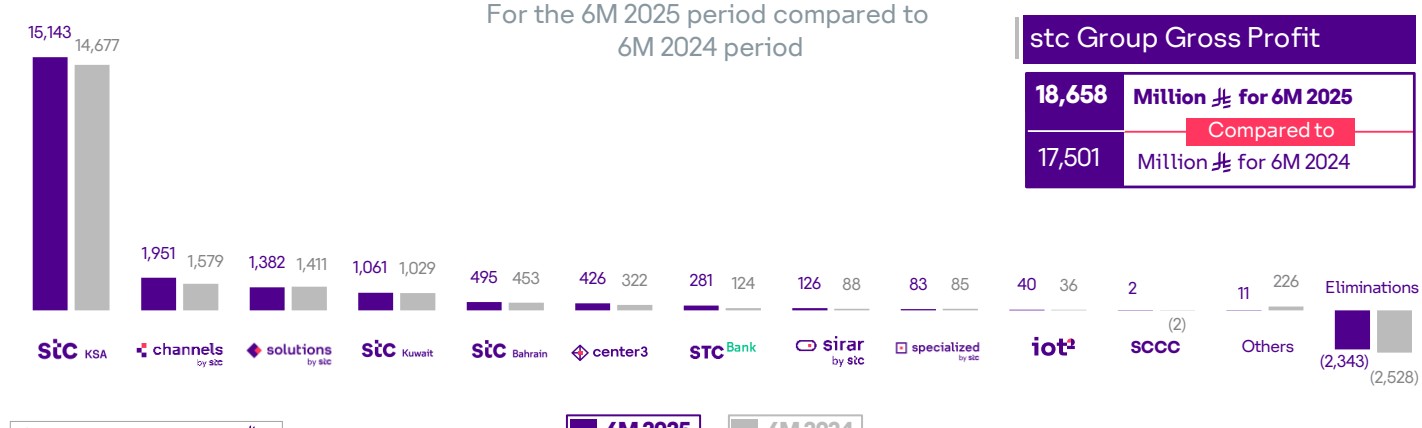
For the 6M 2025 period compared to 6M 2024 period

stc Group Gross Profit

18,658 Million ﷼ for 6M 2025

Compared to

17,501 Million ﷼ for 6M 2024

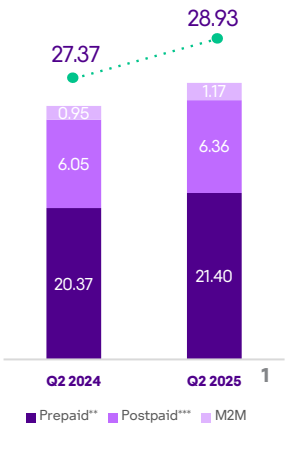


Subscribers at a Glance*

stc KSA

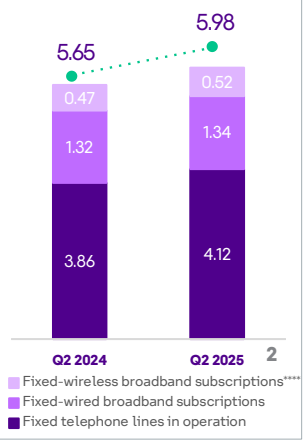
Mobile Subscribers (Millions)

5.70%



Fixed Subscribers (Millions)

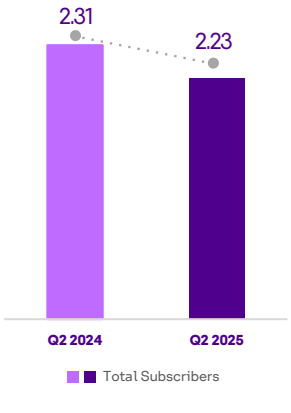
5.56%



stc Kuwait

Mobile Subscribers (Millions)

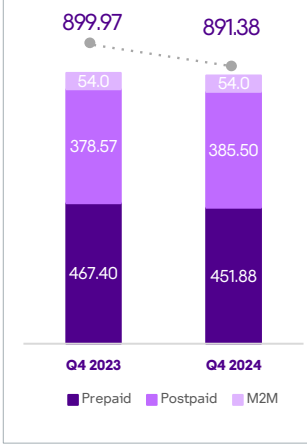
(3.15%)



stc Bahrain

Mobile Subscribers (Thousands)

(0.95%)



* 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

Strategic Partnership between stc Group and Oracle Worth Over ﷼ 2 Billion

stc Group and Oracle have signed a partnership agreement worth more than ﷼ 2 billion aimed at accelerating digital transformation across the Kingdom. This agreement is part of the long-standing strategic partnership between stc Group and Oracle, which has lasted over 18 years. The agreement also aims to develop an advanced AI-powered cloud infrastructure and deliver sovereign cloud solutions through the Oracle Alloy platform, hosted at center3's data centers, the digital infrastructure arm of stc Group. This collaboration further ensures that data remains within the Kingdom while fully complying with Saudi data governance regulations, supporting digital transformation across both the government and private sectors. It also highlights the significance of international cooperation in advancing technological innovation and fostering shared economic growth.

stc Group Achieved Record-High Network Performance

stc Group network recorded remarkable performance during the first day of Eid Al-Adha, witnessing a notable increase in the usage of communication services and data traffic. According to operational indicators, the Group achieved exceptional results. As Muzdalifah recorded its highest-ever traffic hour, with 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. User experience indicators also improved, exceeding last year's levels by 25% during one of the most significant moments of mass crowd movement. These results reflect stc's network capability to meet the growing demand for communication services during peak times.

stc Group Expands its 5G Network Nationwide to More Than 9,500 Sites

stc Group announced that its 5G network now covers more than 9,500 sites across the Kingdom, as part of a strategic expansion plan aimed at providing ultra-fast connectivity in both urban centers and remote areas. This supports efforts to bridge the digital divide and ensures the delivery of reliable, high-quality communication services throughout the Kingdom. The Group also continued the technical development of its network by operating the low-frequency spectrum (600 MHz – N71), recently acquired, becoming the first operator in the region to activate this band commercially. Additionally, stc is advancing its technical capabilities by adopting 5G Standalone technology, which allows full utilization of core 5G features such as reduced latency and customized service quality through Network Slicing. This marks a pivotal step in enabling vital sectors such as smart healthcare, connected transportation, Industry 4.0, and smart cities.

Strategic Partnership between stc Group and Singtel Group

A strategic partnership agreement has been signed between stc Group and Singtel Group to support multiple areas, including: Digital platform integration, Developing human capabilities "Job Attachment Programs", Expansion of subsea cable systems and IoT solutions. The signing ceremony was held under the endorsement of the CEO of stc Group and the CEO of Singtel Group with the presence of a distinguished group of executives from both sides. The agreement was signed by the CEO of the New Markets Unit at stc Group and the CEO of Singtel Digital Infra and of Nexera, in support of efforts to open new horizons for cooperation in various fields. Moreover, this partnership will contribute to accelerating the adoption of smart technologies, exchanging expertise, and enhancing the digital transformation capabilities of both parties in the Kingdom of Saudi Arabia, the Middle East, and Asia.

stc Group Launched its Sixth Sustainability Report for 2024

stc Group has released its sixth Sustainability Report for 2024, highlighting its ongoing achievements in sustainability, environmental and social responsibility, and governance — areas that have become integral to its strategy and corporate culture. stc aligns its reports with international standards such as the Global Reporting Initiative (GRI) and continues to align its efforts with the objectives of Saudi Vision 2030 as a key digital enabler. The Group is also committed to achieving the United Nations Sustainable Development Goals (SDGs) and is a proud member of the United Nations Global Compact (UNGC) initiative. To promote environmental sustainability, stc is dedicated to reducing its direct and indirect environmental impacts, including carbon emissions, while also helping its customers reduce their own environmental footprint. The Group has committed to achieving net-zero emissions by 2050 in line with the Paris Climate Agreement.

Strategic Partnership between stc Group and Kyndryl

stc Group has announced a multi-year strategic partnership with Kyndryl, the world's largest IT infrastructure provider, to develop an advanced Multicloud Management Platform strategy. Aligned with Saudi Vision 2030, this initiative aims to simplify cloud adoption for stc customers and partners by enabling seamless integration of hyperscaler cloud services. Built on Kyndryl technology, the stc platform will provide a secure, scalable solution to help maximize the benefits of hyperscaler cloud services, along with digital and automation capabilities, while enabling innovation and ensuring governance and operational control. stc Group and Kyndryl will also leverage their combined capabilities with the aim to create new digital services, utilizing stc Group's digital prowess and Kyndryl's multicloud hyperscaler-agnostic platforms, skills and processes, as well as its end-to-end industry expertise across sectors.

New Partnership between "Qitaf" Loyalty Program and the National Water Company

stc Group announced a new partnership between "Qitaf" loyalty program and the National Water Company, allowing customers across the Kingdom to use Qitaf points to pay their water and sanitation service bills flexibly. This initiative strengthens digital payment options in the Kingdom and meets customers' aspirations for more convenient services, reflecting stc's commitment to supporting a seamless, fully integrated digital lifestyle. "Qitaf" is one of the leading national loyalty programs, offering an integrated experience that allows customers to easily earn and redeem points across a wide range of services and products. Moreover, "Qitaf" continues to expand its network of partnerships with entities that provide services closely linked to customers' daily lives, aligning with its ongoing efforts to improve the customer experience and build stronger loyalty.

stc Group Wins First Place in Local Content Excellence Award for the Second Consecutive Year

stc Group has secured first place in the "Excellence in Local Content Preference" award for the second consecutive year in the state-owned companies category. This award highlights stc Group's continued commitment to adopting best practices in promoting local content across its operations through its flagship "Rawafed" program. The program is designed to sustainably advance local content within the telecommunications and information technology sector by boosting local spending, attracting investments, fostering innovation and developing local talent. It also contributes to achieving the Kingdom's ambitious economic and social objectives as outlined in Saudi Vision 2030, which aspires to build a vibrant society and a thriving economy. Notably, stc recorded a substantial increase in its local content contribution, reaching 44.32% in 2024 with a total spending on local content amounting to approximately ﷼ 15 billion and a 95% localization rate of its workforce.

stc Group Pioneers Saudi Arabia's Workforce Transformation as Vision Partner of Human Capabilities Initiative 2025

stc Group proudly participated in the Human Capability Initiative (HCI) 2025 as the Vision Partner, joining global experts in meaningful dialogues on human capability development under the theme "Beyond Readiness". The event comes on the back of stc Group's recognition among "LinkedIn's" 2025 rankings of best workplaces for career growth in Saudi Arabia. During HCI, stc Group's training institution, stc Academy, announced a strategic collaboration with IBM to accelerate the development of a future-ready workforce through the launch of a new public learning platform. As a Vision Partner of HCI, stc Group is dedicated to investing in Saudi Arabia's transformation by uplifting the next generation of talent through comprehensive training and upskilling initiatives.

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