

Subsidiaries and Investments

Subsidiaries (Local and International)

Name of subsidiary	Country of incorporation	Shareholding %	
		31 December 2024	31 December 2023
Arabian Internet and Communications Services Company (solutions)	Kingdom of Saudi Arabia	80%	80%
Telecommunications Towers Company (TAWAL)	Kingdom of Saudi Arabia	-	100%
Saudi Telecom Channels Company (Channels)	Kingdom of Saudi Arabia	100%	100%
STC Bank	Kingdom of Saudi Arabia	87.73%	85%
Digital Centers for Data and Telecommunications Company (center3)	Kingdom of Saudi Arabia	100%	100%
Advanced Technology and Cybersecurity Company (sirar)	Kingdom of Saudi Arabia	100%	100%
Internet of Things Information Technology Company (IoT squared)	Kingdom of Saudi Arabia	50%	50%
General Cloud Computing Company for Information Technology (SCCC)	Kingdom of Saudi Arabia	55%	55%
Public Telecommunications Company (Specialized)	Kingdom of Saudi Arabia	100%	100%
Gulf Digital Media Model Company Ltd (Intigral)	Kingdom of Saudi Arabia	100%	100%
Aqalat Limited Company (Aqalat)	Kingdom of Saudi Arabia	100%	100%
Telecom Commercial Investment Company Limited (TCIC)	Kingdom of Saudi Arabia	100%	100%
Smart Zone Real Estate Company	Kingdom of Saudi Arabia	100%	100%
Digital Infrastructure for Investment Company	Kingdom of Saudi Arabia	-	100%
Innovation Fund Investment Company (Tali)	Kingdom of Saudi Arabia	100%	100%
stc Bahrain Company (stc Bahrain)	Kingdom of Bahrain	100%	100%
Kuwait Telecommunication Company (stc Kuwait)	Kuwait	51.84%	51.84%
stc Asia Holding Ltd (stc Asia)	British Virgin Islands	100%	100%
stc Turkey Holding Ltd (stc Turkey)	British Virgin Islands	100%	100%
stc Gulf Investment Holding (stc Gulf)	Kingdom of Bahrain	100%	100%
stc GCC Cables System W.L.L.(stc GCC)	Kingdom of Bahrain	100%	100%
Green Bridge Investment Company (GBI)	Luxembourg	100%	100%
Green Bridge Management Company (GBM)	Luxembourg	100%	100%

Local Subsidiaries

Arabian Internet and Communications Services Company (solutions)

solutions strategy

As a trailblazer in the ICT industry, solutions is focused on continuous growth. This includes expanding and integrating its service offerings, as well as building new capabilities to stay ahead in the fast-evolving technology landscape.

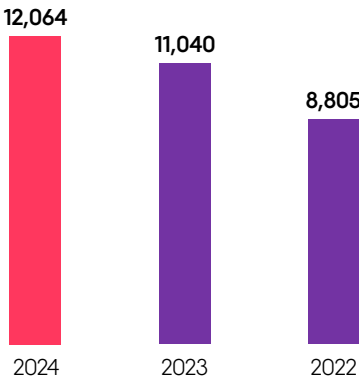
Its LEAP 2.0 strategy seeks to harness cutting-edge technologies, optimize service delivery, and ensure its solutions are relevant for today and revolutionary for tomorrow. The expansion into new business models and the emphasis on a scalable innovation program underlines its commitment to being at the forefront of technological evolution.

Its strategic pillars are:

- Lead through service excellence.
- Empower business growth and diversification.
- Achieve excellence in customer engagements.
- Promote efficiencies and sustainability.

solutions’ acquisitions and investments will strengthen its offerings and improve efficiency, supporting its strategy that aligns seamlessly with the Kingdom’s Vision 2030, demonstrating its commitment to contributing to Saudi Arabia’s broader ambitions.

solutions Revenue (ﷲ million)



About solutions

Established in April 2002 and acquired by stc in 2007, the Arabian Internet and Communications Services Company (solutions) has emerged as a pivotal provider of internet services and operation of communication projects and transmission and processing of information in the Saudi market. solutions headquarters are located in the Kingdom.

A key milestone in the company’s journey was the initial public offering (IPO) in 2021. stc offered 20% of its shareholding in solutions on the Saudi Exchange, with 1% of solutions’ share capital earmarked for an employee long term incentive

plan, underscoring the company’s commitment to its workforce. As at 31 December 2024, solutions’ share capital is ﷲ 1,200 million.

Based in Saudi Arabia, with its operations concentrated in the Kingdom, solutions has positioned itself as a leading force in driving digital transformation and holds the distinction of being the premier ICT service provider for both public and private sectors. It offers comprehensive, end-to-end IT services and solutions, adopting a holistic one-stop-shop approach that spans the entire IT value chain.

Subsidiaries and Investments continued

2024 achievements

In 2024, solutions marked a year of remarkable achievements, characterized by significant partnerships, collaboration and strategic acquisitions, along with notable progress in digital transformation.

The expansion of its partner network was a key focus, with the addition of several technology giants. This expansion was complemented by strategic acquisitions, such as Devoteam Middle East, JEDCO Joint Venture, Giza Arabia LABS Acquisition and Nile JV for Enterprise Solutions to enable expanding its solutions portfolio and growth prospects, which have been instrumental in strengthening the company’s market position. The acquisition of Devoteam Middle East with 40% stake, a major player in digital strategy consulting, signified solutions’ commitment to enhancing its technological capabilities and service offerings. solutions established a joint venture with Jeddah Development & Urban Regeneration Company to provide cutting-edge technological solutions within their Public-Private Partnership framework. In addition to that, Giza Arabia expanded its capabilities with the majority stake acquisition of Logical Applications for Business Solutions (LABS).

solutions’ digital transformation journey accelerated this year through strategic partnerships, including signing a 10-year agreement with Remat AlRiyadh to manage and maintain the first phase of Riyadh’s public vehicle parking plan. Further, solutions signed a partnership with Saudi Aramco to enhance technical services over the next 5 years. The New Murabba Partnership Agreement, which is under the stc umbrella, will see solutions providing digital solutions to connect technical systems and advance digital transformation.

Moreover, solutions broadened its service offerings to include the healthcare and education sectors, emphasizing its role in driving innovation and accessibility in these vital areas. This expansion aligns with the solutions’ strategy to diversify its portfolio and tap into new market segments.

Lastly, a memorandum of understanding (MoU) was signed with Sultan bin Abdulaziz Humanitarian City to drive digital transformation in healthcare for Sultan bin Abdulaziz Humanitarian City. In addition, a memorandum of understanding (MoU) was signed with GInI to accelerate national innovation through advanced technology development. These partnerships aim to deliver secure, fast and reliable communications solutions, meeting the emerging needs of the market.

These strategic moves underscore solutions’ commitment to innovation, market expansion and digital transformation, setting the stage for continued growth and success in the dynamic ICT sector.

Subsidiaries owned directly by solutions as follows:

Name of subsidiary	Country of incorporation	Effective shareholding %	
		31 December 2024	31 December 2023
Saudi Telecom Company Solution for Information Technology (Owned by One Person)	Egypt	100%	100%
Giza Systems Company	Egypt	88.19%	88.19%
Contact Center Company	Kingdom of Saudi Arabia	100%	100%
Amanah Tech Business Solutions Company	Kingdom of Saudi Arabia	70%	-
Sanad AlTeqany For Commercial Services Company (Owned by One Person)	Kingdom of Saudi Arabia	-	100%

solutions outlook for 2025

Looking ahead to 2025, solutions’ strategy revolves around advancing in select priority initiatives and focus areas that drive innovation and strengthen its market presence, while supporting the Kingdom’s broader transformation goals. It will continuously work towards enhancing its portfolio of offerings enabled by innovative business models, exploring strategic collaborations with global technology providers, and optimizing its internal processes to deliver high-impact results across business segments. At the same time, it will remain dedicated to responsible growth, maintaining a future-ready workforce and best-in-class operational and delivery standards. This approach will enable solutions to further maximize growth and stakeholders’ value.

Awards and recognitions





Subsidiaries and Investments continued

Telecommunications Towers Company (TAWAL)

TAWAL's strategy

TAWAL's strategic vision is centered on fortifying its core offerings while leveraging adjacent product commercialization to position itself as a comprehensive solutions provider. TAWAL is committed to transcending its domestic market boundaries, aspiring to establish itself as the leading regional ICT infrastructure service provider.

2024 achievements

In 2024, TAWAL marked significant operational milestones in its core KSA market, underscoring its leadership in the telecom infrastructure sector. Additionally, TAWAL began accommodating Zain's demand through GLIC (Golden Latis), achieving a tenancy ratio of 1.21. The introduction of innovative products such as the Smart Pole and Flexi Tower has diversified TAWAL's product portfolio, enhancing its market offering.

On the international front, TAWAL's expansion strategy yielded impressive results. TAWAL rolled out over 300 new BTS sites across its 4 international markets and renewed master service agreements (MSAs) with all key players in Pakistan, ensuring sustained

collaboration and service continuity. The launch of ERP system in Bulgaria has streamlined integration and operational efficiency, with plans to extend this system to other countries, thereby bolstering TAWAL's global operational framework.

Operational excellence was a hallmark of TAWAL's performance in 2024, with the company maintaining an exceptional 99.9% Passive Infrastructure Network (PIN) availability across KSA. This unwavering reliability was particularly critical during the peak of the 2024 Hajj season, where TAWAL's infrastructure services ensured uninterrupted connectivity for end-users, achieving a remarkable 99.98% availability. This operational resilience highlights TAWAL's commitment to delivering consistent and reliable infrastructure services, even under the most demanding conditions.

TAWAL published its 2023 sustainability report underscoring its comprehensive progress and commitment to sustainable practices.

On the KSA consolidation front, stc-PIF signed the definitive agreements for PIF's acquisition of a 51% stake in TAWAL. All activities for the TAWAL acquisition have been completed as at year-end 2024.

Awards and recognitions



As at 31 December 2024, stc sold a controlling interest in TAWAL and Digital Infrastructure Company pursuant the approved sale and purchase agreement between stc and PIF by the General Assembly of stc. As of the date of loss of control, stc has started to account for its retained interest in TAWAL and Digital Infrastructure for Investment Company using the equity method in accordance with the requirements of IAS 28 "Investments in Associates and Joint Ventures" (for more details, see note 8-1-1 and note 14-1 in the consolidated annual financial statements).

**About TAWAL**

Telecommunications Towers Company (TAWAL), established by stc in January 2018 with a share capital of ﷲ 2,500 million, headquartered in the Kingdom of Saudi Arabia and is responsible for owning, constructing, operating, leasing, and commercializing telecom towers.

TAWAL commenced its operations in 2019, offering cutting-edge ICT infrastructure services. Licensed by the Communications, Space & Technology Commission (CST), TAWAL provides both Class A (towers and masts, FTTT releasing) and

Class B (indoor solutions – IBS, small cells) ICT infrastructure services.

Today, TAWAL stands as the largest telecommunication tower company in the MENA region, boasting a portfolio of over 22,000 telecom towers spread across Saudi Arabia, Bulgaria, Croatia, Slovenia, and Pakistan. Beyond telecom towers, TAWAL delivers a comprehensive range of ICT infrastructure services, including in-building solutions, small cells, and coverage as a service, solidifying its position as a leader in the industry.



Subsidiaries and Investments continued

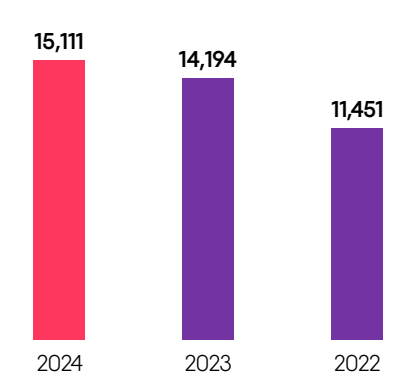
Saudi Telecom Channels Company (Channels)

Channels’ strategy

Channels’ strategic vision is to excel by:

- 1. Boosting its profitability by sustaining revenue growth with a healthy margin.
- 2. Enabling the advancement of stc core services to realize stc strategic ambitions in Saudi Arabia and beyond.
- 3. Developing the required capabilities to achieve expansion objectives.

Channels Revenue (ﷲ million)



2024 achievements

In 2024, Channels focused heavily on optimizing costs and operational efficiency, achieving substantial growth in profitability. Channels also diversified its product offerings, placing greater emphasis on high-margin consumer electronics such as smart home devices and wearables, alongside its established telco distribution business. Channels continued to pursue value-added services, such as device trade-ins and others to enhance customer experience and drive profitable growth. Channels also targets new segments through tailored propositions and the go-to-market segment. As a result, Channels saw robust growth across all areas of business.

Channels continued to enhance its operational capacity, enabling it to support its expanding consumer electronics and telco product distribution:

- **Retail sales:** 236 retail stores across in KSA, providing a premium sales experience for telco and consumer electronics.
- **Field sales:** An expanded and more effective field sales team serving both consumers and SMEs.
- **Distribution:** Over 94,000 points of sale through its distribution network, ensuring broad market coverage.
- **Last-mile delivery:** The last mile service is Channels’ logistic arm for delivering stc orders in addition to 30 successful partners, with more than 13 million successful deliveries completed by the efforts of 19,000 Saudi delivery agents.

About Channels

Saudi Telecom Channels Company (Channels) is the sales and distribution arm of stc. Established in January 2008 with the purpose of operating in the wholesale and retail trade of recharge card services, telecommunication equipment and devices, computer services, sale and re-sale of all fixed and mobile telecommunication services, and commercial centres’ maintenance and operation.

Channels has evolved into a leading company in the field of sales and distribution in the Middle East. Channels has expanded to GCC countries –

Bahrain, Oman and Kuwait – and has established itself as the partner of choice for major telecom companies in the region by introducing a diversified portfolio of growth and telco products.

Channels Headquartered in Saudi Arabia, and operates across Saudi Arabia as well as through subsidiaries in Bahrain, Oman and Kuwait.

stc owns 100% of Channels share capital, amounting to ﷲ 100 million.

Channels initiatives in 2024

- Target new segments through tailored propositions and go-to-market.
- Diversify away from smartphones into a full-fledged electronics portfolio.

Awards and recognitions



Awarded by  
International Finance Magazine



Awarded by  
Global Business Outlook Magazine



Awarded by  
Global Business Outlook Magazine



Awarded by  
International Business Magazine



Awarded by  
International Business Magazine

Subsidiaries owned directly by Channels as follows:

Name of subsidiary	Country of incorporation	Effective shareholding %	
		31 December 2024	31 December 2023
Bahrain Channels for Communication & Distribution L.L.C.	Kingdom of Bahrain	100%	100%
Kuwait Channels	Kuwait	100%	100%
Sale International S.P.C.	Oman	100%	100%

Channels outlook for 2025

Looking ahead, Channels aims to further expand its high-margin product offerings, while exploring profitable growth avenues across through increased sales, customer base, and investing in sustainable partnerships to not only be the customer’s first choice in consumer electronics and sales sectors communications products, but also create new growth opportunities that keep pace with the customer’s digital lifestyle aspirations.

Subsidiaries and Investments continued

STC Bank

STC Bank’s strategy

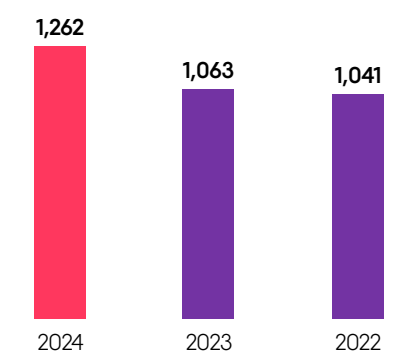
STC Bank is undergoing a strategic transformation to position itself as the leading digital bank in the Kingdom. As part of its comprehensive transformation program, the bank has achieved significant milestones, earning approval from the Saudi Central Bank (SAMA) to initiate a phased migration of customers to the STC Bank application. This controlled migration phase was successfully completed in 2024, marking a key achievement in the bank’s journey. STC Bank is now preparing for its full commercial launch, which will include the migration of all remaining customers.

The strategic ambition of STC Bank is to stand out as a leader and innovator in the financial services sector. This involves offering services that differ significantly from traditional banking methods, primarily through its advanced digital channels. The bank places a strong emphasis on adding value for its customers and substantially enhancing their banking experience. This customer-centric approach is fundamental to STC Bank’s objective of redefining and enriching the digital banking landscape in the region.

2024 achievements

In 2024, STC Bank delivered notable growth in its key operational metrics, indicating a strong year-on-year performance, reflecting its rising prominence and success in the digital banking sector.

STC Bank Revenue (ﷲ million)



About STC Bank

STC Bank was established in November 2017 to offer digital payment services in the Kingdom of Saudi Arabia.

In 2020, it was officially licensed by Saudi Central Bank as an electronic wallet company and a payment service provider, and Western Union acquired 15% of the company in the same year. During the year 2021, the Council of Ministers approved granting Saudi Digital Payments Company a digital banking services license to become a digital bank with share capital of ﷲ 2,500 million.

On 24 December 2023, STC Bank General assembly approved the increase of STC Bank’s paid up capital to be ﷲ 3,350 million by converting stc shareholder loan amounting to ﷲ 850 million into the Bank’s capital increasing stc shareholding interest to

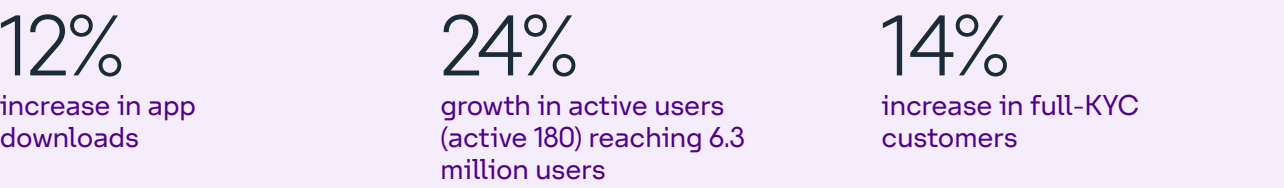
87.73% for which the legal formalities were completed only in 2024.

On 30 December 2024, STC Bank extraordinary General assembly approved the increase of STC Bank’s paid up capital to be ﷲ 6,350 million with stc injecting an additional capital of ﷲ 3,000 million increasing its shareholding interest in STC Bank to 92.26% subject to the completion of the legal formalities.

On 28 January 2025, STC Bank received a non-objection from the Saudi Central Bank to commence its operations in the Kingdom of Saudi Arabia as a digital bank.

STC Bank is headquartered in Riyadh and carries out its operational activities throughout the Kingdom of Saudi Arabia.

Customer engagement:



Product behavior:



Awards and recognitions



STC Bank outlook for 2025

In 2025, STC Bank aims to solidify its position as a leading digital bank in Saudi Arabia, setting new benchmarks in innovation, efficiency and customer experience. STC Bank’s strategy will focuses on optimizing operations, enhancing financial performance and expanding deposit growth to drive long-term sustainability.

Through cutting-edge digital banking solutions, STC Bank is committed to empowering both individuals and businesses with seamless, secure and intelligent financial services. By leveraging advanced technologies, data-driven insight and customer-centric innovations, STC Bank will continue to redefine the banking experience, reinforcing its role as a key enabler of Saudi Arabia’s digital economy.



Subsidiaries and Investments continued

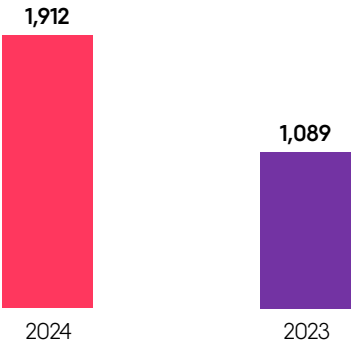
Digital Centers for Data and Telecommunications Company (center3)

center3 strategy

center3 aims to become the leading regional data hub for the Middle East and North Africa, offering solutions across 3 key asset groups: data centers, subsea cable, and internet exchange. With a focus on expanding hyperscale data centers across MENA and delivering superior customer experience, it is positioned as one of the leading data center providers in the region.

center3 is dedicated to integrating sustainable practices throughout its operations, while remaining committed to building AI-ready infrastructure ensures its facilities are equipped for next-generation technologies. Additionally, its rapidly growing IX platform and diverse subsea cable routes enhance connectivity and unlock new market opportunities across MENA.

center3 Revenue (ﷲ million)



2024 achievements

Data centers

In 2024, center3 launched its largest expansion of data centers into production, dynamically scaling its operations capabilities accordingly. Additionally, it onboarded a new wave of hyperscale customers with world-class services, thereby proving its infrastructure standards and operations capabilities and further achieving the “Advanced” status of Data Center Certification from the Commission of Communications, Space and Technology.

center3 also hosted the first AI cloud customer and is leading the way for other strategic deployments in the Kingdom as part of the ongoing transformation initiatives toward AI from the government. Additionally, operations contributed to AI knowledge transfer sessions to adapt existing data centers to growing AI trends. Lastly, it achieved zero data center outages across its portfolio this year, reflecting its impressive year-on-year performance.

In addition, center3 bolstered the localization of digital content and services in Saudi Arabia and MENA region through investments in its data centers and subsea cable assets. Furthermore, in alignment with efforts with stc, center3 supported the connectivity achievements for the Esports World Cup. Oracle also expanded its footprint in the region with center3.

About center3

Digital Centers for Data and Telecommunications Company (center3) was established in February 2022 with a share capital of ﷲ 2 billion, with the purpose of providing services related to big data, data analytics and cloud computing.

center3 is the result of the stc’s vision for the Kingdom of Saudi Arabia to be the hub of all international data connectivity crossing and connecting three continents (Europe, Asia and Africa), as well as a data center hub for the MENA region.

Headquartered in Riyadh, it carries out its operational activities in the Kingdom, with a footprint of over 25 data centers and 16 international subsea cables (operational and under construction).

Hyperscalers, gaming and content providers, cloud providers, and global international carriers all benefit from the integrated platforms that center3 owns, enabling them to better serve their own regional customers with unparalleled scalability and speed.

Connectivity infrastructure

center3 successfully launched and activated the world’s largest submarine cable system, ‘2Africa’, connecting KSA to Europe with 24 Tbps capacity. This marks the first time center3 has operated on a non-consortium model, investing in its own capabilities and talent to manage global infrastructure.

center3 launched and activated the first fully owned submarine cable in Saudi Arabia, “Saudi Vision Cable”. This includes the onboarding of new state-of-the-art cable landing stations in Duba, Haql and Yanbu, and improving the resilience of its customers in the Red Sea.

center3 has reached a significant milestone by completing the acquisition of 100% of CMC Networks Mauritius and 49% of CMC Networks South Africa. This is a significant advancement in center3’s pursuit to broaden its market presence and enhance its portfolio in dynamic and rapidly growing regions. CMC Networks operates its data communication network across more than 110 service locations. It has the largest pan-African network, servicing 51 out of 54 countries in Africa and 12 countries in the Middle East.

center3 delivered an outstanding operational performance in 2024, including:

57.51%  
increase in traffic (20.3 TB planned by year end) over its subsea network

100%  
uptime for all the submarine cable systems during Ramadan and Hajj network freeze periods

99.8%  
compliance with customer service complaints/ incident response times (up from 97.96% in 2023)

Awards and recognitions



Subsidiaries owned directly by Center3 as follows:

Name of subsidiary	Country of incorporation	Effective shareholding %	
		31 December 2024	31 December 2023
Digital Centers for Submarine Cables	Kingdom of Saudi Arabia	99.8%	99.8%
Digital Centers for Data	Kingdom of Saudi Arabia	99.8%	99.8%
EMC Subsea Cable Company Limited (“EMC”)	Cyprus	72.16%	-
CMC Investments I Limited (“CMC Mauritius”)	Mauritius	100%	-
Datacenter Hub W.L.L	Bahrain	90%	-

center3 outlook for 2025

center3 aims to solidify its footprint as the leading data center (DC) and international connectivity (IC) provider in Saudi Arabia and envisions expanding its footprint regionally, positioning itself as the foremost

MENA data hub and a trusted provider of digital infrastructure. center3 will contribute significantly to the advancement of government initiatives for AI and digital transformation by providing AI-enabled data centers, as well as a robust international connectivity and internet exchange infrastructure.

Subsidiaries and Investments continued

Advanced Technology and Cybersecurity Company (sirar)

sirar’s strategy

With the vision of becoming a leading enabler in cybersecurity for the digital economy, sirar’s mission is to develop cyber solutions and capabilities that adhere to the highest global standards. This mission supports its clients, both in the Kingdom and internationally, in safely navigating their digital transformation journeys.

sirar’s approach is aligned with the increasing demands of the Saudi cybersecurity market and the evolving global cyber threat landscape. sirar is committed to upholding the highest standards of cybersecurity, protecting sensitive data and contributing to a secure and sustainable digital environment in the Kingdom.

sirar’s STORM strategic approach – which stands for Shape, Transform, Occupy, Retain and Model – is a comprehensive plan aimed at solidifying its position in the cybersecurity market. This strategy is centered on expanding sirar’s range of products and services to assert leadership in the cyber market.

A crucial part of this plan is the development of a vast partner system, which is expected to facilitate sirar’s growth beyond the Kingdom’s borders, establishing it as a regional cybersecurity provider. Integral to this

strategy is the focus on delivering an enriching and distinctive customer experience, a factor that sirar believes will be key to its success in the competitive cybersecurity landscape.

2024 achievements

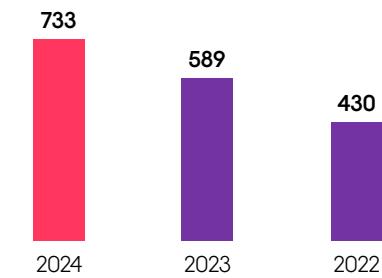
In 2024, sirar continued its robust trajectory, significantly contributing to the success of its Business Unit. The year was marked by several strategic moves and initiatives, positioning sirar as a leader in cybersecurity solutions.

One of the key highlights of the year was signing more than 90 partnership agreement the soft launch the E-commerce platform which is the first cybersecurity platform in Saudi Arabia that focuses on selling cybersecurity products, showcasing sirar’s commitment to innovation and customer-centric solutions. Security enhancement and employee development products were key focus areas for sirar throughout the year, where sirar obtained CREST Incident Response Accreditation by completing all the requirements of obtaining the CREST Incident Response Accreditation. In addition to that, Sirar obtained for compliance ISO 37031:2021 and ISO 31000:2018 to enhance the work environment.

sirar also became the first MSSP partner with Zscaler in KSA giving sirar the opportunity to approach more customers and to increase the market share within the cyber security market. Moreover, to be connected with its customers, sirar published Threat Landscape Report 2024 on the website, social media and mailshots to its partners and clients.

These initiatives and achievements in 2024 highlight sirar’s dedication to innovation, customer satisfaction and market leadership in the cybersecurity domain.

sirar Revenue (ﷲ million)



**About sirar**

Established in November 2020, the Advanced Technology and Cybersecurity Company (sirar) is a wholly owned subsidiary of stc with a share capital of ﷲ 250 million.

Headquartered in the Kingdom, where sirar operates as a leading cybersecurity service provider, focusing on empowering organizations to manage their cyber capabilities and secure their digital environments.

As experts in business security and privacy, sirar offers a broad array of cybersecurity solutions to both public and private sector organizations. These solutions are designed to help organizations operate safely and efficiently online.

The sirar’s tools are specifically tailored to detect, monitor and prevent cyberattacks, providing robust protection and security.

Awards and recognitions



sirar outlook for 2025

With major achievements done in 2024, sirar is aiming to drive growth through multiple initiatives in 2025, This includes expanding services and products to cater to a wider customer base, fostering innovation in tailoring solutions that create an exceptional

customer experience, embracing strategic value-added partnerships. Lastly, sirar is working to upskill capabilities by investing in local talent development programs and fostering a culture of continuous learning and improvement, along with expanding its offerings digitally.



Subsidiaries and Investments continued

Internet of Things Information Technology Company (IoT squared)

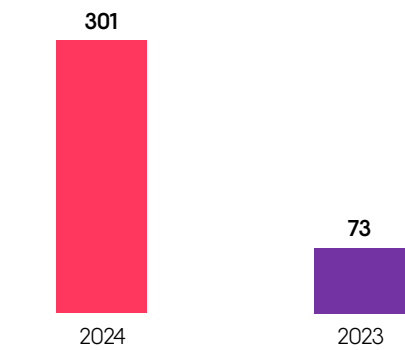
IoT squared's strategy

IoT squared's BOLD strategy contributes to enabling the company's ambition towards regional growth, creating added value and strengthening its position in the region as an integrated provider of all IoT services.

BOLD's strategy is based on the following 4 strategic pillars:

- Being customer and employee centric.
- Offering differentiated products and services.
- Leapfrogging to world-class capabilities.
- Developing an agile culture.

IoT squared Revenue (ﷲ million)



2024 achievements

In 2024, IoT squared embarked on a significant expansion, aligning itself as a key contributor to stc's digital offerings. The year was marked by the launch of several unique products and platforms, effectively positioning IoT squared as an innovative force in the IoT sector, especially in logistics, industrial and smart city sectors.

The company's growth was further accelerated by initiating and developing over 4 key strategic national IoT platforms with key customer projects with strategic clients, demonstrating its ability to foster and maintain significant business relationships. Its partnership network saw a substantial increase, collaborating with more than 120 local and global partners, which brought in best market practices and expertise.

The company's expansion journey included the acquisition of Machinestalk with 100% ownership, a strategic move that augmented its capabilities and market presence. An acquisition of fleet management from stc solutions to accelerate IoT capabilities to enhance the company's position in the market. Furthermore, IoT squared's presence in both local and international markets was reinforced through its participation in key industry events such as LEAP, Cityscape, MWC, GITTS, and Digital Saudi.

About IoT squared

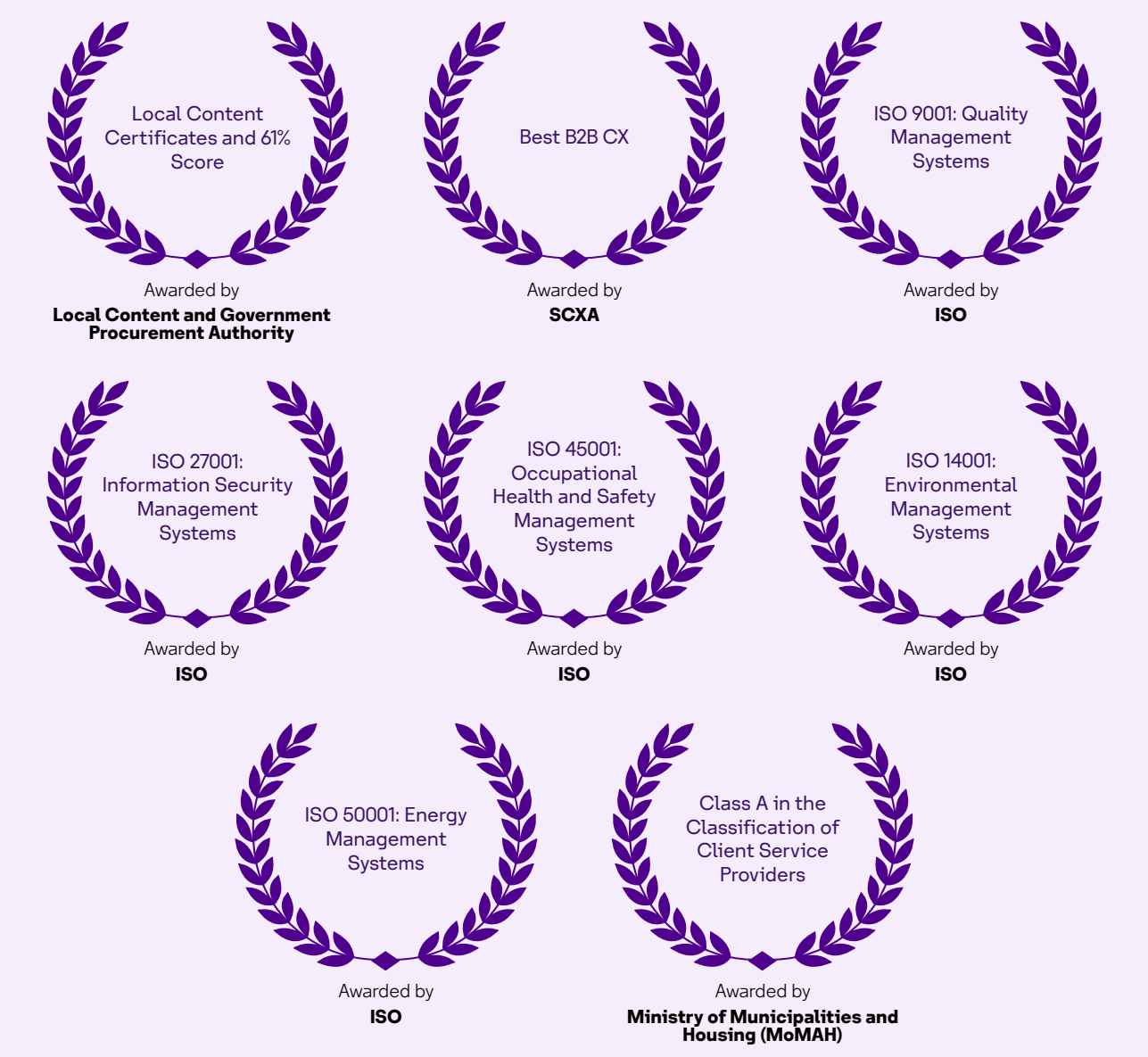
Internet of Things Information Technology Company (IoT squared) was established in May 2022 as a limited liability company by signing a partnership agreement between stc and the Public Investment Fund (PIF), with each party holding a 50% share and a share capital of ﷲ 1,254 million.

IoT squared is positioned to become a leading provider of IoT solutions in the MENA region. Its focus is on crafting tailored solutions, offering real-time insight and developing innovative business models.

IoT squared targets key business sectors such as industrial, logistics and smart cities, providing them with a range of customized smart solutions designed to drive digital transformation and contribute to economic progress.

With its headquarters and operational activities based in the Kingdom, IoT squared is strategically located to tap into the increasing market.

Awards and recognitions



Subsidiary owned directly by IoT squared as follows:

Name of subsidiary	Country of incorporation	Effective shareholding %	
		31 December 2024	31 December 2023
Machines Talk for Contracting Company	Kingdom of Saudi Arabia	100%	-

IoT squared outlook for 2025

In 2025, IoT squared will drive growth across the logistics, industrial and smart cities sectors while expanding its product and service portfolio in key verticals. The company will focus on strengthening its market position by increasing its share in existing offerings, such as fleet management, to ensure

sustainable revenue streams. Maximizing synergies with its shareholders, stc and PIF and their portfolio companies will be a key priority, creating added value through collaboration and integration. Additionally, IoT squared will emphasize innovation and technological development by securing more intellectual property rights, reinforcing its leadership in the evolving IoT landscape.



Subsidiaries and Investments continued

General Cloud Computing Company for Information Technology (SCCC)

SCCC’s strategy

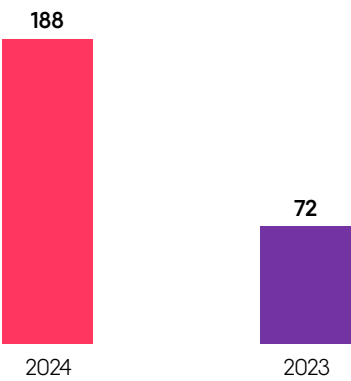
- Help customers enjoy the leading global cloud technology and services.
- Become the de facto cloud services platform in MENA.
- Provide specialized vertical industrial solutions.
- Build a robust sustainable ecosystem.

2024 achievements

In 2024, SCCC secured numerous projects throughout the year, laying a solid foundation for its operational longevity and a clear pathway to profitability. These projects are expected to sustain the SCCC’s growth and financial health in the years to come.

SCCC continued to offer more than 80 cloud-based products to the market since its establishment. This milestone highlights SCCC’s commitment to innovation and reflects its dedication to meeting the evolving needs of its customers. The diverse range of products launched by SCCC indicates its ability to keep pace with the rapidly changing technological landscape and its commitment to remaining at the forefront of the industry.

SCCC Revenue (ﷲ million)



About SCCC

The General Cloud Computing Company for Information Technology (SCCC) was established in May 2022 specializing in cloud computing services with a share capital of ﷲ 894 million.

SCCC represents a collaborative venture between eWTP Arabia Technology Innovation Limited Company (eWTPA), Alibaba (Singapore) Private Limited (Alibaba Cloud), the Saudi Company for Artificial Intelligence (SCAI), and the Saudi Information Technology Company (SITE). stc holds a 55% majority stake in SCCC.

SCCC is the first major hyperscaler in both the Kingdom and the broader region. It offers an extensive array of cloud computing services that cater to a variety of needs. These services include servers, databases, storage, networks and applications, all available on demand.

SCCC’s main operational center is strategically located within the Kingdom, from where it conducts its operational activities, positioning itself as a key player in the region’s burgeoning cloud computing landscape.

Awards and recognitions



SCCC outlook for 2025

In 2025, SCCC will continue delivering world-class cloud technology and services, solidifying its position as the leading cloud services platform in the MENA region. The company will focus on providing specialized industry-specific solutions tailored to

meet evolving market demands while building a robust and sustainable ecosystem. By driving innovation and enhancing its cloud capabilities, SCCC aims to set new benchmarks in digital transformation and reinforce its leadership in the regional cloud computing landscape.



Subsidiaries and Investments continued

Public Telecommunications Company (Specialized)

Specialized’s strategy

Specialized’s vision is to be the trusted partner of critical communications, services and innovative solutions. Its strategy is to focus on the following 4 dimensions:

- Broad critical communications offering.
- Emerging technologies.
- Integrated critical communications services.
- Secured services and solutions.

Specialized has embraced GROW’s strategy by adopting strategic goals that support the growth of the company and achieving the goals of stc.

The company is actively aligned with the goals of the Kingdom’s Vision 2030, aiming to contribute

significantly through the provision of advanced, differentiated and specialized services. Specialized has a particular focus on key sectors such as health, transportation, education, security and defense, positioning itself as an essential player in driving technological advancements and supporting various critical industry segments in the Kingdom.

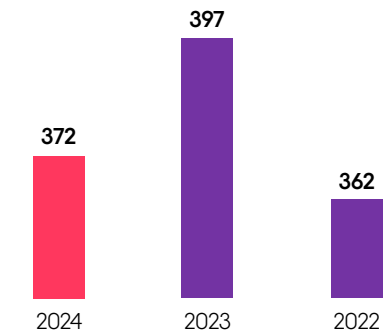
2024 achievements

In 2024, Specialized made significant strides in its transformation journey that began in 2019. The focus on optimal resource utilization and a shift in the business model to leverage integration with stc resulted in an improvement in profitability and stable revenue growth over the past 3 years. This transformation represents a strategic shift in the company’s operations and approach to the market and expanding on proposed solutions.

On the operational and business front, Specialized made considerable improvements. Specialized succeeded during the Hajj season, with high revenues from PTT products and services and the provision of unique and dedicated services for pilgrims.

In addition, Specialized has joined the membership of The Critical Communications Association (TCCA), which aims, in cooperation with its members, to develop and support sectors and companies in various fields of security, health, transportation, and energy. Specialized strives to be the pioneers of critical communication solutions.

Specialized Revenue (ﷲ million)



**About Specialized**

Public Telecommunications Company (Specialized) was established in February 2002 with the purpose of operating in the electrical business and communication networks, wholesale and retail trade in fixed telecommunications equipment, electrical appliances, import, marketing, installation and maintenance of fixed and mobile telecommunications and information technology licensed devices with share capital of ﷲ 252 million fully acquired by stc in 2014.

Specialized is headquartered in the kingdom and delivers its differentiated technological solutions and services across the Kingdom of Saudi Arabia.

Catering to the needs of all types of businesses, especially those requiring critical and mission-critical communications within Saudi Arabia, Specialized provides wholesale and retail trade in fixed telecommunications equipment and electrical appliances, as well as the import, marketing, installation and maintenance of both fixed and mobile telecommunications and information technology licensed devices.

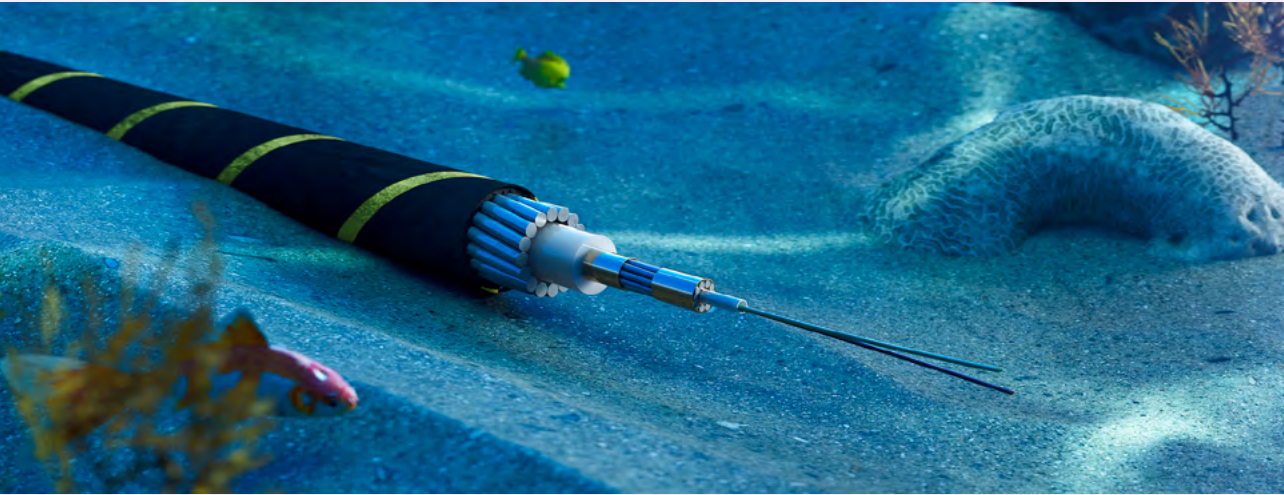
Awards and recognitions



Specialized outlook for 2025

The main objective for Specialized is to revamp the current product portfolio to better serve mission and business critical segments. In 2025, Specialized will focus on building, operating and providing telecommunications infrastructure services, and

maintaining and offering value-added services. A comprehensive portfolio featuring multiple end-to-end mission-critical and business-critical solutions on both dedicated and shared networks is one of the main focus areas in 2025. Specialized in also working to leverage synergies with wider stc offerings to maximize offerings and profit margins.





Subsidiaries and Investments continued

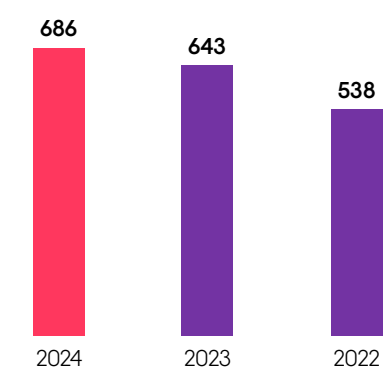
Gulf Digital Media Model Company Ltd (Intigral)

Intigral’s strategy

Intigral’s strategic vision is to become MENA’s largest media aggregator, distributor and entertainment hub by bringing content from regional and global third-party content providers onto the one platform via:

- 1. Providing a single sign-on, single-bill platform.
- 2. Leveraging cross-platform analytics and a recommendation engine to deliver a state-of-the-art viewing experience.

Intigral Revenue (ﷲ million)



2024 achievements

In 2024, Intigral focused on stc tv, positioning it as the go-to digital media platform for stc customers in Saudi Arabia. Key achievements include:

- Significant growth in stc tv’s active user base, driven by a curated content portfolio and enhanced user experience.
- Integration of stc tv with stc’s broader services, boosting customer engagement through seamless bundling with stc’s telco offerings.
- Continuous platform improvements, delivering a best-in-class viewing experience, personalized recommendations, and high-quality content delivery.

Moreover, Intigral has built a solid foundation across its value chain to position itself as the largest media aggregator, namely:

29K  
On-demand content assets

50+  
Partnerships with content providers and aggregators

About Intigral

Gulf Digital Media Model W.L.L. (Intigral) was established as stc’s digital media and entertainment aggregation arm, with the purpose of providing broadcasting and media production services by managing stctv brand in markets where stc operates (Saudi Arabia, Bahrain and Kuwait), headquartered in Saudi Arabia.

Established in March 2002 with a share capital of ﷲ 811 million, it provides over-the-top broadcasting and media services, and manages the stc tv and Jawwy TV brands.

stc tv is available across stc’s operating footprint in Saudi Arabia, Bahrain and Kuwait, while Jawwy TV is available across all other MENA markets.

Awards and recognitions



stc tv outlook for 2025

Looking forward, we will focus exclusively on stc tv as a best-in-class, one-stop-shop digital media streaming platform for stc consumers. Integrating stc tv closer to the primary telco customer segments will better

enable us to offer a leading platform that caters to all their media needs. This approach will not only enhance the user experience for our growing audience, but also open new avenues that improve bundling with our telco offerings, creating a more cohesive service package.





Subsidiaries and Investments continued

Aqalat Limited Company (Aqalat)

Aqalat’s strategy

Aqalat’s strategy is based on maximizing stc’s returns by developing real estate projects based on stc’s assets, leasing and selling non-core real estate assets, after converting land uses from service facilities to mixed-use investment lands.

2024 achievements

Aqalat successfully completed the skeleton works for all construction blocks of the stc Square project, marking a significant milestone in its development. This achievement underscored Smart Zone’s commitment to progress and excellence. Throughout the process, rigorous pre-qualification procedures, field visits, testing and mock-ups were conducted, leading to the approval of more than 460 materials. This meticulous approach ensured the highest quality and reliability across all project components.

Demonstrating strong operational efficiency, Smart Zone processed over 24,000 inspection requests, reinforcing its proactive approach to maintaining compliance with necessary standards and specifications. This level of diligence highlighted Aqalat’s dedication to delivering best-in-class infrastructure and operational excellence.

Further strengthening its hospitality portfolio, Aqalat partnered with Taiba Investments (formerly DUR Hospitality Company) to develop a state-of-the-art hotel. Additionally, stc Square signed a Management Agreement with Marriott, securing a world-class operator to manage the facility, further enhancing its value and market positioning.

In line with its expansion strategy, Dammam Square saw significant progress, with more than 400,000 square meters of land designated for development. Infrastructure work commenced in Q4 2024, laying the foundation for future commercial and real estate growth in the region.

Aqalat also demonstrated a strong commitment to workforce nationalization, achieving Saudization levels exceeding 95%. Aqalat successfully ensured 100% employee contract documentation on the Qiwa platform, reinforcing compliance and transparency in employment practices. Additionally, Aqalat secured an 81% local content score, emphasizing its role in driving national economic development and contributing to Saudi Arabia’s localization objectives.

Aqalat outlook for 2025

In 2025, Aqalat will advance the development of stc Square, with Phase 1 nearing completion as a cutting-edge mixed-use project, integrating stc’s technological capabilities to create a smart and sustainable flagship development. The superstructure will be developed in phases, while infrastructure work will be completed across the entire site. Phase 2 has entered the construction phase following the finalization of its design. Additionally, Aqalat will complete the implementation of the Dammam Square project, focusing on infrastructure development to enhance market value before facilitating its sale through the Wafi program.

Telecom Commercial Investment Company Limited (TCIC)

Telecom Commercial Investment Company Limited (TCIC) was established in October 2007 with the purpose of operating and maintaining telecommunication networks, organizing computer systems’ networks and internet networks, maintenance, operation and installation of telecommunication and information technology systems and programs in the Saudi market with share capital of ﷲ 1 million as at 31 December 2024, wholly owned by stc. Its head office is located in the Kingdom and it fulfills its operational activity in the Kingdom.

Smart Zone Real Estate Company

Smart Zone Real Estate Company – a limited liability company was established in September 2019 and its main activity is the development, financing and management of real estate projects, the establishment of facilities, complexes, commercial, office and residential buildings with share capital of ﷲ 417 million as at 31 December 2024. Headquartered in Saudi Arabia, it carries out its operations in the Kingdom.

Innovation Fund Investment Company (Tali)

Innovation Fund Investment Company (Tali), a limited liability company, was established in August 2021 with the purpose of providing administrative services and IT and telecommunication support and with share capital of ﷲ 412.5 million as at 31 December 2024. Its head office is located in the Kingdom and it fulfills its operational activity in the Kingdom.

Digital Infrastructure for Investment Company

Digital Infrastructure for Investment Company, was established during the fourth quarter of the year 2023 in the Kingdom of Saudi Arabia. It is a simplified closed joint stock company, established to provide services and necessary support for stc’s investing activities. Its head office is located in the Kingdom and it fulfills its operational activity in the Kingdom.

As at 31 December 2024, stc sold a controlling interest in TAWAL and Digital Infrastructure Company pursuant the approved sale and purchase agreement between stc and PIF by the General Assembly of stc. As of the date of loss of control, stc has started to account for its retained interest in TAWAL and Digital Infrastructure for Investment Company using the equity method in accordance with the requirements of IAS 28 “Investments in Associates and Joint Ventures” (for more details, see note 8-1-1 and note 14-1 in the consolidated annual financial statements).

**About Aqalat**

Aqalat Real Estate Limited Company (Aqalat) was established in March 2013 with a total share capital of ﷲ 70 million.

Aqalat is wholly owned by stc with the purpose of establishing, owning, investing, managing of real estate and contracting, and providing consulting services, and importing and exporting services to the benefit of stc in alignment with DARE2.0 strategic goals.

It is headquartered in the Kingdom, and carries out its operational activities in the Kingdom.

Subsidiaries and Investments continued

International Subsidiaries

stc Bahrain Company (stc Bahrain) – Kingdom of Bahrain

stc Bahrain’s strategy

stc Bahrain’s **LEAD** strategy is aimed at solidifying its leadership position in the Bahrain market and is based on 4 key pillars:

- **Leadership in core markets, emphasizing focus on further strengthening leadership position across core markets.**
- **Experience as a key differentiator, focusing on delivering a unique and superior customer experience.**
- **Acceleration in selected adjacencies, targeting rapid growth and across new non-core verticals, with a focus on FinTech, InsurTech and B2B ICT.**
- **Distinctive and sustainable performance, ensuring long-term success by achieving operational excellence.**

2024 achievements

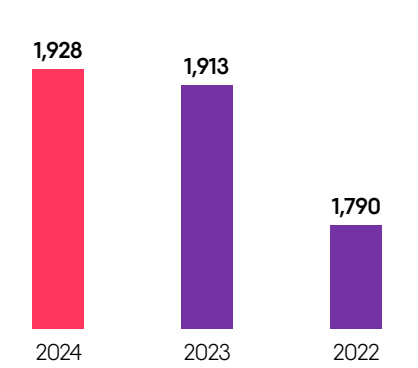
In 2024, stc Bahrain made significant progress across all strategic pillars and achieved multiple key milestones focused on value creation, experience enhancement, innovation and driving sustainable growth.

stc Bahrain continued to modernize its network infrastructure aimed at delivering a strong network experience to its customers. Further, strong focus on elevating customer experience across all traditional and digital touchpoints enabled stc Bahrain to achieve customer experience leadership in the Broadband segment with a marked customer experience improvement in the voice segment.

Additionally, stc Bahrain achieved a significant milestone by successfully migrating to the new converged billing system. The new converged billing system will enable stc Bahrain to provide customers with real-time billing information and increased bill transparency/flexibility, which will positively impact customers’ billing experience.

On the digital front, stc Bahrain introduced Bahrain’s first instant eSIM sales journey facilitated by an AI facial recognition-based eKYC. This digital innovation enabled stc Bahrain to enhance customer onboarding experience and significantly boost sales via digital channels. To further accelerate customer acquisitions, stc Bahrain launched “Scan & Go” SIM journey, which has transformed the traditional SIM activation process and enhanced stc Bahrain’s sales coverage.

stc Bahrain Revenue (ﷵ million)



About stc Bahrain

stc Bahrain was established in February 2009 with the purpose of providing integrated communications services in the Bahraini market, the company is wholly owned subsidiary of stc with a share capital of BD 75 million.

Since entering Bahrain’s telecom market, stc Bahrain has achieved great success. Today stc Bahrain is Bahrain’s #1 operator in Consumer &

Wholesale markets and a strong challenger in the Business market. Over the course of its evolution, stc Bahrain has been at the forefront of innovation and has pioneered introduction of multiple local, regional and global-first cutting-edge technologies.

Both its head office and operational activities are based in the Kingdom of Bahrain.

Additionally, stc Bahrain continued enriching the mystc app with advanced digital functionalities, along with an exclusive array of lifestyle and entertainment benefits. Such efforts on promoting digital interactions with customers led to a notable increase in mystc app adoption and usage among the customers.

stc Bahrain also continued efforts towards expanding its B2B Core and ICT portfolio and launched multiple new offerings across connectivity, cloud, cybersecurity and information technology service domains.

On adjacent services, stc Bahrain’s FinTech (stc pay BH) and insurtech (stc protect) offerings continued to gain momentum in the market. stc pay BH achieved a significant milestone of reaching 200,000 customers in 2024. stc Bahrain’s InsurTech offering saw a significant increase in conversion rates. Further, stc Bahrain rolled out multiple strategic initiatives to position itself at the forefront of blockchain innovation. This involved setting up and managing the first infrastructure hosting/validation node for Web3 services in the MENA region.

Awards and recognitions



Subsidiaries owned directly by stc Bahrain as follows:

Name of subsidiary	Country of incorporation	Effective shareholding %	
		31 December 2024	31 December 2023
stc Tech W.L.L	Bahrain	100%	100%
stc Pay Bahrain B.S.C. (c)	Bahrain	100%	100%
stc Pay Bahrain Remittance B.S.C.	Bahrain	100%	100%

stc Bahrain outlook for 2025

In 2025, stc Bahrain will continue its drive for value creation and shareholder value maximization by strengthening its core market segments and expanding its regional footprint in FinTech and InsurTech. stc Bahrain will accelerate capability building in B2B

ICT to capitalize on emerging market opportunities while enhancing digital enablement across both customer-facing and internal operations. Through strategic growth and innovation, stc Bahrain aims to reinforce its leadership in the evolving digital and telecommunications landscape.

Subsidiaries and Investments continued

Kuwait Telecommunication Company (stc Kuwait) – Kuwait

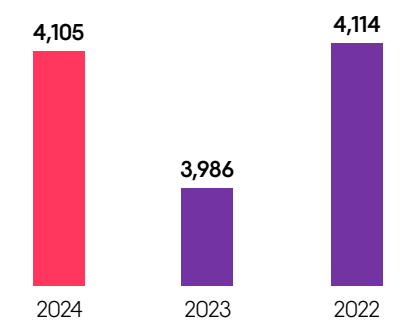
stc Kuwait’s strategy

stc Kuwait’s **REACH** strategy represents a refreshed approach to achieving sustainable growth and innovation, building on the foundation of the successful LEAD strategy. The strategy focuses on 5 key pillars, with clearly defined objectives and KPIs:

- **Reignite the consumer portfolio.**
- **Expand enterprise growth.**
- **Advance market evolution.**
- **Create differentiated experiences.**
- **Harness business excellence.**

By focusing on these pillars, stc Kuwait aims to lead the telecommunications and ICT sectors in Kuwait, enabling digital transformation, driving innovation and contributing to Kuwait’s long-term strategic goals.

stc Kuwait Revenue (ﷵ million)



2024 achievements

stc Kuwait has achieved a high rate of annual progress across key operating measures since the beginning of 2024:

64%  
Kuwaitization rate

66  
Number of branches

2.3 million  
Total subscribers

In 2024, stc Kuwait managed to achieve significant milestones as it continued to achieve sustainable growth through its strategic approach to enabling digital transformation, expanding its operations and enhancing the lifestyles of its valued customers. stc Kuwait reported solid financial and operational performance throughout the year while continuing to expand its portfolio of digital solutions and infrastructure. This progress reflects stc Kuwait’s commitment to standing at the forefront of the telecom and ICT sectors, both in Kuwait and throughout the region. To achieve this outcome, stc Kuwait strengthened its position as a pioneer in its sector by investing in its solid network infrastructure, introducing new-to-market concepts, introducing new technologies to the market, and making strategic investments in emerging technologies.

The year saw stc Kuwait reach new heights in its digital transformation journey across various aspects defined under its strategy. The approach enabled stc Kuwait to drive improvements in customer experience, while streamlining operational efficiencies across different aspects of the business. Leveraging its cutting-edge network infrastructure, stc Kuwait continued to provide a diverse range of services, tailored to the evolving needs of both individual and enterprise customers. This adaptability is at the core of stc Kuwait’s strength as a leader in delivering innovative, customer-centric telecom solutions. Whether through faster connectivity, advanced enterprise solutions or next-generation technologies, stc Kuwait has consistently demonstrated its ability to exceed customer expectations.

In line with its corporate strategy, stc Kuwait also made considerable progress in enhancing its internal capabilities and systems. By further digitizing processes, stc Kuwait has optimized its operations, leading to streamlined workflows and improved efficiency. This operational excellence plays a crucial role in supporting stakeholders and delivering high-quality services.

stc’s specialized ICT arm, e-Portal Holding Company, continues to play a crucial role in delivering advanced and innovative solutions to the enterprise sector. In 2024, stc expanded its ICT offerings through e-Portal, introducing cutting-edge solutions and broadening the scope of its services to meet the evolving demands of businesses. e-Portal Holding Company, the ICT arm of stc, continued to play an active role in providing comprehensive and advanced ICT solutions designed for the enterprise sector. These offerings included advanced cloud services, cybersecurity services and artificial intelligence technologies, reinforcing stc’s position as a leader in digital transformation.

In 2024, e-Portal also prioritized cybersecurity, recognizing its critical importance in the digital era. Through state-of-the-art security frameworks, threat detection systems and end-to-end encryption protocols, and providing a secure ICT infrastructure, the company supports businesses in mitigating risks and complying with regulatory standards, while fostering trust and reliability in its services.

These efforts reflect stc’s commitment to staying ahead of industry trends, shaping the future of ICT services in Kuwait, and enabling enterprises to embrace innovation while maintaining resilience against emerging cybersecurity threats.

**About stc Kuwait**

Kuwait Telecommunications Company (stc Kuwait) was established in July 2008 with the purpose of operating in the field of mobile services in the Kuwaiti market. stc Kuwait was publicly listed as a joint stock company on Kuwait Stock Exchange in December 2014 with a share capital of KD 50 million to reach KD 100 million in 2022, through the distribution of 100% bonus shares to its shareholders.

In 2023, stc has been add to a number of MSCI and FTSE Global Equity Indexes in addition to being

upgraded in Bursa Kuwait from the Main Market to the Premier Market in early 2024, reflecting the stc Kuwait’s robust financial performance in addition to its strong commitment to compliance and governance standards.

As at 31 December 2024, stc owns a 51.8% stake in stc Kuwait.

stc Kuwait’s head office is situated in Kuwait, from where it conducts all its operational activities.



Subsidiaries and Investments continued

Awards and recognitions



Subsidiaries owned directly by stc Kuwait as follows:

Name of subsidiary	Country of incorporation	Effective shareholding %	
		31 December 2024	31 December 2023
Qualitynet General Trading and Contracting Company W.L.L. (solutions by stc)	Kuwait	100%	100%
e-Portal Holding Company K.S.C. (Closed)	Kuwait	100%	100%

stc Kuwait outlook for 2025

In 2025, stc Kuwait will focus on strengthening its core B2C and B2B telecom businesses while diversifying beyond traditional offerings and expanding its ICT portfolio. The company will enhance its commercial engines, drive competitive dynamics and deepen government relationships to secure its strategic

positioning. A key priority will be delivering a best-in-class experience for customers and partners while reinforcing its status as an employer of choice and elevating its brand presence. Additionally, stc Kuwait will accelerate its digital transformation, fostering organizational agility to adapt to evolving market demands and sustain long-term growth.

stc Asia Holding Ltd (stc Asia) – British Virgin Islands

stc Asia Holding Ltd (stc Asia) is a limited liability company established under the Commercial Companies Law in the British Virgin Islands in July 2007 and is a special purpose vehicle. It owns a subsidiary (a wholly owned subsidiary) stc Malaysia Holdings Ltd (stc Malaysia), which was incorporated under the Commercial Companies Law in the British Virgin Islands.

stc Malaysia Holding Ltd., in turn, holds stc's 25% stake in Binariang GSM Sdn Bhd (BGSM) that invests in companies operating primarily in Malaysia (for more details, see note 8-2 in the consolidated annual financial statements). The principal activity of both stc Asia and its subsidiary is to provide services and support required in respect of investment activities of stc.

stc Turkey Holding Ltd (stc Turkey) – British Virgin Islands

stc Turkey is a limited liability company, established under the Commercial Companies Law in the British Virgin Islands in April 2008. It is a special purpose vehicle established to provide services and support required in respect of investment activities of stc.

In April 2008, stc Turkey acquired 35% of Oger Telecom Limited's (OTL). As of 31 December 2024, OTL liquidation has been completed and the liquidation process of stc Turkey has started.

stc Gulf Investment Holding (stc Gulf) – Kingdom of Bahrain

stc Gulf was incorporated in March 2008 and has wholly-owned subsidiaries in the Kingdom of Bahrain, as listed below. The primary objective of this company and its following subsidiaries is to provide services and support required in respect of investment activities of stc:

- a. stc Gulf Investment Holding 1 W.L.L.
- b. stc Gulf Investment Holding 2 W.L.L.
- c. stc Gulf Investment Holding 3 W.L.L.

stc GCC Cable Systems W.L.L. (stc GCC) – Kingdom of Bahrain

stc GCC Cable Systems W.L.L., a limited liability company, was established in April 2021 with the purpose of the sale and installation of telecommunications equipment and the construction of utilities projects. stc GCC Cable Systems W.L.L. is wholly owned by stc as part of the agreement to invest in a fund aimed to drive innovation in the communications and information technology sector in the Kingdom of Bahrain and other GCC countries with share capital of BD 48 million as at 31 December 2024 equivalent to ₪ 477 million.

Green Bridge Investment Company (GBI) – Luxembourg

Green Bridge Investment Company was established during the third quarter of the year 2023 in Luxembourg. It is a special purpose vehicle established to provide services and necessary support for stc's investing activities.

Green Bridge Management Company (GBM) – Luxembourg

Green Bridge Management Company was established during the third quarter of the year 2023 in Luxembourg. It is a special purpose vehicle established to provide services and necessary support for stc's investing activities.

No debt instruments in the form of Sukuk or bonds were issued for stc's subsidiaries.

Subsidiaries and Investments continued

Investments

Investments in Associate

Name of associate companies	Country of incorporation	Shareholding percentage	
		31 December 2024	31 December 2023
Arab Satellite Communications Organization (Arabsat)	KSA	36.66%	36.66%
Beyond One Saudi for Telecommunications LLC, formally Virgin Mobile Saudi Consortium (VMSC)	KSA	10%	10%
Digital Infrastructure for Investment Company	KSA	43.06%	-
Devoteam Middle East (DME)	UAE	40%	40%
Virgin Mobile Kuwait (VMK)	Kuwait	10%	10%
Giza Systems Company for Electromechanical Contracting	Egypt	50.01%	50.01%

Arab Satellite Communications Organization (Arabsat) – Kingdom of Saudi Arabia

Arab Satellite Communications Organization (Arabsat) was established in April 1976 by the members of the League of Arab States, and its head office is located in the Kingdom. Arabsat offers a number of services to these member states, as well as to all public and private sectors within its coverage area, and principally in the Middle East.

Current services offered include regional telephony (voice, data, fax and telex), television broadcasting, regional radio broadcasting, restoration services and leasing of capacity.

In April 1999, stc acquired 36.66% of Arabsat’s share capital.

Beyond One Saudi for Telecommunications LLC, formally Virgin Mobile Saudi Consortium (VMSC)

Beyond One Saudi for Telecommunications LLC, formally Virgin Mobile Saudi Consortium (VMSC) was established in 2013 as a mobile virtual network operator and started its operations during the year of 2014. stc owns 10% of Beyond One Saudi for Telecommunications LLC’s share capital. stc has the ability to exercise significant influence is evidenced by the reliance of Beyond One Saudi for Telecommunications LLC’s on the stc’s technical network. Its head office is located in the Kingdom and it fulfills its operational activity in the Kingdom.

Digital Infrastructure for Investment Company – Kingdom of Saudi Arabia

In reference to the note 6.22 and 14.1 in the consolidated annual financial statements, stc retained shareholding interest in TAWAL and Digital Infrastructure for Investment Company was calculated based on the final shareholding in Digital Infrastructure for Investment Company at the completion of the deal after transferring the ownership of both TAWAL and GLIC (owns and manages 8,069 telecommunications towers in the Kingdom of Saudi Arabia, and owned by PIF, HRH Prince Saud Bin Fahad bin Abdulaziz and Sultan Holding Company) under a new entity. The company’s ownership structure is distributed as follows: 54.38% by the Public Investment Fund, 43.06% by stc, and 2.56% by HRH Prince Saud bin Fahad bin Abdulaziz and Sultan Holding Company.

Devoteam Middle East (DME) - United Arab Emirates

Devoteam Middle East is a leading IT consulting company in the Middle East, specializing in digital transformation, cyber and cloud solutions, and business process optimization. It was established in December 2003 and stc (through solutions) acquired 40% of its ownership.

Virgin Mobile Kuwait (VMK) – Kuwait

Virgin Mobile Kuwait (VMK) is indirectly owned through stc Kuwait with 10% ownership. stc’s ability to exercise significant influence is evidenced by the reliance of Virgin Mobiles Kuwait on stc Kuwait’s technical network.

Giza Systems Company for Electromechanical Contracting – Egypt

Giza Systems Company for Electromechanical Contracting was established in 2011 to execute operation works, engineering consultancy, evaluations of systems, electronic devices and computers. The company is indirectly owned through solutions with 50.01% ownership. solutions accounts for this investment as an associate as it has significant

influence without having control and rights that enable solutions to direct decisions and relevant activities of this company.

Investments in Joint Ventures

Name of joint ventures	Country of incorporation	Shareholding percentage	
		31 December 2024	31 December 2023
Arab Submarine Cables Company Limited	KSA	50%	50%
Binariang GSM Holding (BGSM)	Malaysia	25%	25%
Integrated Data Company for Information and Technology	KSA	39%	39%

Arab Submarine Cables Company Limited – Kingdom of Saudi Arabia

Arab Submarine Cables Company Limited was established in September 2002 for the purpose of constructing, leasing, managing and operating a submarine cable connecting the Kingdom and the Republic of Sudan for telecommunications between them and any other country. The operations of the company started in June 2003 and stc acquired 50% of its ﷵ 75 million share capital in September 2002. In November 2016, the company’s capital was reduced to ﷵ 25 million. Its head office is located in the Kingdom where it fulfills its operational activity.

Binariang GSM Holding (BGSM) – Malaysia

Binariang GSM Holding (BGSM) is an investment holding group headquartered in Malaysia where it owns 62% of Maxis Malaysian Holding Group (Maxis), a major telecom operator in Malaysia. During the year 2007,, stc acquired (through its subsidiaries stc Asia holding and stc Malaysia holding) 25% of BGSM’s MYR 20.7 billion share capital, which is equivalent to approximately ﷵ 23 billion at the exchange rate as at that date.

During 2013, stc conducted a review of its foreign investment in BGSM, including the manner in which this investment was being managed and how joint control had been effectively exercised. As a result, stc signed an amendment to the shareholders’ agreement with other shareholders of BGSM, with respect to certain operational matters of Aircel (one of Binariang group subsidiaries at that time). Consequently, stc ceased to account for its investment in Aircel using the equity method effective from the second quarter of 2013.

Integrated Data Company for Information and Technology – Kingdom of Saudi Arabia

During the second quarter of 2023, Integrated Data Company for Information and Technology was established in the Kingdom of Saudi Arabia as a joint venture among stc (39%), Etihad Etisalat Company (30%) and Mobile Telecommunication Saudi Company (31%) with a share capital of ﷵ 22 million. This entity provides various services including demographic analyses, population statistics, data on population size, as well as traffic and transportation statistics, public road routes and parking information.

Subsidiaries and Investments continued

Other Investments

Investment in Telefónica

stc invested in Telefónica by acquiring a 997% interest in the company for a total consideration of EUR 2.1 billion (which is equivalent to ₪ 8.5 billion), making stc Telefónica's largest shareholder. Telefonica is a leading European telecommunications operator through its significant presence in three of the largest European markets.

This acquisition represents another milestone in stc's expansion and growth strategy, and reflects stc's confidence in Telefónica's sustainable growth and upside potential. Telefónica benefits from a unique portfolio of best-in-class infrastructure assets and cutting-edge technology platforms, where it is developing state-of-the-art capabilities in adjacent areas such as cognitive intelligence, edge computing and IoT.

During the third quarter of the year 2023, stc completed the purchase of 4.9% direct shareholding in Telefonica. Telefonica is a leading European telecommunications operator through its significant presence in 3 of the largest European markets, namely Spain, Germany and the UK, in addition to Brazil which is the largest market in Latin America. These investments are irrevocably designated at fair value through OCI. stc has received dividends during the the year of 2024 amounting to ₪ 335 million, which is included as other income in the consolidated statement of profit or loss.

During the fourth quarter of 2024, stc received the foreign investment authorization from the Spanish Council of Ministers. During the first quarter of 2025 stc has increased its voting rights from 4.97% to 997% following the completion of all relevant requirements (For more details, see notes 16.1–32.1 in the consolidated annual financial statements).

Investments in the Sukuk issued by the Ministry of Finance

stc invested in the Sukuk issued by the Ministry of Finance as follows:

Item	First tranche (₪'000)	Second tranche (₪'000)
Nominal investment value	2,140,000	1,600,000
Year of investment	2019	2024
Year of maturity	2029	2029
Yield	3.9%	3.9%

Investment in the Sukuk issued by Binariang GSM Holding (BGSM)

During the year 2007, stc Asia Holding Company Limited (a subsidiary) invested in Sukuk issued by Binariang GSM Sdn Bhd (BGSM) in the amount of RM 1,508 million (which is equivalent to ₪ 1,383 million) for a period of 50 years (callable after 10 years) with an annual profit margin of 6 months KLIBOR +8.51%. These sukuk are not past due or low in value with a book value of ₪ 1,191 million as at 31 December 2024.

**stc invests in various venture funds**

stc invests in various venture funds, which are investing in emerging, small and medium-sized companies operating in the field of communications and information technology in the Kingdom and other global markets.

During 2022, stc signed an agreement with STV LP Fund and allocated an additional ₪ 1,125 million (equivalent to USD 300 million) investment in the fund, out of which ₪ 555 million (equivalent to USD 148 million) was injected.

The fair value of stc's investment in the units of stc Ventures Fund and STV LP Fund (the "Funds") is obtained from the net asset value (NAV) reports received from the Funds' managers. The Funds' managers deploy various techniques (such as recent round of finance, discounted cash flow models and multiples method) for the valuation of underlying financial instruments classified under level 3 of the respective Fund's fair value hierarchy. STV fund represents the majority Group investment in funds with carrying value of ₪ 3,752 million. Significant unobservable inputs embedded in the models used by the STV Funds' managers include adjusted discount rates and lack of marketability discount. An increase/ (decrease) of 10% in the discount rate would lead to a (decrease)/increase of (₪ 96 million)/ ₪ 111 million in fair value (2023: an increase/(decrease) of 10% in the discount rate would lead to a (decrease)/increase of (₪ 41 million)/ ₪ 45 million in fair value). An increase/ (decrease) of 10% in the lack of marketability discount would lead to a (decrease)/increase of (₪ 12 million)/ ₪ 12 million in fair value (2023: An increase/(decrease) of 10% in the the lack of marketability discount would lead to a (decrease)/increase of (₪ 61 million)/ ₪ 41 million in fair value). (for more details, see note 43.2 in the consolidated annual financial statements).

