

# stc at a glance

Saudi Telecommunications Company (stc) was founded in 1998 and is publicly traded on the Saudi Stock Exchange. With its headquarters in Riyadh, the Group encompasses stc’s operations as well as its subsidiaries in Bahrain and Kuwait, serving as a key player in the MENA ICT sector.

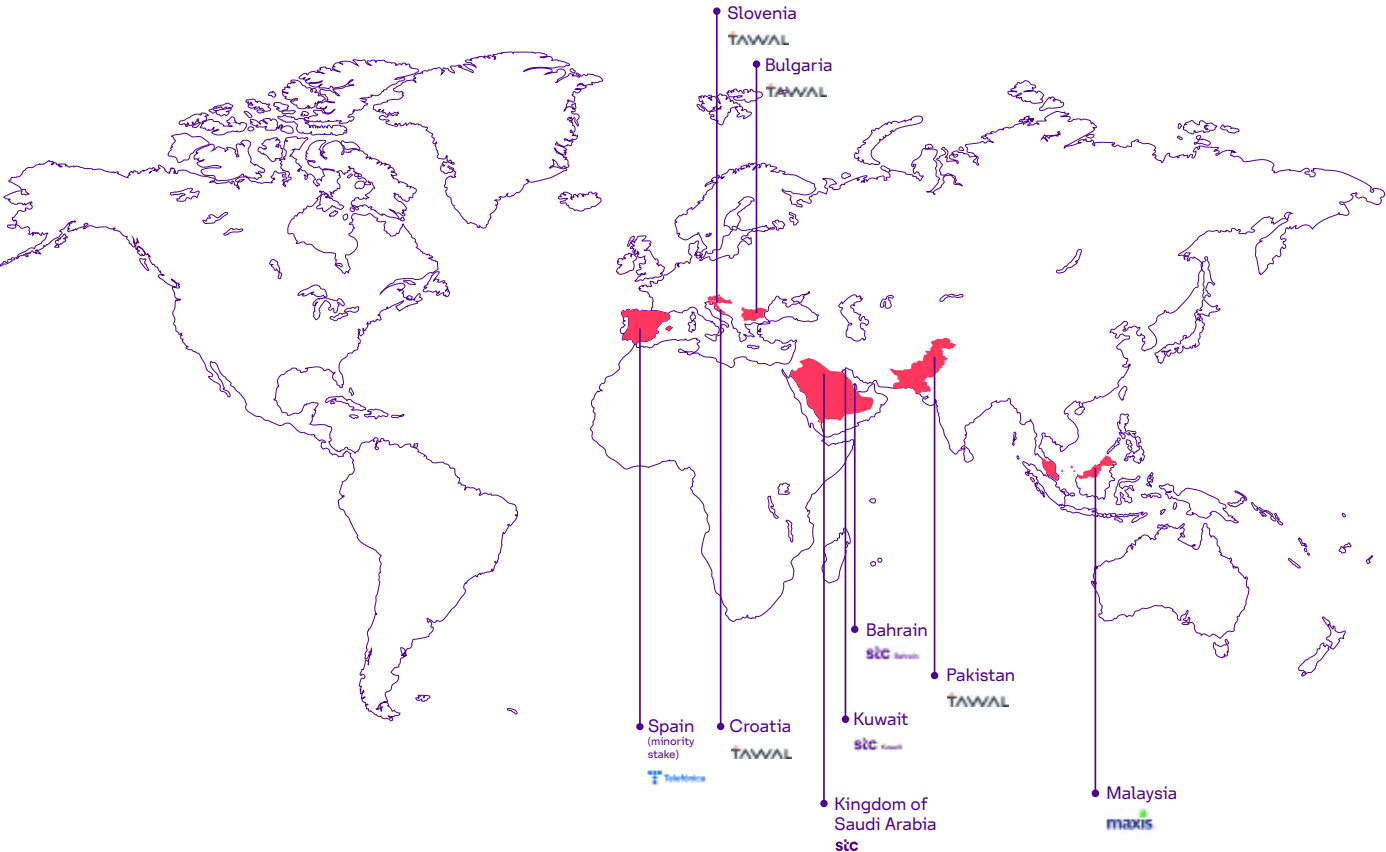
Recognized as a catalyst for digital transformation across the region, stc Group delivers a wide range of innovative solutions that facilitate the ongoing digitization of services. Its offerings include state-of-the-art digital infrastructure, cloud services, cybersecurity solutions and advanced Internet of Things (IoT) applications. Additionally, stc engages

in artificial intelligence (AI), digital payments, digital media and entertainment. The Group has expanded its reach with over **18 subsidiaries** throughout Saudi Arabia, the MENA region and Europe, solidifying its position as a leader in the ICT industry.

Direct economic value (Thousand ٬)	2022	2023*	2024*	2023-2024 Trend
Total revenue	67,431,546	71,777,161	75,893,413	6%
Gross profit	37,393,255	34,740,066	37,300,410	7%
Net operating profits	15,088,441	13,161,291	14,425,638	10%
Zakat and taxes	1,083,175	1,326,610	1,191,564	-10%
Net profit for the year	12,170,537	13,295,381	24,688,652	86%
Dividends declared	7,984,024	7,975,133	13,711,661	72%
EBITDA	25,078,667	22,445,389	23,925,601	7%

\* Both 2023 and 2024 figures have been restated to reflect the deconsolidation of Tawal following the sale of a 51% stake to PIF.

## Our business in 2024



## Our operating model

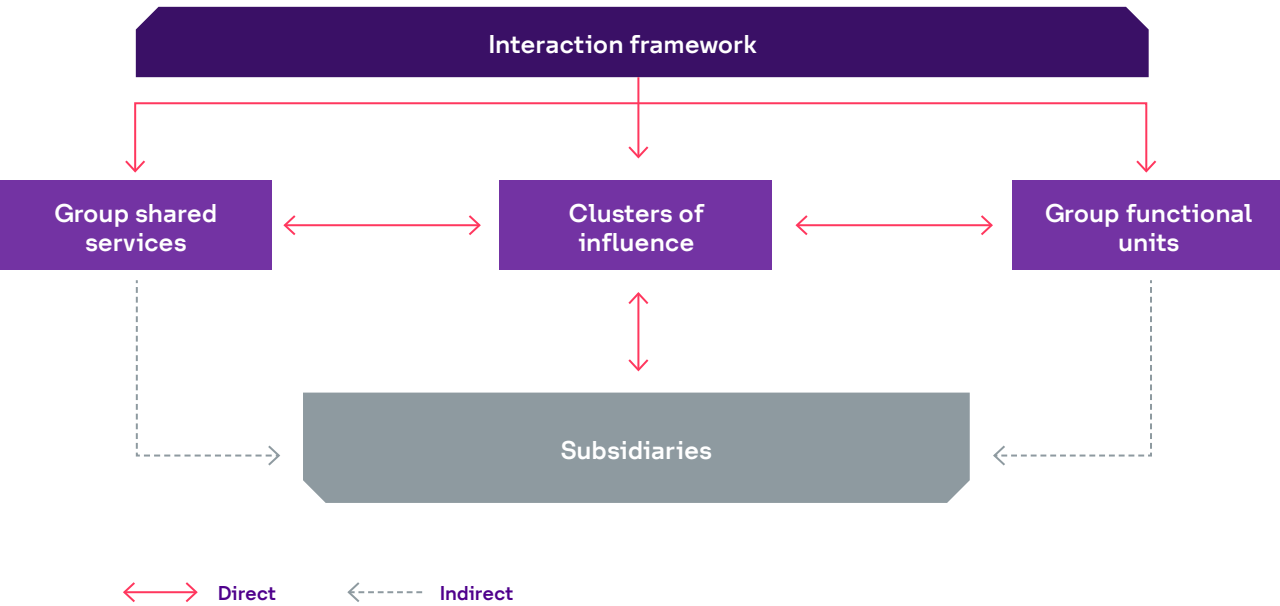
stc’s operating model is designed to facilitate strategic objectives and improve service delivery across various markets. Our model focuses on creating synergies across the Group and optimizing resource sharing for our subsidiaries and regions.

We consolidate business units to optimize resources and streamline operations across telecommunications, digital services and subsidiaries. This model emphasizes innovation and digital transformation, positioning stc as a leader in 5G, cloud computing and IoT solutions.

The organization is designed to respond promptly and effectively with tailored offerings that meet the

varied needs of customers, including businesses and governmental organizations. To better serve our customers and stakeholders, we form partnerships with various entities, such as technology firms and other service providers, to create a digital ecosystem that optimizes overall service delivery.

Our operations span Saudi Arabia and subsidiaries in Bahrain, Kuwait and beyond, allowing us to implement strategies that address local market dynamics at the same time leveraging synergies across regions. Through this operating model, we drive growth, improve operational efficiency and maintain our competitive edge in the rapidly evolving telecommunications landscape.



stc at a glance continued

The following stc Group subsidiaries are included in this report.

These subsidiaries are included as they operate under the Group's direct oversight and strategic guidance. Their inclusion reflects our commitment to transparency and accountability in managing the entities within our operational control. Additionally, all data covering stc KSA Headquarters includes stc KSA, along with its HQ-based subsidiaries - channels, sirar, center3, specialized and Intigral - ensuring a comprehensive representation of our environmental impact across these key entities.

stc

Saudi Telecom Company

stc KSA is a leading telecommunications provider in Saudi Arabia, recognized for its commitment to digital transformation and innovation. It offers a comprehensive range of services, including mobile, internet and cloud solutions, to respond to customer needs in the digital age.

stc

Bahrain

stc Bahrain Company

stc Bahrain, which was launched in 2009 as a subsidiary of stc, is a prominent telecommunications operator in Bahrain, offering advanced mobile, internet and digital services tailored to meet customer needs. The Group focuses on innovation and customer satisfaction and contributing to the country's digital transformation.

stc

Kuwait

Kuwait Telecommunication Company

stc Kuwait was launched in 2008 as a subsidiary of stc to offer telecommunications services in the Kuwaiti market. stc Kuwait offers innovative mobile, internet and digital solutions, contributing to the country's overall digital landscape and customer experience.

channels  
by stc

Saudi Telecoms Channels Company

channels by stc is stc Group's sales and distribution arm, and one of the leading sales and distribution companies in the Middle Eastern telecommunications sector. It operates across the Gulf Cooperation Council (GCC) countries, including Saudi Arabia, Kuwait, Bahrain and Oman providing a wide range of

telecommunications products and services. Through its extensive network, channels by stc enhances the accessibility and delivery of innovative solutions to customers throughout the region.

specialized  
by stc

Public Telecommunications Company

specialized by stc delivers advanced digital services tailored for both public and private sectors. As a trusted partner for businesses and government entities, specialized by stc provides innovative digital solutions that address regional needs. This division plays a crucial role in driving digital transformation and increasing operational efficiencies across various industries.

intigral

Gulf Digital Media Model Company Ltd.  
(GDMM)

Intigral is the digital media and entertainment division of stc Group and is recognized as a leading digital entertainment company in the MENA region. The subsidiary manages various media offerings, including stc tv, as well as stc play, a dedicated gaming and eSports platform.

solutions  
by stc

Arabian Internet and Communications  
Services Company

solutions by stc is Saudi Arabia's leading enabler of digital transformation and the number one ICT service provider in the Kingdom. As a national champion solutions provides holistic, end-to-end technological solutions that enables the government and private sector achieve their digital aspirations. The products and services offered through multiple business lines are leveraged to provide solutions to the customers' existing and emerging needs.

TAWAL

Telecommunications Towers Co.

TAWAL is a leading ICT infrastructure company, headquartered in KSA, with a portfolio of over 22,000 telecom towers providing innovative, sustainable and efficient tower solutions to improve connectivity across 5 countries (KSA, Bulgaria, Croatia, Slovenia and Pakistan). TAWAL plays a key role in driving digital transformation while minimizing environmental impact.

center3

Digital Centers for Data and  
Telecommunications Company

center3 is responsible for managing stc Group's infrastructure assets, including data centers and submarine cables. This subsidiary plays a vital role in supporting the Kingdom's Vision 2030 by enhancing its position as a digital hub that connects Asia, Africa and Europe. By investing in state-of-the-art infrastructure, center3 is key to facilitating connectivity across these 3 continents.

sirar  
by stc

Advanced Technology and  
Cybersecurity Company

sirar by stc is a leading cybersecurity provider, offering advanced security solutions to protect businesses from cyber threats. With expertise in infrastructure security, digital trust, and threat management, sirar helps organizations secure their digital environments across different domains. Committed to innovation and excellence, sirar empowers enterprises with cutting-edge cybersecurity to ensure a safer digital future.

AQALAT

Aqalat Limited Company

Aqalat leverages digitalization to create profitable opportunities and maximize value for shareholders in the real estate sector. Committed to sustainability, Aqalat develops eco-friendly, energy-efficient spaces that improve community living and minimize environmental impact. The Group focuses on innovative practices, such as using renewable energy and recycled materials, whether for rentals, homes or commercial spaces.

Alibaba Cloud  
SCCC Operating Saudi Region

General Cloud Computing Company  
for Information Technology

SCCC is a joint venture between stc, eWTP, Alibaba Cloud, SCAI and SITE to bring the most comprehensive suite of cloud computing solutions to the Kingdom.

iot²

Internet of Things Information  
Technology Company

Established in 2022 as a joint venture between stc and Saudi Arabia's Public Investment Fund (PIF), iot squared is committed to becoming the leading IoT solutions provider in the MENA region. This stc subsidiary focuses on delivering customized solutions that offer real-time insight and innovative business models, driving digital transformation across various industries.

stc at a glance continued

How we create value at stc

At stc, we design, operate and maintain telecommunications networks and communication services, alongside a range of innovative digital products tailored to meet our customers’ diverse needs.



Inputs

To achieve our objectives, we utilize a wide array of tangible and intangible assets. Our tangible assets include essential infrastructure such as cables, buildings and data centers, and our intangible assets comprise advanced IT platforms, including software solutions and extensive industry expertise. This combination empowers us to deliver high-quality products and services and advancing our brand value across all markets we serve.



Outputs

Our commitment to responsible management aligns our internal behaviors, processes and objectives with our core values. This focus translates into superior communication services and digital solutions - both proprietary and professional. We provide essential telecommunication services through our robust networks, along with **specialized** by stc offerings in cybersecurity, IoT consulting, artificial intelligence and big data analytics, meeting the evolving digital needs of both residential and business clients.



Outcomes

The benefits of our outputs extend beyond our customers to the wider community. By fostering a culture of diversity and inclusion at stc, we empower our employees and enrich our understanding of customer needs, driving sustainable long-term growth. Our dedication to sustainability encompasses our suppliers, promoting innovation and high standards in our product delivery. Our Supplier Code of Conduct reinforces our commitment to ethical practices and accountability, at the same time the ESG self-assessments help identify potential risks and opportunities. We actively support the growth of small to medium-sized enterprises (SME) and improving local content in our supply chain.

By utilizing our assets efficiently, maintaining responsible procurement practices and leveraging our diverse, well-trained workforce, we strive to meet or exceed customer expectations and create a positive legacy for society and the environment.





stc at a glance continued



To create value in the short, medium and long term, we depend on:

Skills and expertise

Our talented workforce of 19,863 employees brings a diverse range of skills and expertise, driving innovation and excellence in our operations.



Brand trust

stc's strong brand reputation instills trust in our products and services, allowing us to diversify into adjacent fields and build on our success for long-term growth.



Relationships and partnerships

We prioritize constructive relationships with our stakeholders, including customers, suppliers, investors, peers and regulatory authorities, fostering collaboration and trust.



Natural resources

While we acknowledge our reliance on natural resources such as fuel, we are also aware of the challenges associated with operating in water-scarce areas, leading us to pursue sustainable practices.



Financial capital

Strong financial performance enables us to reinvest in our operations, facilitating innovation and growth and increasing our service offerings.



We create value in the short, medium and long term for:

Our customers

We strive to be a digital enabler, providing connectivity that bridges digital divides and serves millions of customers across various regions.



Our people

We are committed to fostering an equal and inclusive work environment that attracts, develops and retains top talent, ensuring a diverse workforce that drives our success.



Our planet

As a participant in the ICT industry, we recognize our role in contributing to global greenhouse gas emissions. We are dedicated to achieving our goal of net zero emissions by 2050.



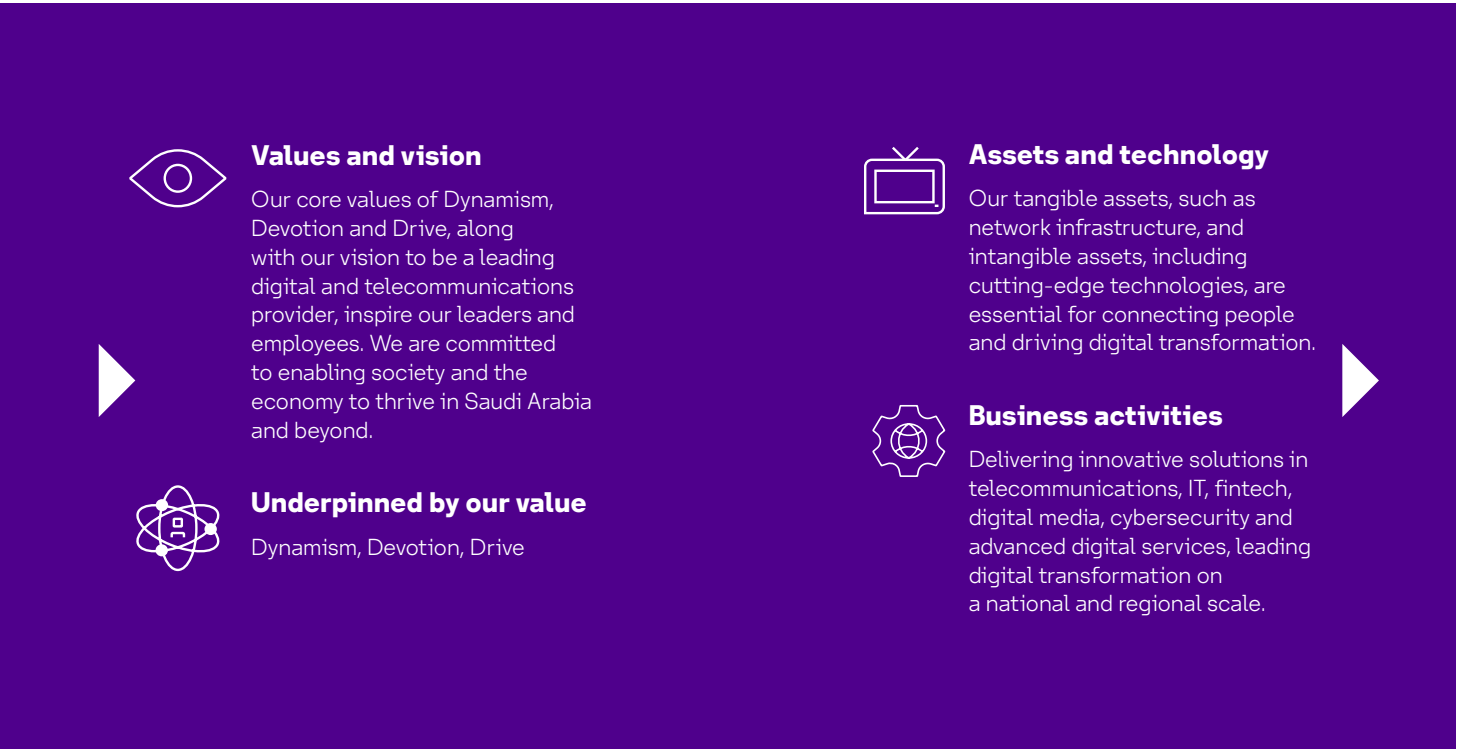
Local communities

Our community investment strategy emphasizes developing the communities around us through unique services, digital innovation, transformative technologies and meaningful investments that extend beyond conventional corporate donations.



Our shareholders

In our pursuit of becoming the region's digital enabler, we remain focused on growing shareholder value through strategic investments and innovative offerings.



stc at a glance continued

Our blueprint for success

Building on the original strategy, our reimagined and updated vision of stc inspired this second iteration. The dare 2.0 strategy is built on key priorities that drive stc’s transformation, supported by strategic enablers such as maximizing operational and capital management efficiency, building a resilient and agile organization, and deploying state-of-the-art technologies.



Driving ESG excellence through strategic direction

stc’s dare 2.0 strategy positions the Group as a central enabler of Saudi Arabia’s Vision 2030 and a major driver of digital transformation in Bahrain and Kuwait.

In Saudi Arabia, stc has solidified its leadership in connectivity, achieving 54.7% 5G coverage of the population; for stc Bahrain and stc Kuwait it is 100% coverage.

stc continues to expand its digital infrastructure to connect 3.6 million households with fiber, with Saudi Arabia now enjoying elevated status among the world’s top countries for fast networks and digitization.

By maintaining modernized infrastructure, stc has fostered further innovation and improved customer experiences, earning numerous accolades in the process. Notably, stc was awarded Best Middle Eastern Connectivity Provider at the Global Connectivity Awards 2024, underlining our foremost reputation in the industry.

As part of our commitment to sustainability, stc joined the KSA Sustainability Champions program led by the Ministry of Economy and Planning. We have also pledged to achieve net zero emissions by 2050.

stc has facilitated the growth of local and international startups by focusing on strategic domains and empowering entrepreneurship. Through inspireU – the first corporate accelerator in the Kingdom – stc accelerated over 130 digital startups, achieving a total funding raised by those startups of more than \$1 billion.

Through venture capital initiatives such as the Corporate Investment Fund and Tali Ventures, stc invests in early-stage startups in key technology sectors, including fintech, cybersecurity and artificial intelligence.

stc’s efforts to drive digital transformation across various sectors enable other businesses to modernize and compete on a global scale. By digitizing business processes and offering advanced digital services, stc assists companies in developing efficiency, accessing new markets and improving their offerings.

Additionally, stc is a significant contributor to the Kingdom’s local content strategy through its dedicated internal program – rawafed. In 2024, stc KSA spent \$28.6 billion on local suppliers. As a leading employer in the region, stc boasts a workforce of 19,863 full-time employees. In 2024, the Group increased its female workforce by approximately 14% reaching 2,787 female employees, with a notable 6.25% increase in managerial roles held by women.

At stc, we take pride in our strong company morale and the shared sense of purpose that comes from being part of one of Saudi Arabia’s most important companies, and indeed one of the most significant in the MENA region. Our organizational culture is robust and coherent, as evidenced by our performance in key cultural metrics.

Through comprehensive training programs, stc continues to equip its workforce for future opportunities, contributing to the Kingdom’s economic diversification. In 2024, the stc Academy provided 476,675 learning hours and enrolled more than 33,216 individuals in talent development programs, including part-time and full-time employees, contractors, business partners, vendors and external members of society.

**\$28.6 Billion**  
Spent on local suppliers



**476,675**  
Learning hours through stc Academy





stc at a glance continued

stc’s vision and strategic roadmap for 2025 and beyond

Building on its strong foundation, stc remains committed to continuous improvement and adaptability. Recognizing the evolving landscape, the Group has refined its strategic approach to confirm the seamless execution of its vision, values and long-term direction.

Vision

Digital and telco leader, enabling the society and economy to thrive, in KSA and beyond.

Core values

- **Dynamism** – How we become a company that is continuously looking to improve and adopt new and better ways of doing things, with a fresh and ingenious view.
- **Devotion** – The desire to become a customer-centric company for our clients and our employees.
- **Drive** – We are “restless”, looking for the best possible solutions for our clients and our employees.

Strategic priorities

stc’s strategy is designed to maximize shareholder value by achieving the right balance between growth, efficiency and diversification. The Group’s approach is guided by 5 key principles:

1. **Strengthen market leadership in core telco**, doubling down on return-generating infrastructure and customer focus.
2. **Accelerate diversification from core telco** by reinforcing winning growth areas and expanding geographically.
3. **Continue the sustainable growth path**, striking a balance between top-line growth and EBITDA margin.
4. **Ensure execution excellence** by fostering a more efficient and productive organization.
5. **Provide improved returns** to shareholders.

Future growth and expansion

stc’s forward-looking strategy is centered on reinforcing its leadership in telecommunications, expanding its digital services and entering adjacent markets. A key focus is unlocking the full potential of its infrastructure assets, including data centers and subsea cables, to drive long-term value creation.

To achieve these goals, stc is committed to building a resilient and agile organization and maximizing operational and capital efficiency. By integrating cutting-edge technologies and aligning with national development initiatives, the Group aims to solidify its position as a preferred partner for large-scale digital transformation projects.





stc at a glance continued

# Industry leadership

stc actively engages with the broader ICT community, playing a constructive role in driving progress and fostering collaboration. We aim to positively influence our peers and stakeholders, meanwhile remaining open to the valuable insight they provide, which helps us to elevate our standards and contribute to a stronger ICT ecosystem. Our involvement includes membership in key industry associations and advocacy groups, including the following.

Global Leaders Forum (GLF)



GCC Board Directors Institute (GCC BDI)



United Nations Global Compact (UNGC)



Business Ethics Leadership Alliance™ (BELA)



International Telecommunication Union (ITU)



World Economic Forum Cyber Security and Digital Trust Platform



World Economic Forum – Partnering Against Corruption Initiative (PACI)



Pearl Initiative



Member of Jubail Industrial City Leadership Council headed by The Royal Commission in Jubail



Global System for Mobile Communication (GSMA), Climate Action Taskforce and Sustainability Network Group



Local Content Leadership Council (LCLC)



Global Forum of Incident Response and Security Teams (first.org)

