



Investor Relations Release

For the year ended 31st December 2023

Financial Results Overview

For the year ended 31st December 2023

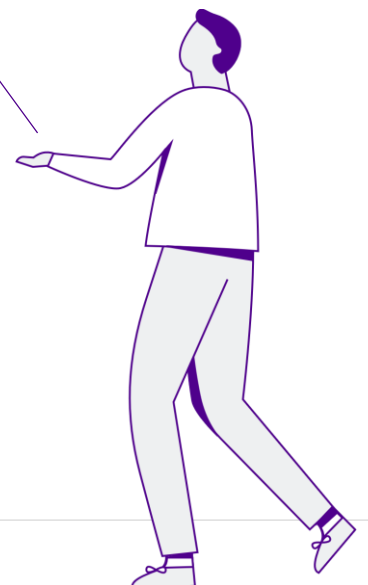
7.27% 

| Key Figures (SAR mn) |
|----------------------|
| Revenues |
| Gross Profit |
| EBITDA |
| Net Profit |
| EPS |

| 2023 | 2022 | Change (%) |
|---------------|--------|------------|
| 72,337 | 67,432 | 7.27% |
| 37,804 | 37,393 | 1.10% |
| 24,683 | 25,079 | (1.58%) |
| 13,295 | 12,171 | 9.24% |
| 2.67 | 2.44 | |

Credit Rating

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



GCEO Statement

2023 was a year of numerous initiatives and achievements for stc Group, as a result of the Group's unwavering commitment to its 'DARE 2.0' strategy and its success in implementing its financial and operational plans. The Group's revenue reached SAR 72.3 billion for the year 2023, with an increase of 7.3% compared with the previous year, and the net income for the Group reached SAR 13.3 billion, growing by 9.2%.

Commenting on these results Eng. Olayan Alwetaid, stc Group CEO, stated that in 2023, as the leading digital enabler in the region, stc Group has unveiled the start of the largest 5G-network expansion in its history. This project will be supported by investments aimed at developing and expanding the existing network, covering more than 75 cities and governorates in Saudi Arabia. This project also builds on the Group's past success in delivering 5G network technologies, which currently reach over 90% of its locations in major cities. The investments made by stc Group to develop and expand its network will contribute to enhancing the digital economy, supporting local content, and enriching people's lives digitally, which aligns with the group's strategy for expansion and growth.

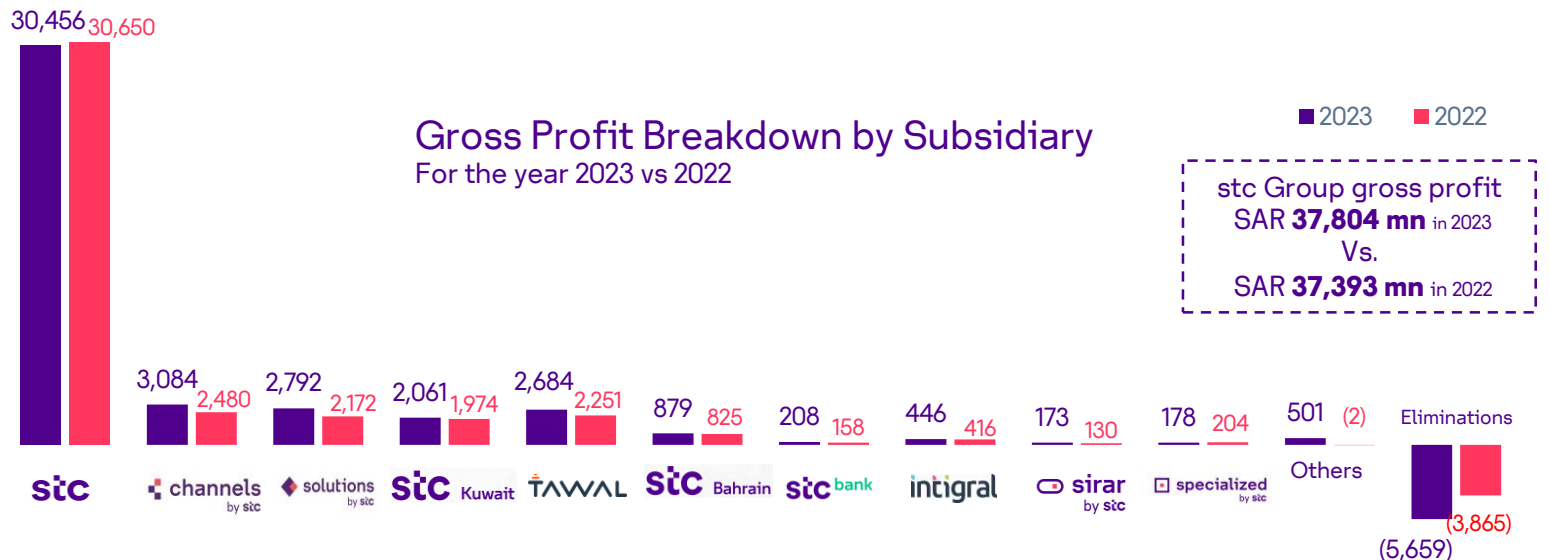
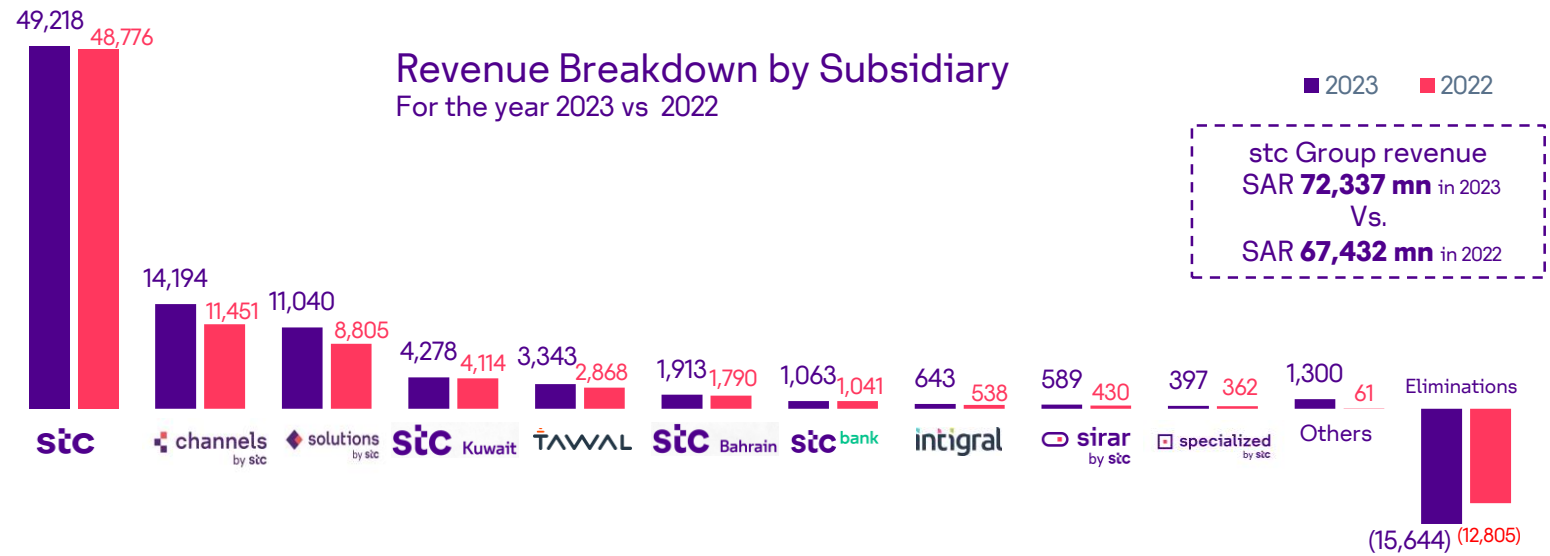
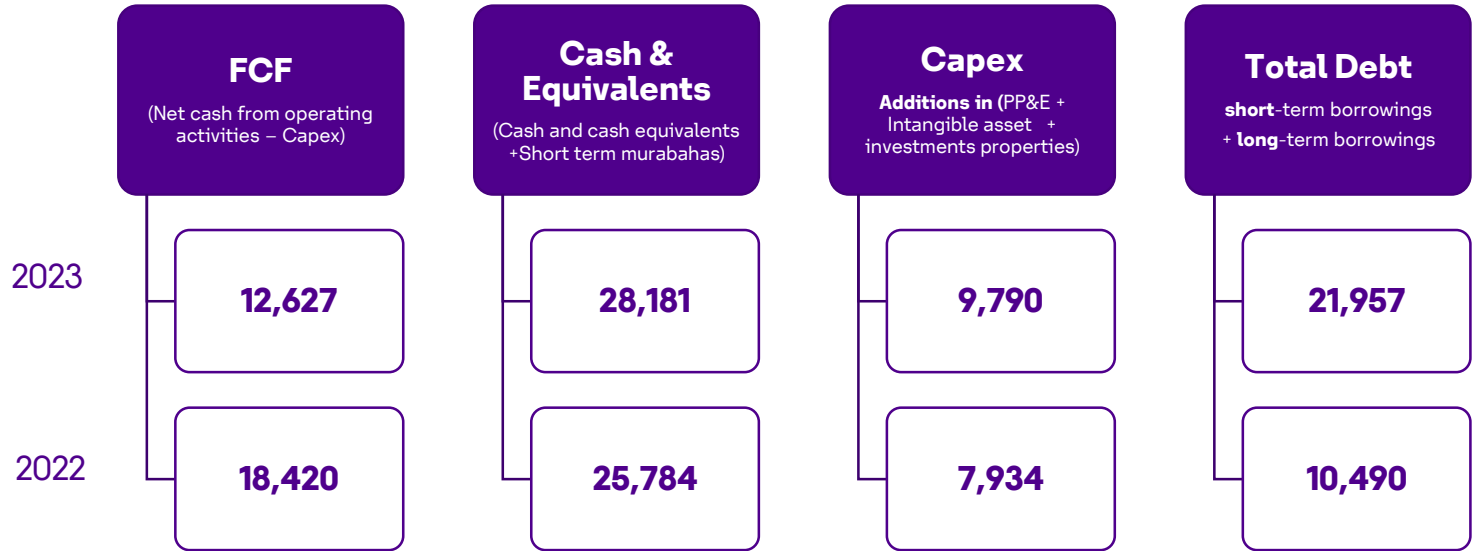
The Group CEO also indicated that in line with stc's 'DARE 2.0' strategy, which aims to expand in scale and scope, the Group through its subsidiary "solutions", acquired a 40% stake in Devoteam Middle East, a renowned digital business consultancy specializing in innovative solutions. The approved value of Devoteam Middle East stands at SAR 741.7 million (USD 197.8 million), making it one of the largest deals in the digital transformation sector in the region. Furthermore, iot squared, one of the Group's subsidiaries and the leading provider of IoT solutions, acquired 100% of Machinestalk, which is one of the companies specialized in IoT solutions and technologies. This acquisition comes to contribute to accelerating the growth of iot squared and cementing its position as a leading provider of IoT solutions in the region and a major supporter of promising growth sectors. Moreover, our successes during 2023 also exceeded the boundaries of the regional market, as the group succeeded in completing a number of strategic acquisitions at the international level in order to achieve its ambitious vision for growth. The Group acquired a 9.9% stake in "Telefonica Group" for SAR 8.5 billion (USD 2.3 billion) and through its subsidiary "TAWAL", the Group acquired the tower assets portfolio of United Group, the communications and information technology infrastructure company in Southeastern Europe, with a total value of SAR 5 billion (USD1.3 billion).

In continuation of stc Group's achievements and leadership, the Group has maintained its position as the most valuable telecom brand in the Middle East for an impressive fourth consecutive year, with a brand value of SAR 52.1 billion (USD 13.9 bn), according to the latest report issued by "Brand Finance", which reflects the Group's continued success, leadership position and significant influence.

In conclusion, stc Group unwaveringly upholds its commitment as a pivotal contributor to the national economy and a fundamental facilitator of digital transformation across various sectors. We will continue to lead the digital transformation by delivering technical solutions that adhere to global standards, which will contribute to enriching the quality of life in communities while bolstering the Kingdom of Saudi Arabia's position as a regional hub for digital transformation.

Financial Overview

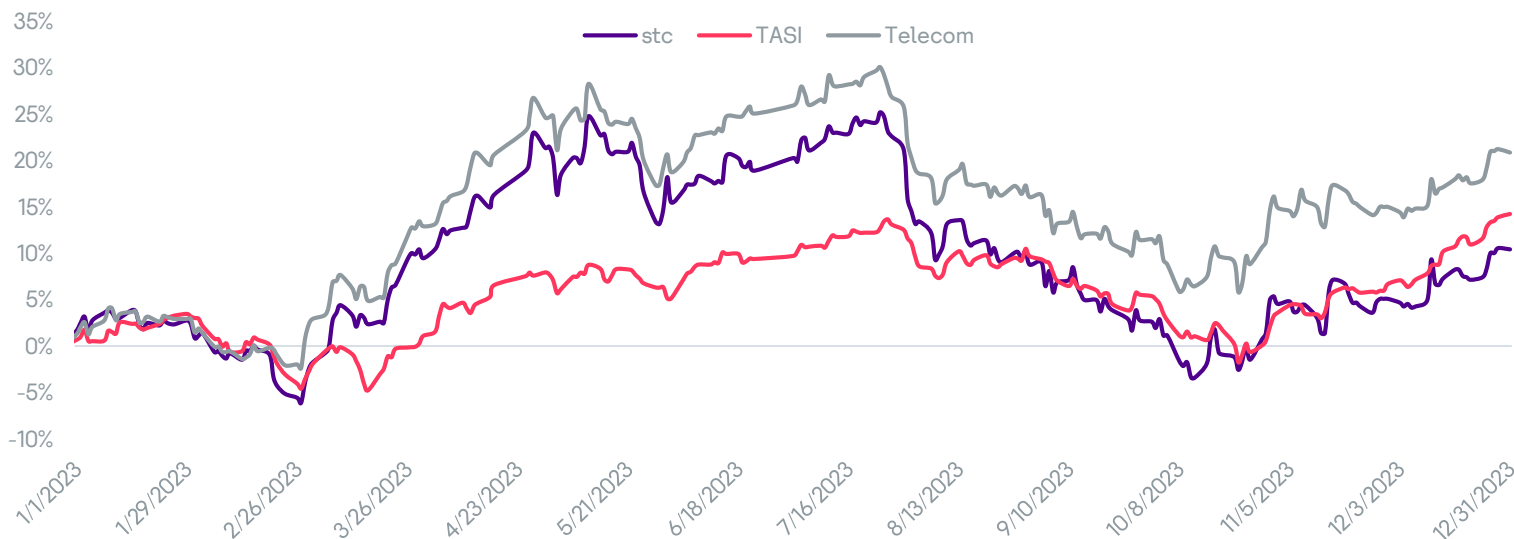
stc Group



Key Highlights

Stock Performance

FY 2023



Event Calendar

Q4 2023

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 | | | | |

November

| 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 | | |

December

| 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 | | | | | | |

→ **9th-10th of October:** J.P Morgan - 2023 Saudi Arabia Investment Forum.

→ **30th of October:** Q3, 2023 Financial Results & Dividends Announcements.

→ **7th of November:** BofA Global Research MENA Conference 2023.

→ **15th of November:** Morgan Stanley TMT Conference.

→ **23rd of November:** Q3 2023 Dividend Distribution (SAR 0.40 per share).

→ **13th of December:** stc announced that its subsidiary (Telecommunications Towers Company -TAWAL) has signed Murabaha financing agreements with Saudi Banks.

Key Highlights

Key News

stc recognized in top 150 most valuable brands in the world and the most valuable telecom brand in the Middle East

stc, an engine of digital transformation, has been acknowledged as the most valuable telecom brand in the Middle East for the fourth year in a row and in the top 10 strongest telecom brands in the Middle East, according to a landmark report from Brand Finance. The group is also the strongest brand in Saudi Arabia. stc has shown impressive growth with its brand value increasing by 12% to USD13.9 billion. Being recognized as the 149th most valuable brand, in the Global 500 ranking makes stc the first consumer brand in the Middle East to enter the 150 most valuable brands globally.

stc launched the biggest-ever expansion of the 5G network in its history

stc has announced the largest expansion of the 5G network in history. Investments will be made to develop and expand the existing network to cover more than 75 cities and governorates in Saudi Arabia. This project builds on the group's success in delivering 5G network technologies to over than 90% of its locations in major cities. The investments made by stc will contribute to the development and expansion of the network, encouraging the digital economy, supporting local content, creating quality jobs, and enhancing people's lives digitally. This is all in line with the group's expansion and growth strategy. Currently, stc group is working towards achieving digital transformation at every level, being the most prominent leader of the ICT sector in the region.

stc and "Red Sea Global" signed a strategic partnership

stc has signed a strategic partnership with Red Sea Global, marking a significant milestone. This agreement aims to facilitate digital transformation and empower tourist destinations along the Red Sea coast by adopting state-of-the-art communication technologies and digital services, focusing on seamless and sustained connectivity services. stc group has entered this agreement to drive digital and technical development in mega projects within Saudi Arabia by priming the connectivity services to all existing and prospective sites in the Red Sea area to revolutionize the region's tourism experience. stc group will offer advanced connectivity services to The Red Sea and AMAALA destinations by delivering tailored solutions with potential expansion into newly developed areas.

Strategic Partnership between stc & Diriyah

To advance the digital and technological scene in the historic Diriyah Project and to promote the Project's communications and information technology infrastructure, stc has announced a strategic partnership memorandum with "Diriyah Company". Under this Agreement, stc will provide an integrated and modern package of innovative technological solutions to enable the transformation of "Diriyah Gate" Project into a smart heritage area empowered by integrated revolutionary technologies. This transformation will upgrade the living quality within this world heritage site, preserving its historical and cultural specificity. This partnership aims to give stc a prominent role in providing specialized services and developing wired, wireless, and Internet communication network services for the main and business headquarters, in addition to offering cloud, security, and managed services.

stc group expanded its partnership with "Microsoft"

stc has announced an expansion of its strategic partnership with Microsoft, aiming to accelerate its digital transformation journey and foster innovation in the Kingdom. This collaboration seeks to develop and launch innovative solutions, supporting businesses across various industries. Additionally, it aims to facilitate the expansion of stc group's subsidiaries into new markets, the creation of new business models, and the delivery of innovative products and services. Through this enhanced partnership, the two entities will leverage stc's local and regional channels along with Microsoft's ecosystem of partners and developers to integrate expertise and capabilities for developing new services that enhance joint innovation. The alliance will also serve as an innovation powerhouse, powering the transformation of industries from the Kingdom to the world.

stc spearheads the Sustainability Innovation Hub as part of the GCC Telco Alliance

stc has recently unveiled the Sustainability Innovation Hub in collaboration with GCC Telco Alliance members, including e&, Zain, Beyon, Omantel, du, Ooredoo and other key regional and international partners. The Sustainability Innovation Hub aims to bridge the gap between technology, telecom innovation, and climate action for a low-carbon economy. It will bring together cutting-edge technologies, visionary experts, and collaborative efforts to tackle one of the most critical challenges the telecom industry faces today. The core objective of the Sustainability Innovation Hub is to devise and execute cutting-edge, economically viable, dependable, and ecologically sound solutions for power generation by leveraging the potential of renewable energy sources, particularly solar and wind energy. The hub will enable telecom operators to reduce reliance on traditional fuel sources and move toward a greener future.

Tripartite partnership agreement between stc group and "KT" and "Hyundai E&C"

stc, in collaboration with the two Korean companies "KT" and "Hyundai E&C", is poised to spearhead the establishment of a leading digital infrastructure in Saudi Arabia, a venture set to span for the next 50 years. This momentous MOU signifies a commitment to combining KT's digital transformation (DX) capabilities and expertise with Hyundai E&C's acumen in smart construction and construction capabilities, synergized with stc's excellent network infrastructure. Together, they will undertake the ambitious endeavor of constructing internet data centers (IDC), smart cities, charting a comprehensive path towards augmenting Saudi Arabia's digital infrastructure.

Partnership with the "Royal Commission for AlUla"

With the aim of building, preparing and digitally enabling infrastructure to become a sustainable smart city that provides a unique digital experience for visitors and residents of AlUla. stc, the digital engine in the region, and the Royal Commission for AlUla, announced the signing of a strategic partnership agreement on the sidelines of the 7th edition of the "Future Investment Initiative", whereby stc group will build and operate neutral digital infrastructure, and the Royal Commission for AlUla will provide locations and execute civil works and prepare infrastructure to provide the province with fiber optics.

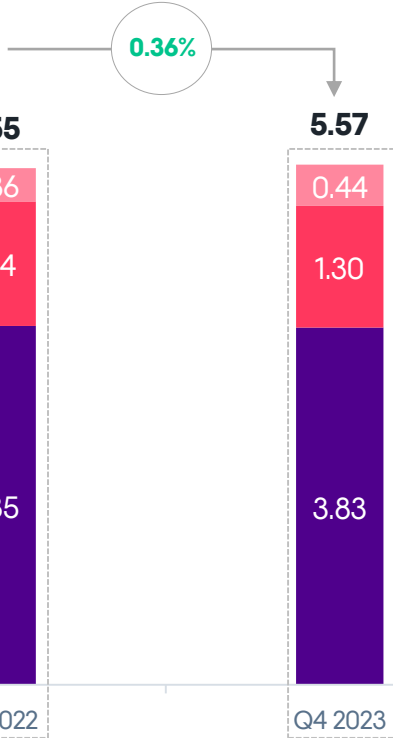
SCCC and SAP joined hands to expedite the digital transformation process in the Kingdom

The Saudi Cloud Computing Company (SCCC), a subsidiary of stc Group, and SAP have recently formed a significant partnership focused on strengthening collaboration in the realm of digital transformation in Saudi Arabia. As part of this partnership, SAP solutions will be hosted locally in SCCC data centers, providing enhanced data security. The collaboration allows businesses to utilize the SaaS model by leveraging SAP's advanced features that come with an ERP system. The innovation is hosted on a secure, integrated infrastructure, reducing latency and data sovereignty issues. This agreement aligns with the Kingdom's push to establish a robust digital economy, encourage innovation, and facilitate customary practices.

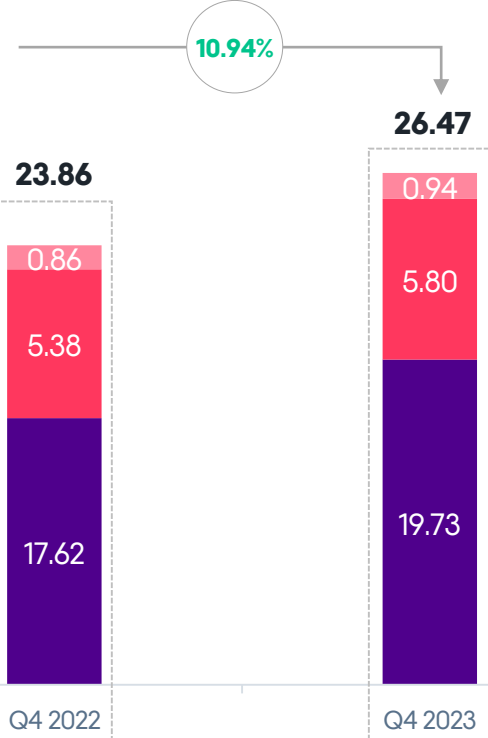
Subscribers at a Glance



Fixed Subscribers
(Millions)



Mobile Subscribers
(Millions)



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

- Prepaid
- Postpaid
- M2M

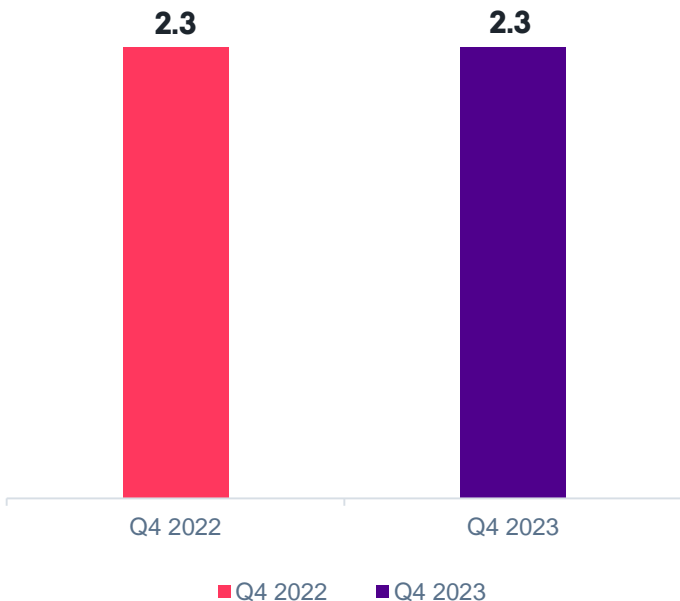
*Fixed-wireless broadband subscribers includes 4G and 5G subscribers.

*Prepaid subscribers includes mobile voice, standard mobile broadband, and dedicated data mobile broadband subscriptions

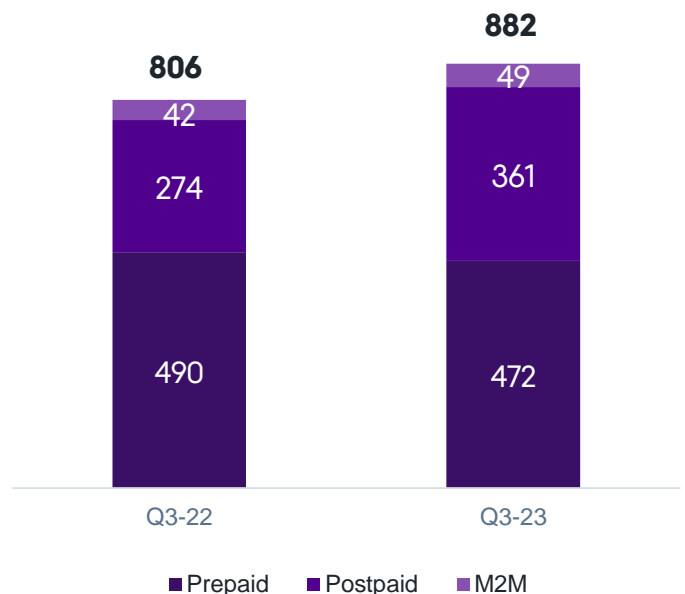
*Postpaid subscribers includes mobile voice, standard mobile broadband, and dedicated data mobile broadband subscriptions



Mobile Subscribers
(Millions)



Mobile Subscribers
(Thousands)



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