



Investor Relations Release

For the three months period ended 31st March 2024

Financial Results Overview

For the three months period ended 31st March 2024

5.07% ↑

Increase in revenues for the 3 months period, as compared to the same quarter last year.

Key Figures (SAR mn)	Q1 2024	Q1 2023	Change (%)
Revenues	19,100	18,179	5.07%
Gross Profit	9,386	9,234	1.65%
Operating Profit	3,856	3,731	3.35%
EBITDA	6,474	6,343	2.07%
Net Profit	3,286	3,109	5.69%
EPS	0.66	0.62	

stc Group continued to achieve positive growth in its financial results, as its revenues for the first quarter of the year 2024 increased by 5.07% compared to the same period last year. This growth in revenues was attributed to the increase in stc KSA’s revenues by 1.2% driven by an increase in the commercial unit revenues by 6.7%, supported by a growth in the mobility and residential segments revenues by 5.3% and 14.4% respectively. Further, the carrier & wholesale unit revenue increased by 5.7% as a result of the growth in local revenues, which offset the decline in business unit revenues. Moreover, the Group's subsidiaries contributed positively to the Group's consolidated financial results for the 3-months period, through an increase in their revenues by 13.0% resulted by the Group's continued investment in diverse and promising fields.

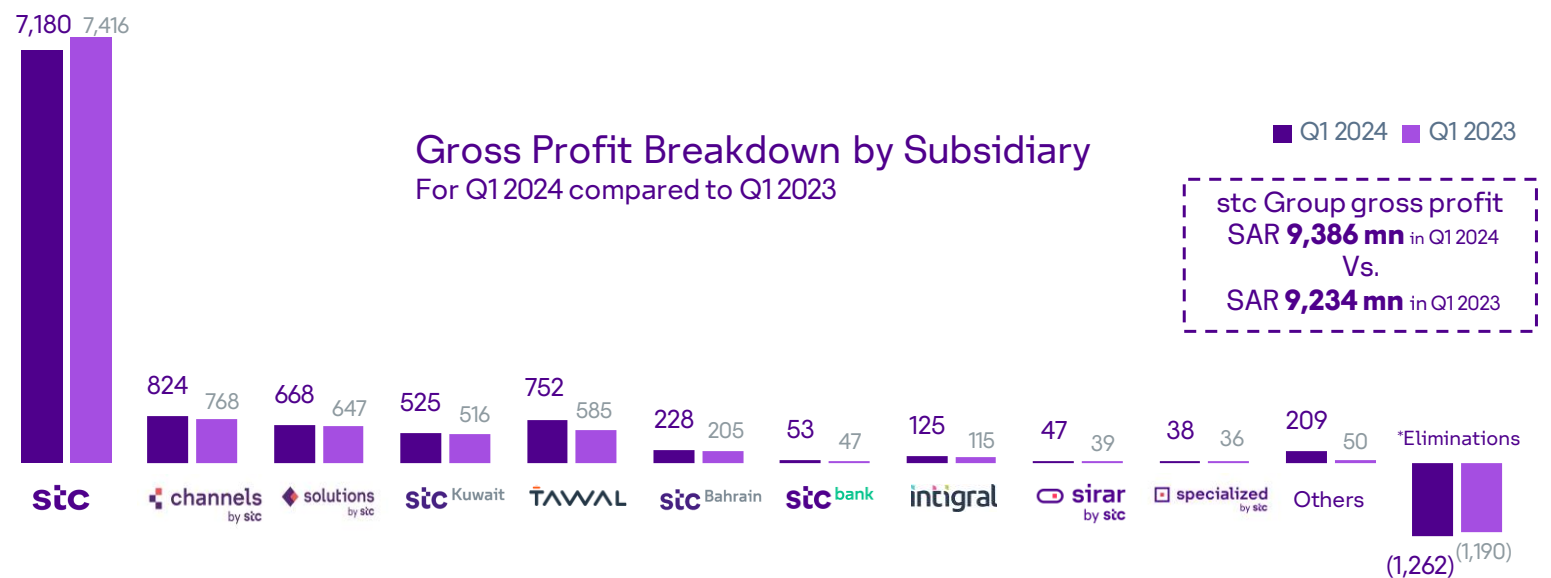
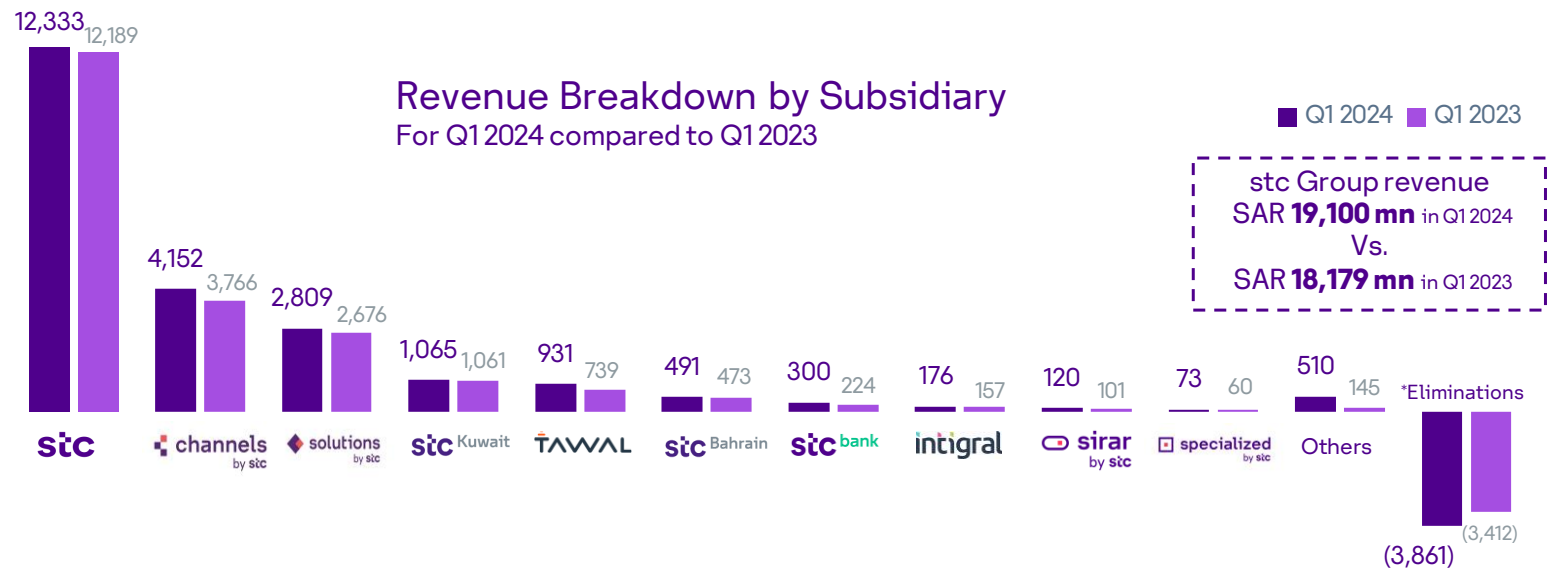
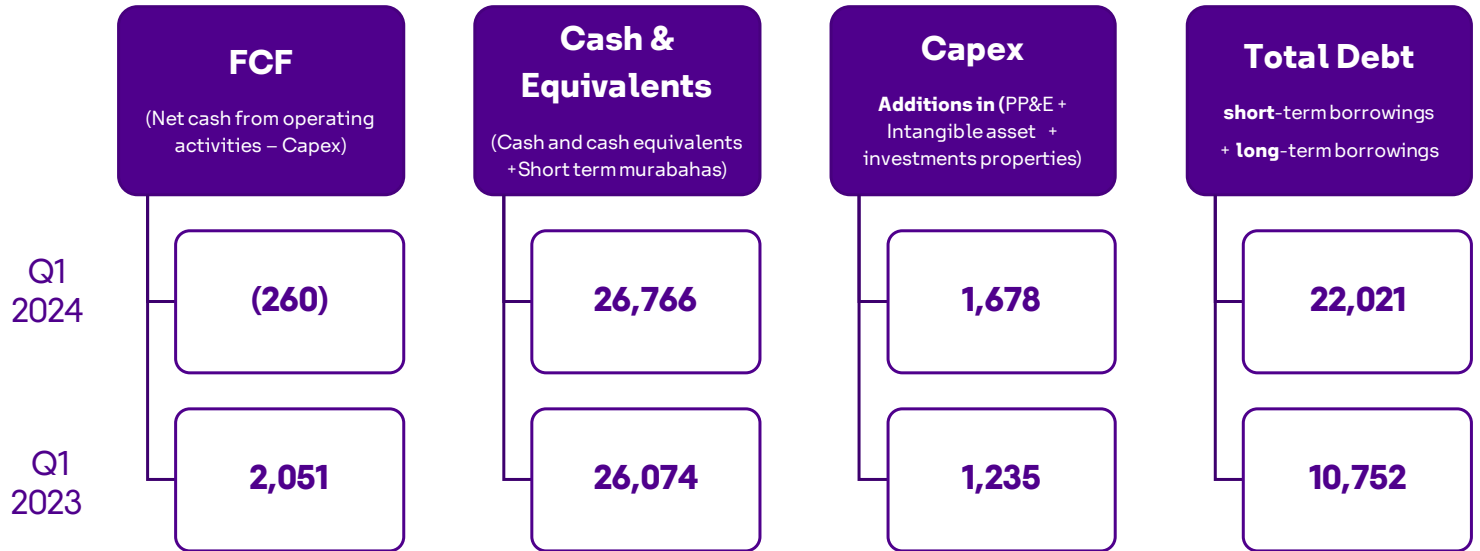
Credit Rating

- **Fitch: A+**
- **S&P: A**
- **Moody's: A1**
- **Tasneef: AAA**



Financial Overview

stc Group



GCEO Statement

Commenting on the financial results, Eng. Olayan Mohammed Alwetaid, stc Group CEO, indicated that as part of the Group's ongoing efforts to achieve growth and increase shareholder returns, stc Group and the Public Investment Fund (PIF) announced the signing of final agreements through which PIF will acquire a 51% stake in the Telecommunications Towers Company (TAWAL). Under this deal, TAWAL was valued at a total value of SAR 21.94 billion. It was agreed between stc Group and PIF to merge the two companies, TAWAL and Golden Lattice Investment Company, into a new merged entity to create a leading national company in the telecommunications sector, which includes the assets of TAWAL and Golden Lattice Investment Company, and stc Group will own a 43.06% share of the new merged entity. This deal comes in line with stc's strategy of growth and expansion by maintaining shares in value-added assets, such as tower infrastructure companies, which have strong potential for expansion and growth.

In confirmation of stc Group's commitment to its "DARE 2.0" strategy to grow in new, unconventional paths and lead digital transformation in the region, stc Bank, the Group's subsidiary, has obtained the approval of the Saudi Central Bank (SAMA) for the beta launch of stc Bank. This soft launch also represents an important transitional phase before the full launch to all customers, which is expected to be later this year. The bank aims to provide banking services and financial solutions compatible with Islamic Sharia, while ensuring the highest levels of security and customer protection through the use of advanced Fintech. This comes in line with the ambitious goals of the Kingdom's Vision 2030 towards a prosperous diversified economy.

In continuation of stc's achievements, the Group CEO added that during the holy month of Ramadan, stc's network recorded the highest volume of voice calls in the history of the Holy Mosque of Makkah, with an increase of 35% compared to last year, and more than 55% of them were passed for the first time through modern digital voice technologies. This year also witnessed, for the first time, the dispense of third-generation technologies, and the enablement of millions of visitors to the Two Holy Mosques to connect to the world digitally through quality services that set a new record, with a 37% increase in data volume compared to last year. These achievements are a result of the Group's keenness to develop, constantly improve, and raise the efficiency of its services.

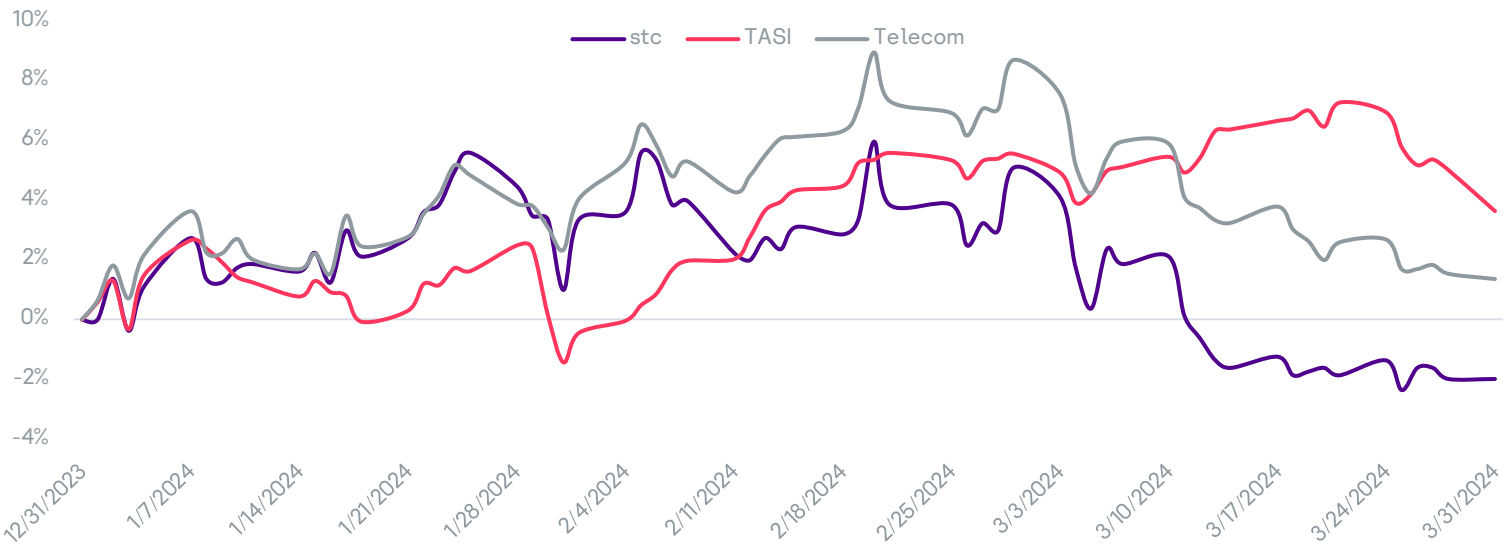
As an extension of the Group's strategy and ambitious plans for growth and expansion, stc Group concluded many agreements during the first quarter, and the most prominent of these agreements was its signing of an agreement with China Mobile International during the (MWC) conference held in Barcelona, with the aim of enhancing and providing Internet of Things communications services and using them in all fields. In addition, during LEAP 2024 conference, the Group concluded many strategic partnerships and agreements with international companies, including Huawei, Ericsson, and Samsung, as all of these partnerships aim to enhance innovation and accelerate the pace of digital transformation in the region. The Group's subsidiary, solutions, also signed a memorandum of understanding with the French Devoteam Group, with the aim of cooperating in researching and exploring regional and global investment opportunities in the field of information technology. This came after the completion of solutions' acquisition of a 40% stake in Devoteam Middle East.

In conclusion, we are proud of the achievements, contributions and initiatives that the Group has undertaken to this day, and we are determined to be committed to being a vital tributary to the national economy, and a major enabler of digital transformation in various fields and sectors, and to always contribute to raising and strengthening the status of the Kingdom of Saudi Arabia in accordance with the aspirations of our wise government, leadership and our ambitious Vision 2030.

Key Highlights

Stock Performance

Q1 2024



Event Calendar

Q1 2024

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	29		

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						

- **19th of February:** Year End 2023 Financial Results, Special Cash Dividends, and Q4 2023 Dividends Announcements.
- **25th of February:** stc's Year End 2023 Earnings Call.

- **4th-5th of March:** EFG - The 18th Annual One on One Conference 2024.

Key Highlights

Key News

stc Group and PIF signed definitive agreements to form region's largest telecom tower company

stc Group and The Public Investment Fund (PIF) has announced the signing of definitive agreements whereby PIF will acquire a 51% stake in (TAWAL) from stc Group with an enterprise value of SAR 21.94 billion (\$5.85 billion) per the agreement. Subsequently, PIF and stc Group will consolidate TAWAL and Golden Lattice Investment Company (GLIC) – in which PIF holds a majority shareholding – into a new merged entity, forming the largest regional company in the telecommunication infrastructure sector. The combined new entity will be owned 54% by PIF and 43.06% by stc Group, with GLIC minority shareholders owning the remaining issued share capital. The new merged entity will possess approximately 30,000 mobile tower sites and will become one of the largest tower companies globally.

Strategic collaboration between sirar by stc and SAR

stc Group, announced a strategic partnership between its subsidiary, sirar by stc, and the Saudi Railway Company (SAR). This collaboration is set to revolutionize the realm of Information Technology and technological innovation within the Kingdom's critical infrastructure. This will facilitate an alliance for a strategic move to deepen the national expertise in cybersecurity and technology within critical infrastructure sectors. sirar by stc, will provide advanced solutions to safeguard SAR's extensive railway network, contributing to the safety and security assurance of travel and cargo transport across the Kingdom.

MoU between solutions and Devoteam

solutions signed a memorandum of understanding with Devoteam Global Group to leverage global investment and collaboration opportunities in technology and other related fields. The agreement follows and builds upon the completion of solutions' acquisition of a 40% stake in Devoteam Middle East. This recent strategic move brings significant weight and reinforces solutions' leadership role in driving innovation and digital growth in the Kingdom. As part of the MoU, solutions and Devoteam will catalyze their collaborative efforts, aiming to explore and capitalize on common markets and assess cooperation and investment prospects within the dynamic ICT landscape across the region and globally.

stc Group and China Mobile International partnered to modernize IoT aggregation

stc has made a strategic alliance with China Mobile International Limited (CMI) to advance the deployment and implementation of IoT connectivity services in various industries in the region. The partnership was announced during the world's top telecommunications conference, Mobile World Congress (MWC). The collaboration between stc Group and CMI is expected to leverage the strengths of both companies in digital transformation and enable them to provide innovative solutions to their customers. With this partnership, stc further advances its position as a key player in the IoT market and contributes to the growth of the digital economy in the MENA region.

stc Group Digitally Empowers Formula 1 stc Saudi Arabian Grand Prix 2024

stc Group, has provided the digital infrastructure for the 2024 edition of stc Formula 1 Saudi Arabian Grand Prix in Jeddah, as the official title sponsor. stc Group sponsorship of the Formula 1 Saudi Arabian Grand Prix is yet another example of the limitless drive taking us to the future. Following the success of the 2023 edition, and through innovative technological solutions, stc has helped bring the race to life by providing racers and their teams with seamless data exchange and high-speed connectivity through best 5G network speed, up to 1.5 gigabits per second and data capacity, and 100% coverage through 18 fixed and portable 5G communication towers.

Strategic partnership between inspireU & Business France

inspireU from stc, has signed a landmark Memorandum of Understanding (MoU) with Business France, the national agency supporting the international development of the French economy. The strategic partnership aims to foster innovation and strengthen the startup ecosystem in Saudi Arabia and France. This MoU was signed during the prestigious LEAP24 event in the presence of high-profile dignitaries from both countries. Through this agreement, inspireU and Business France will work closely to empower entrepreneurs and promote the growth of competitive startups in Saudi Arabia and France. The partnership will facilitate knowledge sharing, enable new opportunities for collaboration, and ultimately contribute to the digital transformation of both countries.

solutions signed a MoU with Nile

solutions and US-based Nile, a leader in enterprise Network as a Service (NaaS), announced the signing of a term sheet agreement aiming to create a joint venture during "LEAP 2024". The joint venture between the two companies will be a strategic expansion to enhance their market presence and service offerings. As a part of this venture, both companies will provide secure and comprehensive enterprise network solutions (NaaS) to customers in Saudi Arabia and MEA region. The new NaaS service from Nile increases system reliability and optimizes business operations by offering clients a cost-efficient subscription-based service model and network management powered by AI technology.

stc Group championed digital transformation at LEAP 2024

stc Group has successfully concluded its participation in LEAP 2024, as its primary strategic partner and exhibitor. At the event, stc Group reaffirmed its commitment to digital innovation beyond connectivity, by demonstrating advanced technological solutions in health, logistics, megaprojects and sports. The Group also showcased its expanding scale and scope through announcing strategic agreements and partnerships with some of the most prominent actors in the industry including Oracle, Ericsson, Huawei, Galaxy Space and Bolttech. Locally, stc made multiple strategic agreements including PSDSARC, Prince Sultan Center for Defence Studies, and an Air to Ground agreement with Flynas and Skyfive.

Millions of visitors to the Two Holy Mosques were able to connect digitally with the world

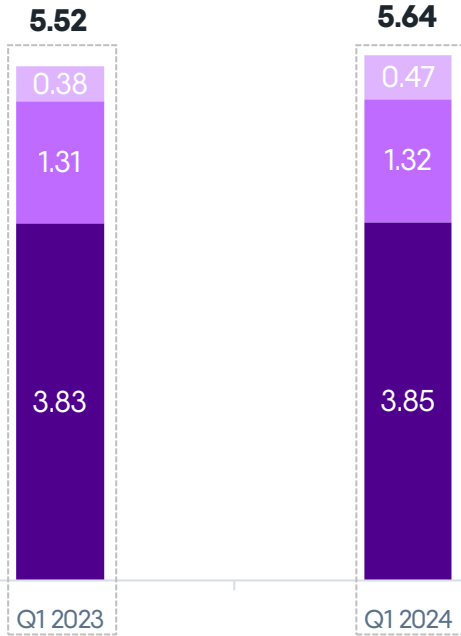
The network of stc has recorded the highest volume of voice calls in the history of the Grand Mosque of Mecca this Ramadan, with 35% increase over last year. More than 55% of these calls were processed for the first time through modern digital voice technologies. As a result of the Group's focus on improving the efficiency of its services year after year, and as a part of its strategy to leverage network resources in enhancing both voice and digital customer experiences, this year marks the first time the Group has dispensed 3G technologies. Moreover, millions of visitors to the Two Holy Mosques were also enabled to connect digitally with the world through quality services, hitting a new record that surpassed previous weeks figures and achieving 37% year-on-year increase in data volume.

Subscribers at a Glance



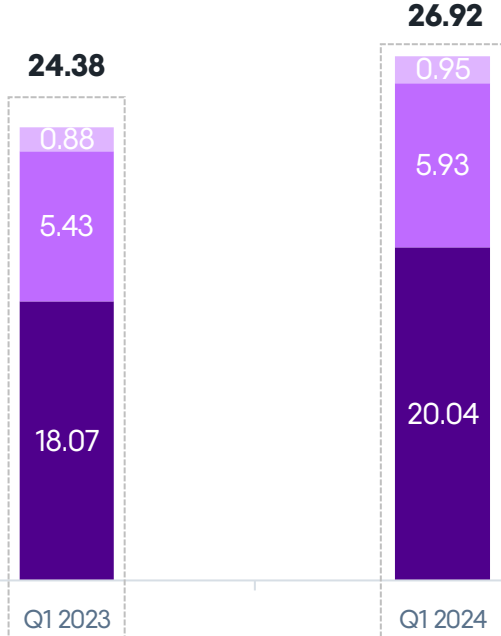
Fixed Subscribers
(Millions)

2.17%



Mobile Subscribers
(Millions)

10.41%



- Fixed-wireless broadband subscriptions
- Fixed-wired broadband subscriptions
- Fixed telephone lines in operation

- Prepaid
- Postpaid
- M2M

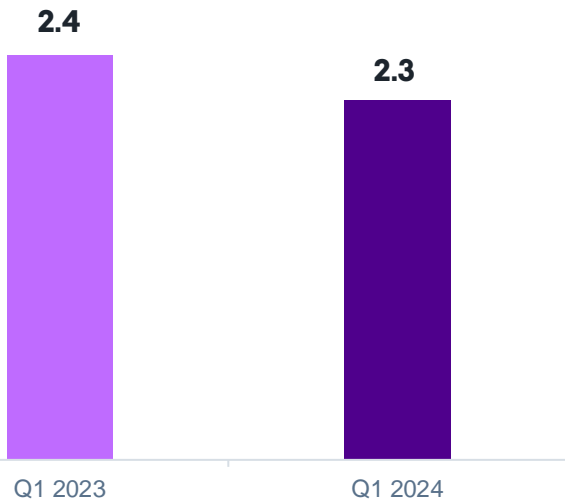
*Fixed-wireless broadband subscribers includes 4G and 5G subscribers.

*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



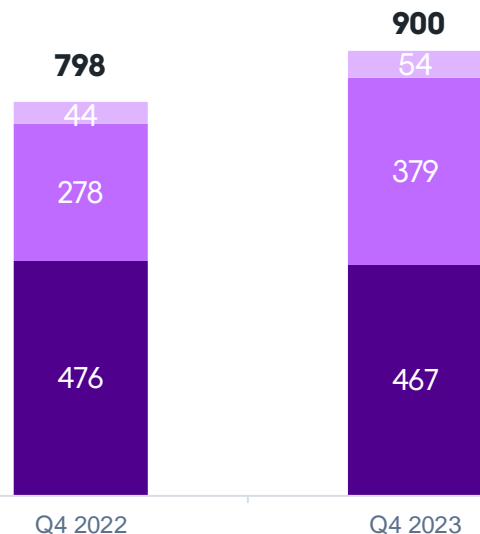
Mobile Subscribers
(Millions)



- Q1 2023
- Q1 2024



Mobile Subscribers
(Thousands)



- Prepaid
- Postpaid
- M2M

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