

# Strategic Partnerships

## Our journey through Strategic Partnerships in 2024

As in 2024, we strengthened our partnerships to deliver cutting-edge 360° ICT solutions, fulfilling our 2023 commitments and driving innovation. From foundational infrastructure like structured cabling and data centers to advanced network, security, and collaboration tools, we enabled seamless connectivity and innovation.

We expanded into hyper-converged infrastructures, high-performance computing, and AI-ready platforms, empowering businesses with scalable solutions and advanced analytics. Our AI advancements include robust data platforms and predictive to generative AI applications, reimagining customer experiences and product design.

With ventures into IoT, Smart City services, and enhanced cloud management, we embraced a connected and secure future. Our hybrid cloud, IaaS, PaaS, and SaaS solutions, including bilingual Large Language Models (LLMs), showcased our adaptability in the hybrid era.

These achievements, powered by strong partnerships, have solidified solutions by stc as a leader in AI and scalable infrastructure, solving customer challenges with sustainable solutions across key industries in the Kingdom.

## Expanding capabilities through new partnerships and MoUs in 2024

Key partnerships and MoUs expanded our business value and market reach, bridging critical technology gaps. We integrated cloud-native solutions, advanced AI and ML platforms, and private networks to drive digital transformation and secure connectivity. Through cutting-edge design thinking and high-performance AI technologies, we delivered superior value with AI-driven monitoring, vulnerability detection, and performance optimization, solidifying our position as a leader in innovation.

Each of our partners brings invaluable experience and expertise that enable us to advance our technology solutions. Together, we provide more comprehensive, holistic, and integrated solutions for the benefit of our clients, thereby expanding our portfolio and increasing our market presence.

## Key partnerships in 2024

- ▶ **Mavenir:** Partnering with Mavenir, we delivered advanced cloud-native network solutions, enhancing private 5G deployment and transforming network experiences.
- ▶ **CNTXT:** Collaborating with CNTXT, we accelerated digital transformation by leveraging their Google cloud expertise and innovative ICT solutions.
- ▶ **FastSystems:** Through FastSystems' ISTAR and Terra 4D platforms, we enhanced real-time surveillance and situational awareness capabilities.
- ▶ **Dataiku:** Joining forces with Dataiku, we empowered enterprises with AI and machine learning platforms for data-driven decision-making.
- ▶ **Capgemini (frog):** With Capgemini's frog design studio, we reimagined customer experiences by integrating cutting-edge design thinking into our services.
- ▶ **SenseTime:** Teaming up with SenseTime, we integrated advanced AI and computer vision technologies to offer intelligent solutions across industries.
- ▶ **Celona:** In partnership with Celona, we deployed private LTE/5G networks, ensuring seamless and secure connectivity for enterprise applications.
- ▶ **ServiceNow:** Focusing on services management, workflow automation and cloud-based solutions, transforming enterprise operations and processes powered by the AI Platform.

## Key MoUs in 2024

- ▶ **DDN:** Formalizing a MOU in GITEX '24 for high-performance data storage, AI, machine learning, and HPC environments collaboration, delivering scalable storage for big data and optimized AI workflows.
- ▶ **Cohere:** Signing an MoU at GITEX '24 to collaborate on enterprise AI, focusing on NLP, generative AI, and retrieval-augmented generation, enabling efficient AI-driven solutions for language and content understanding.
- ▶ **Cerebras:** Signing an MoU with Cerebras at GITEX '24, advancing AI acceleration and high-performance AI hardware, particularly for deep learning, complex AI models, and research environments.
- ▶ **Dynatrace:** Establishing a MoU at GITEX '24 to integrate AIOps, full-stack monitoring and observability, and security analytics, enabling AI-driven infrastructure monitoring, vulnerability detection, and performance optimization across digital environments.
- ▶ **Huawei:** By signing an MoU with Huawei, we enhanced our SDWAN and SASE offerings, expanding our managed services portfolio for superior network security and agility.

In 2024, we established transformative partnerships with global innovators that enriched our capabilities in advanced AI, predictive analytics, and cloud-native solutions — empowering us to deliver cutting-edge technology to our customers. By expanding our managed services portfolio, deepening our alliances in IoT and hybrid cloud platforms, and achieving top-tier partner statuses, we strengthened our leadership position and set a new benchmark for innovation and value.

Yousef Abdulrahman AlMarshad  
Chief Commerical Officer

## Strategic Partnerships continued

### Connecting partnership with the corporate LEAP Strategy

Strategic partnerships were pivotal in driving our company's objectives and performance across every stage of the partnership lifecycle. With strong alignment across Sales, Presales, and Post-sales, our partnerships enabled portfolio expansion, fostered revenue growth, and boosted profitability.

Our LEAP strategy provided a structured lifecycle approach to partnership management, ensuring sustained value at each stage:

- ▶ **Lead Through Service Excellence:** In the onboarding and capability-building stages, we continuously developed our teams, enhancing their technical expertise to effectively address challenges and establish a foundation of service excellence.
- ▶ **Empower Business Growth:** During the mid-lifecycle phase, we co-developed solutions and refined business models with partners, creating integrated offerings that met evolving customer needs and expanded our reach in diverse markets.
- ▶ **Achieve Excellence in Engagements:** As partnerships matured, we enhanced customer engagements, embedding best practices in experience and loyalty-building, thus ensuring long-term, impactful relationships.
- ▶ **Promote Efficiency and Sustainability:** In the renewal and expansion stages, we optimized solutions with partner incentive programs to improve profitability, fostering efficiency and sustainable growth.

### Major milestones and achievements in 2024

Our Partnership function achieved several milestones to better serve our customers, enhancing capabilities, knowledge, and customer experience. Key highlights include:

#### 1. Fostering a knowledge economy through Corporate Social Responsibility (CSR)

We contributed significantly to the knowledge economy as part of our CSR initiatives by offering over 100 hours of technical training in collaboration with industry leaders like Fortinet, Palo Alto Networks, Dell Technologies, Cloudera, TIBCO, Oracle, and Nokia. Through the stc Academy, these sessions targeted stc Group employees, expanding expertise in crucial domains such as cybersecurity, big data, generative AI, networking, and 5G.

#### 2. Driving revenue growth and expanding service capabilities

Our partnership network was instrumental in increasing revenue and enhancing service delivery:

- ▶ **Authorized service provider status:** We became an authorized service provider for Dell Technologies across Dell and non-Dell business lines, further strengthening our service portfolio.
- ▶ **Value-Added Services:** We collaborated with VAS (Giza – Arabia Subsidiary) to become an authorized direct distributor for Dell Technologies, directly enhancing profitability.
- ▶ **Huawei CSP authorization:** We achieved Huawei Cloud Service Provider authorization, bringing in-house cloud expertise and further advancing our service offerings.

#### 3. Capability development through certification and training

In 2024, we prioritized enhancing the skills of our Pre-sales and Delivery Engineers, conducting over 100 enablement sessions and certification boot camps with our technology partners. Key achievements include:

- ▶ **Schneider Electric EcoXpert Partner certifications:** We attained specialized EcoXpert levels in Data Center and Critical IT Infrastructure through Schneider Electric.
- ▶ **xFusion certifications:** With xFusion, we hosted full-day certification boot camps, resulting in over 15 engineers certified as Three-Star Service Providers and technical experts.
- ▶ **Dahua masterclasses:** Our engineers gained expertise through Dahua Service & Presales Engineer Masterclass sessions.
- ▶ **Sales enablement sessions:** We held comprehensive sessions on use cases and technology applications for partners like Cisco, Cloudera, Dell, Huawei, HPE, and Thales, equipping our sales teams with deep product knowledge to better serve customers.

#### Partner of the Year 2024 Awards

Our dedication to partnership excellence was recognized through multiple prestigious awards from our valued partners, underscoring our commitment to innovation, service quality, and business growth. These awards reflect our team's hard work, strategic alignment, and outstanding performance across diverse technology domains:

- ▶ **Cisco:** Service Provider Partner of the Year
- ▶ **Dell:** Highest Revenue Partner of the Year
- ▶ **Huawei:** Sales Excellence Award
- ▶ **F5:** Top Achiever Partner in FY23
- ▶ **NetApp:**
  - Artificial Intelligence Partner of the Year
  - Enterprise Partner of the Year

- ▶ **Infoblox:** Innovator Partner
- ▶ **SAP:** Best LoB Partner
- ▶ **Cloudera:** Best System Integrator in Saudi Arabia
- ▶ **Zoom:** Digital Transformation Partner of the Year
- ▶ **HP Poly | FVC:** Partner of the Year
- ▶ **Nutanix:** Rising Star Partner of the Year
- ▶ **Corning:** Strategic Partner of the Year

### Key KPIs demonstrating the impact of strategic partnerships in 2024

Our strategic partnerships delivered strong performance across several key metrics, underscoring their impact and importance to our business strategy. Comparing these results to 2023, we achieved notable improvements that reflect the growing strength of our partnerships and our commitment to operational excellence:

- ▶ **Partners' revenue growth:** We achieved an organic growth of over 11% year-over-year (YoY), driven by our collaborative efforts and optimized portfolio expansion with partners, marking a significant increase from 2023's growth rate.
- ▶ **Profitability maximization:** By leveraging partner incentives, we added up to an additional 3% on top of Total Contract Cost (TCC), strengthening our profit margins and supporting sustainable financial health.
- ▶ **Partner experience:** Our commitment to becoming the #1 choice as an OEM technology provider was reinforced through a partner satisfaction score of 85%, reflecting our focus on enhancing the partner experience.
- ▶ **Operational excellence in partnership management:** We advanced operational efficiency by automating key partnership processes and providing governed, real-time data access to executives. This shift improved decision-making speed and accuracy, surpassing our 2023 benchmarks for process efficiency.

## Strategic Partnerships continued

### Financial performance in 2024: Growth compared to previous years and key drivers

Our financial performance saw a robust increase, with organic partners' revenue growth reaching +11% year-over-year (YoY) through our strategic partnerships. This growth was primarily driven by three key factors:

- ▶ **Early partner engagement:** Aligning with partners early helped us seize new market opportunities and deliver high-value solutions swiftly.
- ▶ **Capability development:** Continuous training and certifications enabled our teams to stay competitive and adept in advancing technologies.
- ▶ **Leadership support:** Strategic oversight ensured each growth initiative contributed to our revenue and service capabilities, driving accountability and streamlined execution.

And the Partner satisfaction and advocacy metrics for 2024 are:

- ▶ **Partner CSAT:** Achieved a high score of 85%, reflecting strong partner alignment and satisfaction.
- ▶ **Partner NPS:** Reached 69%, showing that most partners would recommend us as a preferred collaborator.

### New product and service launches powered by strategic partners

In 2024, we expanded our Managed Services portfolio by launching four strategic products in partnership with leading technology providers. These include Managed SD-WAN services with Fortinet and Cisco, and Managed SASE solutions with Huawei and Palo Alto Networks, enhancing network security and agility for our customers.

Additionally, we became exclusive partners for managing Oracle OCI Infrastructure, offering comprehensive professional services and business development under the brand name Alloy. This strategic partnership introduces a sovereign cloud solution for Oracle OCI, jointly invested with stc, and serves two key regions in Saudi Arabia.

