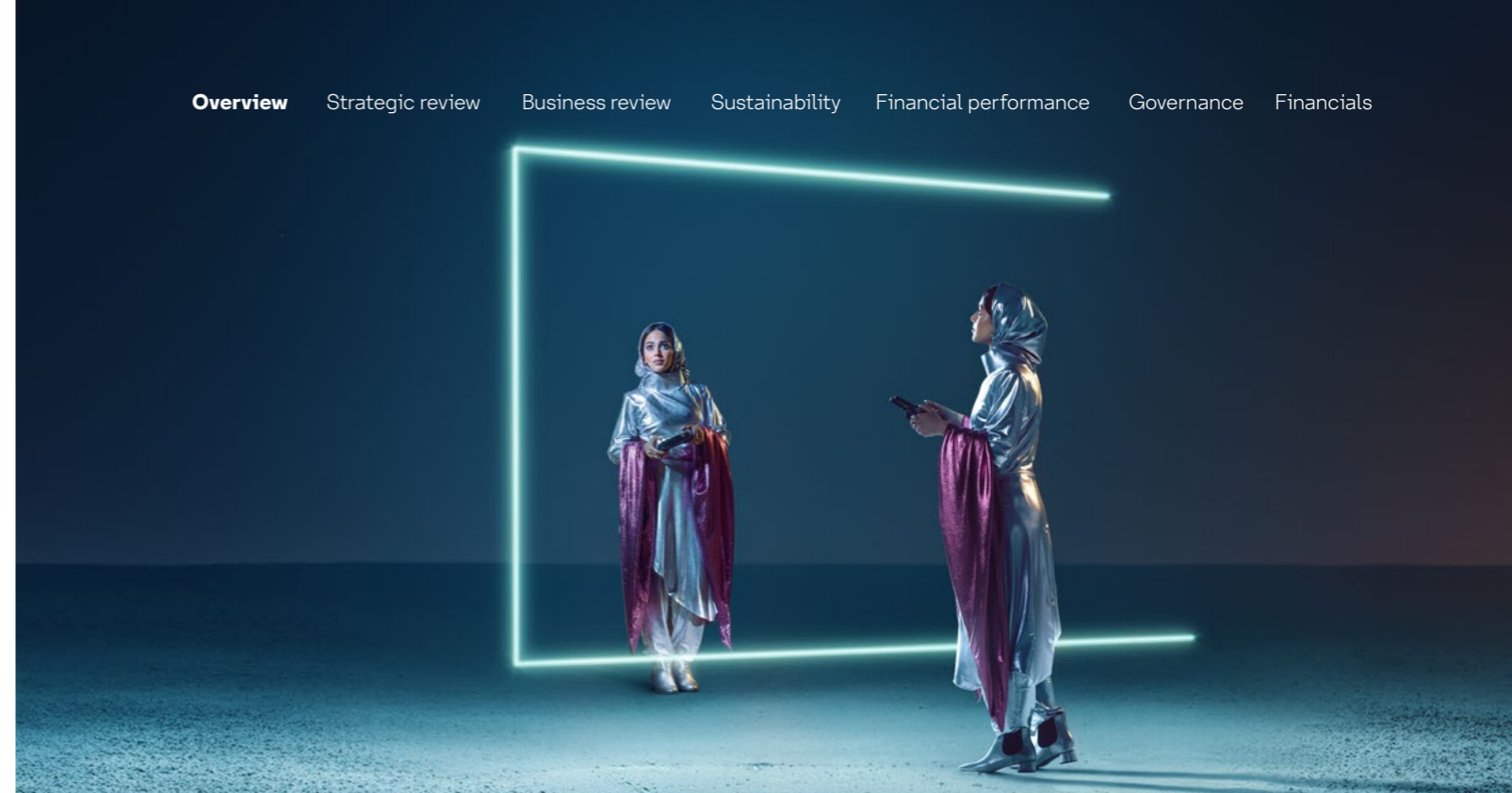


# Investment case

stc group is a key enabler of digital transformation across the region, supported by a strong financial base and a diversified digital portfolio that positions stc group as a leading ICT provider. Through investments in advanced data centers, technology localization, cloud computing and integrated digital solutions, stc group is strengthening the region's digital infrastructure and delivering more advanced services. These initiatives, backed by disciplined capital management, reinforce market leadership, enhance shareholder returns and contribute to building the digital backbone for the Kingdom's evolving economy and beyond.



## Strategic partner to KSA and market leader

- **Strategic partner to the Kingdom of Saudi Arabia** backed by a 15-year contract signed in 2025 with a government entity to build, operate and provide telecommunications infrastructure services valued at ₪ 32.6 billion.
- **Ranked #1 in ICT, consumer and enterprise segments in Saudi Arabia** through unmatched ICT scale as the Kingdom's largest services provider, market-leading consumer offerings supported by a comprehensive product suite and strong customer experience, underpinned by a leading enterprise position anchored in nationwide connectivity services.

## Next-generation growth mindset

- **Data centers' future expansion** with center3 executing a ₪ 37.5 billion plan to reach 1 GW capacity by 2030, positioning stc group to capture the surging regional demand for AI and cloud computing.
- **Unlocking new growth avenues** through STC Bank, officially launched as a digital bank in 2025 with more than eight million customers, building on stc pay/s success and representing a major milestone in the Kingdom's digital financial transformation.
- **Strategy secured by robust investments** in cutting-edge technology, advanced research and development and human resources.
- **Diversification** through strategic investments in gaming, media and consumer electronics.
- **Accelerating growth** by expanding into adjacent areas (IoT, cloud, cybersecurity and IT services).

## Growth and total return champion

- **Top- and bottom-line growth** with a resilient capital structure and healthy cash flows providing financial flexibility.
- **Stable dividend policy and attractive yield** reaching 9.77%\* with commitment to a minimum dividend of ₪ 0.55 per share per quarter for the next three years starting from the dividends distribution of the fourth quarter of 2024 until the third quarter of 2027.
- **Diversified revenue generation** with multiple revenue streams within core business and non-core business through stc group's subsidiaries in the Kingdom of Saudi Arabia and beyond.
- **Most valuable telecom brand** in the region for the sixth consecutive year with a value of ₪ 66 billion\*\* (USD 17.6 billion). stc group also ranked as the third strongest telecommunications brand globally and the ninth most valuable telecom brand worldwide, highlighting its growing global stature and strong brand performance across international markets.
- **Largest telecom operator in the MENA region** with a market cap of ₪ 215 billion\*\*\* (USD 57.3 billion) and presence in five countries.
- **Market leadership in Saudi Arabia** with a 72% market share by revenue in the largest market in the region.

## Robust financial position and credit profile

- **One of the lowest leveraged telecom companies globally** with a debt capacity that can be utilized for financing new projects/acquisitions.
- **Healthy balance sheet and cash flow** with a solid financial position and sufficient cash balance.
- **Strong credit ratings** from several rating agencies: Fitch: A+, S&P: A+, Moody's: Aa3 and Tasneef: AAA.

## Premier digital infrastructure provider

- **Commitment to be at the forefront** of technological innovation and deliver best-in-class digital infrastructure that will enhance the customer experience.
- **Largest digital infrastructure provider and enabler in Saudi Arabia** owing to the strong investment in digital infrastructure, including but not limited to data centers, FTTx, submarine cables and 5G.
- **Joint venture with HUMAIN to advance data center buildout** aiming to develop infrastructure capable of supporting operations with a required load of up to 1 GW, beginning with an initial deployment of up to 250 MW.

## Executing best-in-class governance

- **Striving to be a role model** of corporate governance, achieving a 5-star rating under the EFQM 2025 Model, becoming the first Saudi private-sector company and the first telecommunications company globally to attain this recognition.
- **Solid governance and ethical excellence** through the promotion of responsible business practices, the upholding of human rights and the cultivation of a culture rooted in trust.

## Driving sustainable growth

- **Deeply ingrained culture of social responsibility and sustainability** that is backed by initiatives, which support the UN sustainable development goals (SDGs). Moreover, stc group has received an "AA" in the MSCI ESG rating. This reflects world-class leadership in sustainability, governance and data privacy.
- **Environmental initiatives and net-zero commitments** aligned with the Saudi Green Initiative, national priorities, and international standards to support long-term resilience and value creation.
- **Social impact driven by digital innovation** by leveraging our digital strength as an ICT leader to deliver flagship programs that empower communities, promote inclusion, and enrich people's lives.

\* As at December 2025, including special dividend of ₪ 2 for the FY2024

\*\* Brand Finance Global 500

\*\*\* As at 31 December 2025