

# Investor Relations Release

For the year ended on 31<sup>st</sup> December 2025

# Financial Results Overview

For the year ended on 31<sup>st</sup> December 2025

stc

stc group announced its interim consolidated financial results for the year ended on 31<sup>st</sup> December 2025.

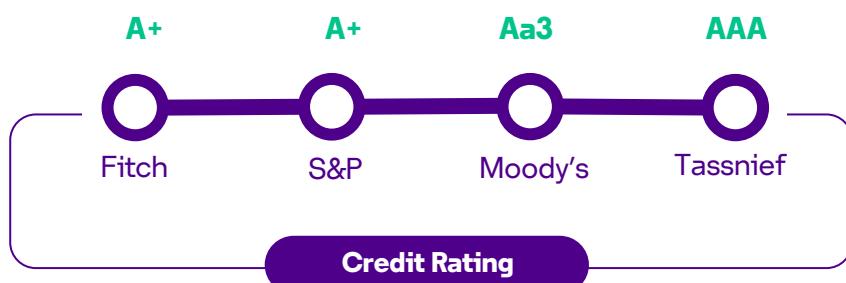
12.5% 

Increase in Net Profit for the year 2025, after excluding the non-recurring items in the current and last year.

## Financial Results Highlights

(Millions of ₩)

	2025	2024	%
<b>Revenue</b>	<b>77,819</b>	75,893	2.5%
<b>EBITDA</b>	<b>24,469</b>	23,951	2.2%
<b>Change in EBITDA</b> (After excluding the non-recurring items)			6.1%
<b>Net Profit</b> (Attributable to Equity Holders)	<b>14,828</b>	24,689	(39.9%)
<b>Change in Net Profit</b> (Attributable to Equity Holders) (After excluding the non-recurring items)			12.5%
<b>Capex<sup>1</sup></b>	<b>11,795</b>	11,927	(1.1%)
<b>Net Debt<sup>2</sup> / EBITDA</b>	<b>0.0x</b>	(0.7x)	-
<b>Interest Coverage Ratio</b>	<b>12.8x</b>	11.7x	-



<sup>1</sup> Purchase of property and equipment, intangible assets, and investment properties

<sup>2</sup> (Total Debt - (Cash and cash equivalents + Short-term murabahas))

Marking the announcement of the 2025 annual financial results, Eng. Olayan Alwetaid, CEO of stc group, stated that the group ended the year with strong operational and financial performance, reaffirming its ability to continue executing its strategy to strengthen its leading position in the telecommunications sector, invest in digital infrastructure, diversify digital services and products, while enhancing operational efficiency through its strategic cost efficiency program. The group achieved revenue growth of 2.5%, an increase in EBITDA and net profit by 6.1% and 12.5%, respectively (after excluding non-recurring items). These results were driven by operational efficiency, disciplined costs and capital management, and resilient financial position. He further affirmed that these results reflect the group's ability to maximize investment returns and deliver sustainable value to shareholders and customers.

The GCEO noted that the group expanded its digital solutions portfolio and stimulated demand across various sectors during the year. In digital financial services, STC Bank has witnessed rapid growth in digital banking adoption, surpassing 8 million customers since its launch at the beginning of the year. In the infrastructure space, the number of 5G network sites increased to more than 10,800, while the cumulative number of fiber-optic connections reached 3.75 million households by the end of 2025. The group also successfully conducted the first regional trial of the 7 GHz frequency band, a key enabler of 6G technology, in collaboration with the Communications, Space and Technology Commission and Nokia, underscoring its international leadership in technological innovation.

The group further strengthened its digital ecosystem through strategic partnerships and initiatives across multiple domains. It signed a strategic partnership to establish a joint venture between center3 and HUMAIN to develop AI-dedicated data centers in the Kingdom with a capacity of up to 1 gigawatt. To expand digital service access, the group also entered a strategic agreement with AST SpaceMobile to develop satellite-based communication services.

In 2025, the group signed several strategic partnerships, enforcing its role as a trusted national partner in major projects. These included a ₩ 32.64 billion contract with a government entity to develop telecommunications infrastructure, a ₩ 2 billion strategic collaboration with Oracle to accelerate digital transformation across the Kingdom, and a ₩ 1.2 billion partnership with Red Sea Global to enhance digital infrastructure in tourism destinations.

The GCEO highlighted that the group achieved significant success in issuing U.S. dollar-denominated sukuk totaling \$2 billion across two tranches ("five- and ten-year"), with total book orders exceeding \$8 billion and an oversubscription rate of more than 4 times. The issuance attracted strong demand from a broad and diverse base of global investors, reflecting confidence in the group's strategy, business model, and financial strength. The sukuk issuance further enhances the group's capital structure flexibility and supports its long-term growth and expansion plans.

In sustainability and corporate excellence, the group improved its MSCI ESG rating from BBB in 2024 to AA in 2025, placing it among top of telecommunications companies globally. The group also received the EFQM five-star corporate excellence certification, becoming the first Saudi and first global telecommunication company to attain this recognition. Further and according to Brand Finance, stc group ranked first as the strongest brand in the Middle East for the sixth consecutive year, and remains the region's most valuable telecommunications brand with a value of ₩ 66 billion. Globally, it ranked third in brand strength and ninth in brand value within the telecom sector.

In conclusion, the GCEO emphasized that the 2025 achievements demonstrate the group's commitment to digital transformation and support for the national economy through impactful initiatives and strategic partnerships. Ongoing investment in infrastructure, innovation, and sustainability contributes to the objectives of Saudi Vision 2030 and the development of sustainable digital economy that maximizes value for shareholders, customers, and society.



Olayan Mohammed Alwetaid

stc group CEO

# Financial Performance Summary



Key financial data and indicators

## 1 Balance Sheet

(Millions of ₩)

	2025	2024	%
Cash & Equivalents <sup>1</sup>	<b>15,080</b>	30,756	(51.0%)
Working Capital <sup>2</sup>	<b>17,843</b>	33,789	(47.2%)
Total Assets	<b>157,477</b>	160,638	(2.0%)
Total Liabilities	<b>71,090</b>	68,153	4.3%
Total Debt <sup>3</sup>	<b>15,191</b>	15,132	0.4%
Total Shareholders Equity (After Deducting Minority Equity)	<b>83,414</b>	89,417	(6.7%)

## 2 Income Statement

(Millions of ₩)

	2025	2024	%
Revenue	<b>77,819</b>	75,893	2.5%
Gross Profit	<b>37,700</b>	37,326	1.0%
Operating Profit	<b>14,438</b>	14,426	0.1%
EBITDA	<b>24,469</b>	23,951	2.2%
Net Profit (Attributable to Equity Holders)	<b>14,828</b>	24,689	(39.9%)

## 3 Cash Flows Statement

(Millions of ₩)

	2025	2024	%
Net Cash from Operating Activities	<b>18,283</b>	19,885	(8.1%)
Net Cash from Investing Activities	<b>2,546</b>	(7,179)	135.5%
Net Cash from Financing Activities	<b>(23,001)</b>	(10,495)	119.2%
Free Cash Flow <sup>4</sup>	<b>6,488</b>	7,959	(18.5%)

# Stock Performance & Financial Calendar

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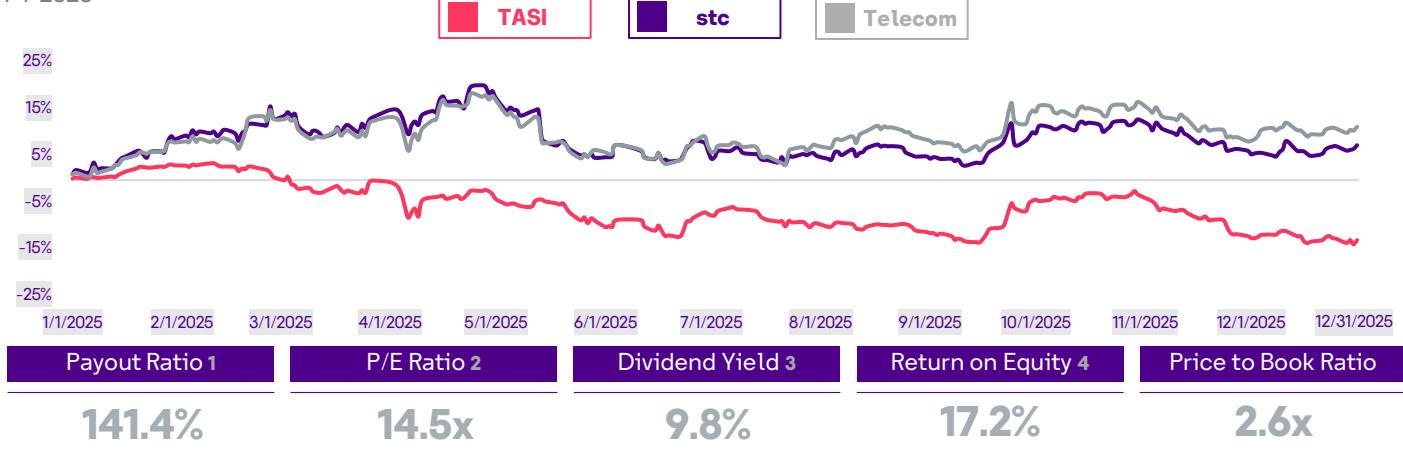
## Analysts' Estimates

Q4 2025

Average Analysts Estimates for Revenue (Mn ₩)	Actual (Mn ₩)	Change %	Average Analysts Estimates for Net Profit (Mn ₩)	Actual (Mn ₩)	Change %
20,255	19,894	(1.8%)	3,357	3,249	(3.2%)
Number of Estimates for Revenue	17 Analysts		Number of Estimates for Net Profit	16 Analysts	

## Stock Performance

FY 2025



## Financial Calendar

Q4 2025

### October

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	

2 Oct

stc announced that its subsidiary specialized by stc has signed an Islamic Murabaha facility agreement with Saudi Banks.

13 – 14 Oct

J.P. Morgan 8th Annual Saudi Arabia Investment Forum.

29 Oct

stc announced the signing of a strategic partnership agreement to provide Space – based Telecom services with AST SpaceMobile.

### November

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

3 Nov

Q3-2025 Financial Results & Dividends Announcement.

5 Nov

MENA Conference 2025 - BofA Securities.

11 - 12 Nov

China Securities 2025 Global Investor Conference.

26 Nov

Q3 2025 Dividend Distribution (₼0.55 per share).

### December

S	M	T	W	T	F	S
		1	2	3	4	5
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			

18 Dec

stc announced the signing of an MoU with HUMAIN to establish a joint venture through its subsidiary center3.

23 Dec

stc announced the completion of integrating its media arm (integral) to enhance its digital ecosystem.

31 Dec

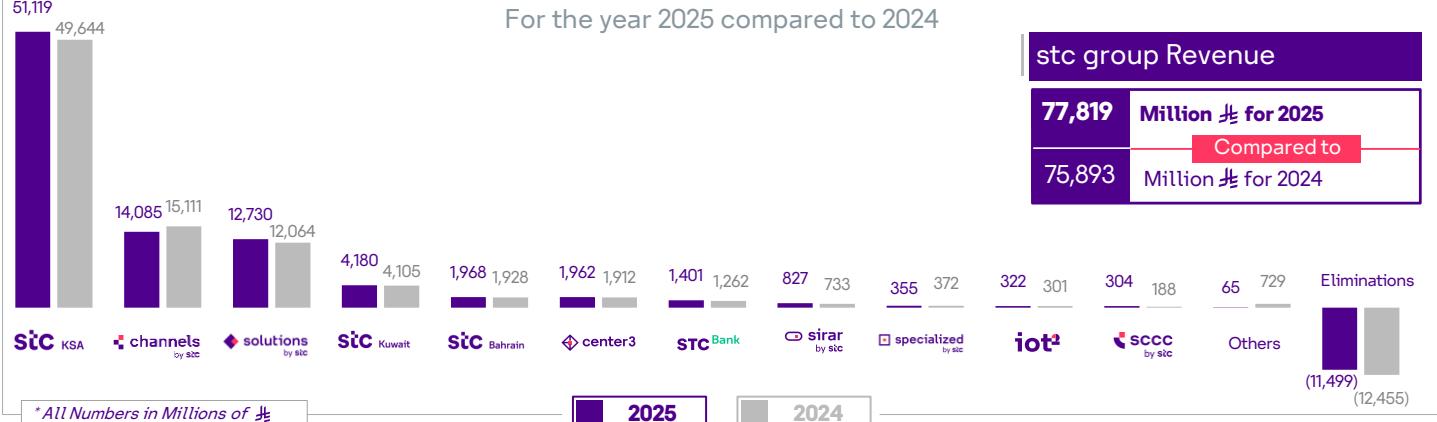
stc announced the Board recommendation to buy-back its shares to allocate them within the Employee Stock Incentive Plan.

# Segment Information

stc

## Revenue based on segments

For the year 2025 compared to 2024

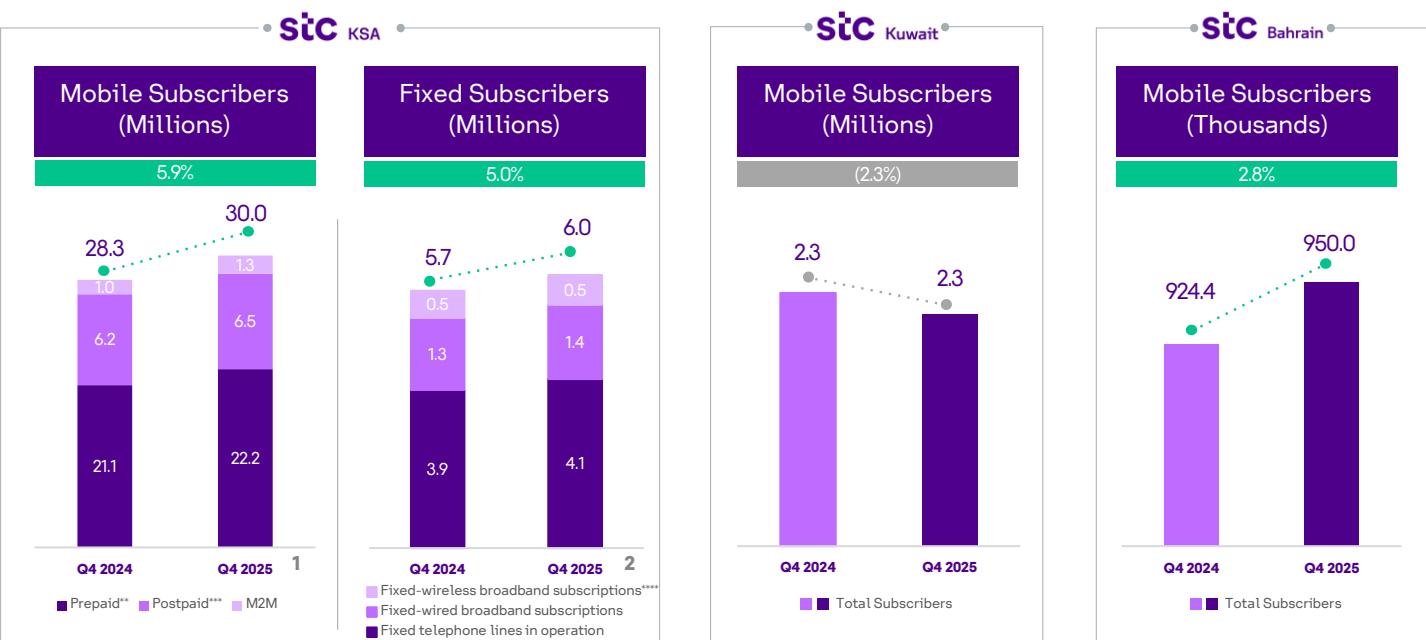


## Gross Profit based on segments

For the year 2025 compared to 2024



## Subscribers at a Glance\*



\* 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 named strongest brand in the Middle East and ranks among the world's top 10 most valuable telecom companies

stc group has been named the strongest brand in the Middle East and the most valuable telecommunications brand in the region, with a brand value of ₩66 billion, according to the latest report issued by Brand Finance. The 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. The group noted that this achievement reflects its ongoing investments in digital infrastructure and advanced technology solutions, including fiber expansion, cloud services, and artificial intelligence, enabling businesses and communities to accelerate their digital transformation. This recognition underscores stc group's commitment to delivering world-class digital services and building a future-ready digital ecosystem that supports sustainable economic growth in the Kingdom and beyond.

### stc achieved exceptional success in issuing a USD-denominated sukuk worth \$2 billion

stc group achieved exceptional success in issuing USD-denominated sukuk with a total value of \$2 billion across two segments. The issuance comprised \$750 million in five-year sukuk priced at U.S. Treasury bonds (UST) plus 75 basis points, and \$1,250 million in ten-year sukuk priced at UST plus 90 basis points. The total order book exceeded USD 8 billion across both segments, representing an oversubscription of more than 4 times, with participation from over 300 investors. The issuance attracted strong demand from a broad and diversified base of global investors, reflecting solid confidence in the strength and efficiency of stc group's business model and its strategy aimed at reinforcing its digital leadership, capitalizing on infrastructure opportunities, enabling megaprojects, and contributing to the achievement of Saudi Vision 2030 objectives, in addition to focusing on sustainable growth driven by operational efficiency and maximizing shareholder value.

### center3 and HUMAIN announced JV partnership to develop AI data centers

center3 and HUMAIN have announced a strategic Joint Venture (JV) partnership to build AI data centers in the Kingdom of Saudi Arabia. This landmark collaboration will develop and operate next-generation infrastructure capable of hosting up to 1 GW of AI workload capacity, starting with an initial capacity of up to 250 MW. The JV brings together center3's scale, data-center leadership, and extensive regional connectivity with HUMAIN's strategic mandate to champion end-to-end capabilities, laying the groundwork for high-capacity, low-latency infrastructure, critical to the AI era. This strategic alliance contributes to achieving the goals of Saudi Vision 2030 by localizing digital assets, supporting the development of a sovereign AI ecosystem, and establishing an integrated platform for developing and deploying large language models and core AI applications.

### stc achieved higher rating on MSCI environmental, social, and governance (ESG) index

stc group announced an improvement in its rating on the Morgan Stanley Capital International (MSCI) Environmental, Social, and Governance (ESG) Index to "AA", placing it among the top 23% of telecommunications companies worldwide that have received this rating, out of 61 companies in the sector. The new rating reflects the group's continuous progress in sustainability, transparency, and governance performance. It is the result of integrated efforts across all sectors of the organization to strengthen responsible and sustainable corporate practices, efforts that have elevated its rating from "BBB" in 2024 to "AA" today. This achievement underscores stc group's ongoing investments and strategic initiatives in environmental protection, social responsibility, governance, and transparency. The group continues to promote sustainable digital innovation, setting new standards that contribute to building a more sustainable and responsible future for the telecommunications sector.

### stc successfully completed MENA's first trial of the 7 GHz frequency band

stc group has successfully conducted the Middle East and North Africa's first trial of the 7 GHz frequency band, a key component of sixth generation (6G) technology, in collaboration with the Communications, Space & Technology Commission and Nokia. This pioneering trial assessed the potential of the 7 GHz band for 6G networks, strengthening Saudi Arabia's capacity to lead in global technology and innovation, and reinforcing its position as a regional pioneer in digital advancement. This step is an extension of stc group's efforts to support digital transformation and empower society through technology, as the group continues to foster innovation and expand its presence in digital fields, with a focus on sustainability and anticipating future opportunities in line with the objectives of Saudi Vision 2030. This achievement reflects the advanced digital infrastructure of the Kingdom of Saudi Arabia, which has enabled it to be a global leader in advanced technological solutions and innovation that contribute to supporting the digital economy.

### stc signed a strategic partnership with AST Spacemobile to provide satellite-wireless communication services in the Kingdom

stc group has signed a strategic agreement with AST SpaceMobile, a U.S.-based satellite communications company, to develop space-based telecommunications services. The partnership spans the entire Saudi market, with stc serving as the primary operator in the Kingdom. stc will provide services directly to its individual subscribers, in addition to offering them to major Mobile Network Operators (MNOs) and Mobile Virtual Network Operators (MVNOs). By signing this agreement, stc group has become one of the first telecom operators in the region to offer direct satellite-to-mobile connectivity services. The commercial launch of the service is expected in the fourth quarter of 2026, following the completion of regulatory and technical procedures. This step aligns with the group's strategy to expand the scope of digital communication services, strengthen investments in modern infrastructure, and enhance mobile communication services across the Kingdom and the region.

### stc signed an agreement with Telefónica to provide satellite services and ground communication stations

stc group announced the signing of an agreement with Telefónica Global Solutions (TGS), the global business arm of Telefónica, to offer satellite services and ground communication stations. The agreement aims to develop advanced satellite communication solutions, including customized services via Low Earth Orbit (LEO), Medium Earth Orbit (MEO), and Geostationary Orbit (GEO) networks. The collaboration is expected to support key sectors such as maritime navigation, aviation, emergency services, and connecting remote areas, by providing high speed, scalable communication to meet the critical operational needs on land, sea, and air. This partnership will enable the delivery of satellite communication solutions in Saudi Arabia, the Middle East, and global markets, fostering innovation in vital technologies that contribute to supporting the global digital economy.

### stc and PayPal signed an MoU to enhance innovation in digital payment solutions across the Middle East

stc group announced the signing of an MoU with PayPal to explore collaboration in digital payments, customer loyalty, and venture investments across Saudi Arabia, Bahrain, and the broader Middle Eastern markets. stc group and PayPal aim to enhance cross-border financial connectivity and elevate customer experiences by integrating stc's digital banking and telecom ecosystem with PayPal's trusted global platform. The initiative seeks to deliver seamless, innovative, and user-centric digital solutions that empower individuals, SMEs, and startups to participate more effectively in the global digital economy. The collaboration will bring together the strengths of both companies to unlock new growth opportunities across several strategic pillars. In banking and payments, STC Bank, stc pay Bahrain, and PayPal aim to connect their platforms, exploring opportunities to deliver fast and fully interoperable cross-border transactions.

### stc recognized with prestigious 5-star level by EFQM for organizational excellence

stc group has been recognized by the EFQM 2025 Global Institutional Excellence a prestigious 5-star rating from the European Foundation for Quality Management (EFQM), becoming the first Saudi company to achieve this level of recognition across all its business units and operations within the private sector in the Kingdom of Saudi Arabia. This milestone stands as evidence of stc's institutional excellence and also makes it the first telecommunications company globally to obtain this rating under the EFQM 2025 Model, reaffirming its leadership in performance and innovation. The EFQM model provides a comprehensive management framework used by organizations worldwide to assess operational performance. It evaluates entities against specific criteria, including strategy execution, innovation capabilities, and stakeholder value. Achieving the 5-star rating indicates that stc group's management systems meet established benchmarks for operational efficiency and organizational resilience.

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