

FY 2025

Results Presentation

Riyadh, 19 February 2026

Agenda

1 solutions by stc at a Glance

2 Key Milestones in 2025

3 Investment Thesis

4 OneCloud and GPUaaS

5 Financial Performance

6 Outlook and Guidance

7 Q&A

A man and a young boy are looking at a screen. The man is pointing at the screen with his right hand. The scene is lit with blue and red light.

1 solutions by stc at a Glance in 2025

solutions by stc at a Glance

The leading ICT services provider and enabler of the digital transformation across the Kingdom

Key highlights

#1

IT services provider
in Saudi Arabia

42.6%

Local Content
Score

25+

Years of experience
in IT sector

FY 2025 financials

6%

Revenue growth YoY
to **₹ 12.73bn**

15.6%

EBITDA margin

11.8%

Net profit margin

People

1,358

Talented employees

64%

Saudization

21%

Female staff

Partnerships

125+

Partners in solutions
ecosystem

436

Local Suppliers
Engaged

79%

Procurement
spending on local
suppliers



2 Key Milestones in 2025

Key Milestones in 2025

solutions has secured multiple long-term partnerships in 2025, establishing a strong foundation for future growth

9 February

upsourse by solutions launched its **new brand identity at LEAP 2025 conference**



18 May

Signed **contracts worth ₪ 652 mn, 5 year contract to upgrade IT infrastructure and strengthen cloud partnership**



25 May

Upsourse by solutions signed a **₪ 94mn agreement spanning 3 years with the National Water Company (NWC) to enhance customer experience management services**



26 June

Signed a **₪ 158 mn contract for 5 years with stc to build a private cloud as part of the IT infrastructure modernization and cloud partnership**



25 September

Signed a **₪ 313 mn contract for 3 years with stc to execute the project of establishing and developing the internet and communication networks**



18 November

Signed a **₪ 262 mn contract for 5 years with Center3 to provide solutions with data center hosting services to enable cloud services**

13 February

Signed a **revenue-sharing contract with Sports Boulevard Foundation to provide smart parking solutions for the Sports Boulevard PPP Project**



20 May

Launched **Joint Venture, Nile MEA**, in cooperation with the US based Nile



19 June

Announced strategic partnership agreement with **iDirect to advance satellite communication solutions**



16 September

Signed a framework agreement with Aramco for **5 years** to provide it with several different types of **Digital Computing Infrastructure**

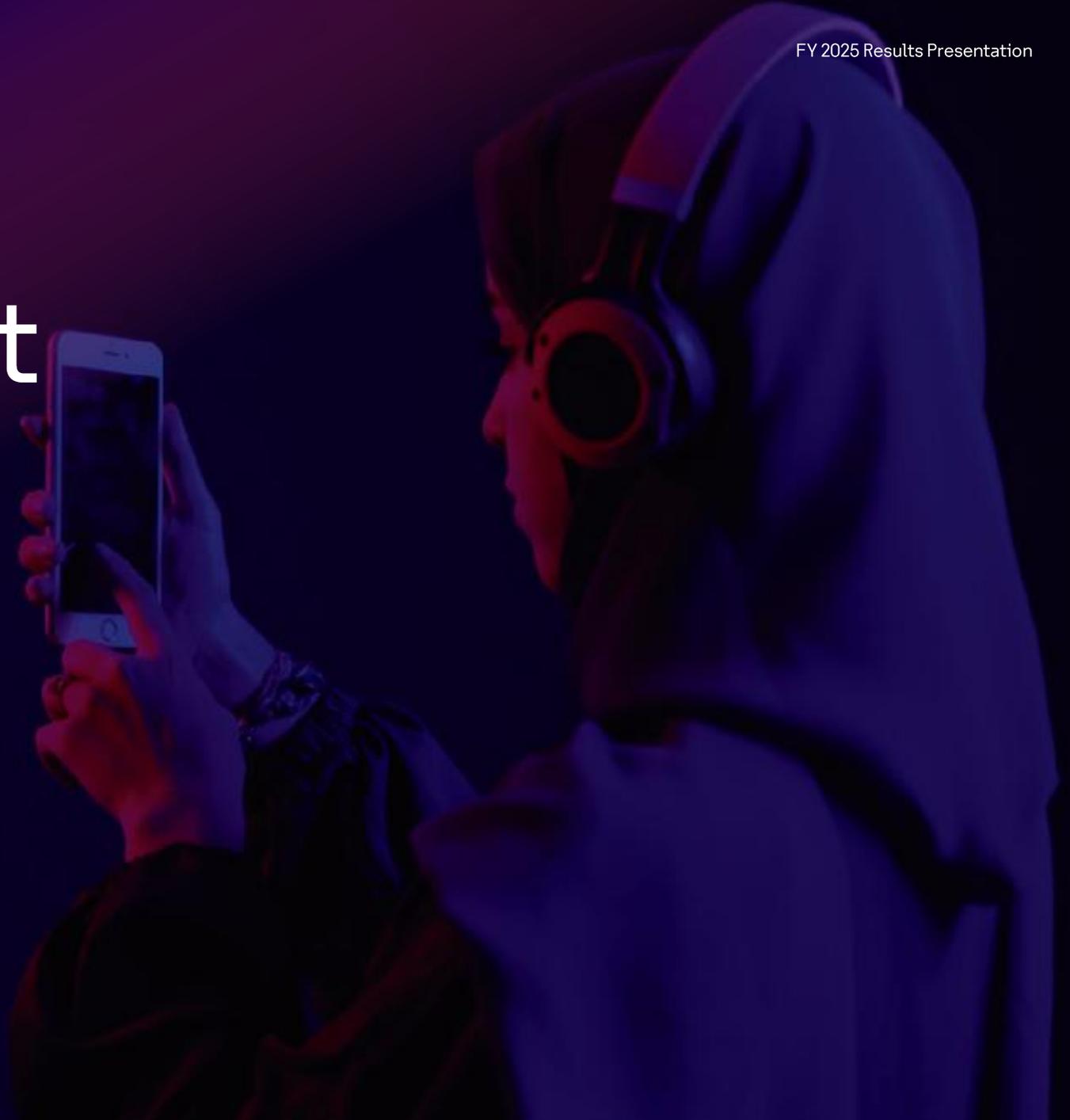


13-17 October

Announced multiple **strategic partnerships at GITEX Global 2025**, expanding ecosystem across **cloud, edge computing, and smart-city solutions** with global technology leaders



3 Investment Thesis



Investment Thesis

solutions offers an attractive mix of market leadership, growth potential and superior returns

Market Leadership

- Dominating position in the Saudi IT market
- Lucrative consolidation opportunities in the fragmented IT market of KSA
- Local-Content score 42.6%¹

Sizeable and Diversified Portfolio

- Strong pipeline of projects
- Partnership with stc
- 77%+ winning ratio in FY 2025
- 220+ customer contracts signed in FY 2025

Superior Value Creation

- 31.5% ROIC² in FY 2025 is well above the company's cost of capital

Asset-Light Business Model

- 1.5% organic capex / revenue ratio in FY 2025

Strong FCF generation

- Solid track record of sustainable free cash flow generation...
- ..supported by a resilient business model and strong execution

Generous Dividends

- The company's BoD recommended to pay out DPS of ₪ 8 for 2025
- This implies a payout of 63%³ of net profit for the year

Efficient Capital Allocation

- High-return organic capex
- Value-accretive M&As
- High-potential partnerships and PPP projects
- Sustainable dividend payouts

Robust Balance Sheet

- Net cash position of ₪ 1.3 bn as of end 2025...
- ...amounting to 0.7x LTM EBITDA

¹- Local-Content score specifies the official local content percentage for the company certified by Local Content and Government Procurement Authority

²- ROIC is calculated as EBIT / Invested Capital (Net Working Capital + PPE + Goodwill + Other Operating Assets)

³- Based on 119m shares eligible for dividend distribution

4 OneCloud and GPUaaS



solutions multi-cloud offerings spans across the value chain...

...including all hyperscalers and major cloud providers

Cloud Strategy

Design a value-driven roadmap and Multi Cloud ready governance model to ensure to help achieve the business goals

Design & Implementation

Ramp up organizational speed and agility by designing and implementing the multi-cloud environments

Operate & Manage

Adopt new ways of operating the cloud environment for higher levels of business performance

Focused Hyperscalers



ORACLE CLOUD

Alibaba Cloud



Partnership status

- Reseller-Google workspace
- GCP reseller- CNTXT
- MSP Partner

- Sell- Covering OCI, on-premise, and SaaS (FUSION)
- Services

- Channel Partner
- MSP

- Premier partner – Service partner
- SPP- reseller

- Reseller
- MSP

- Reseller
- MSP
- solutions partner in 5 areas

OneCloud Platform



A one-stop shop to access all hyperscalers subscriptions

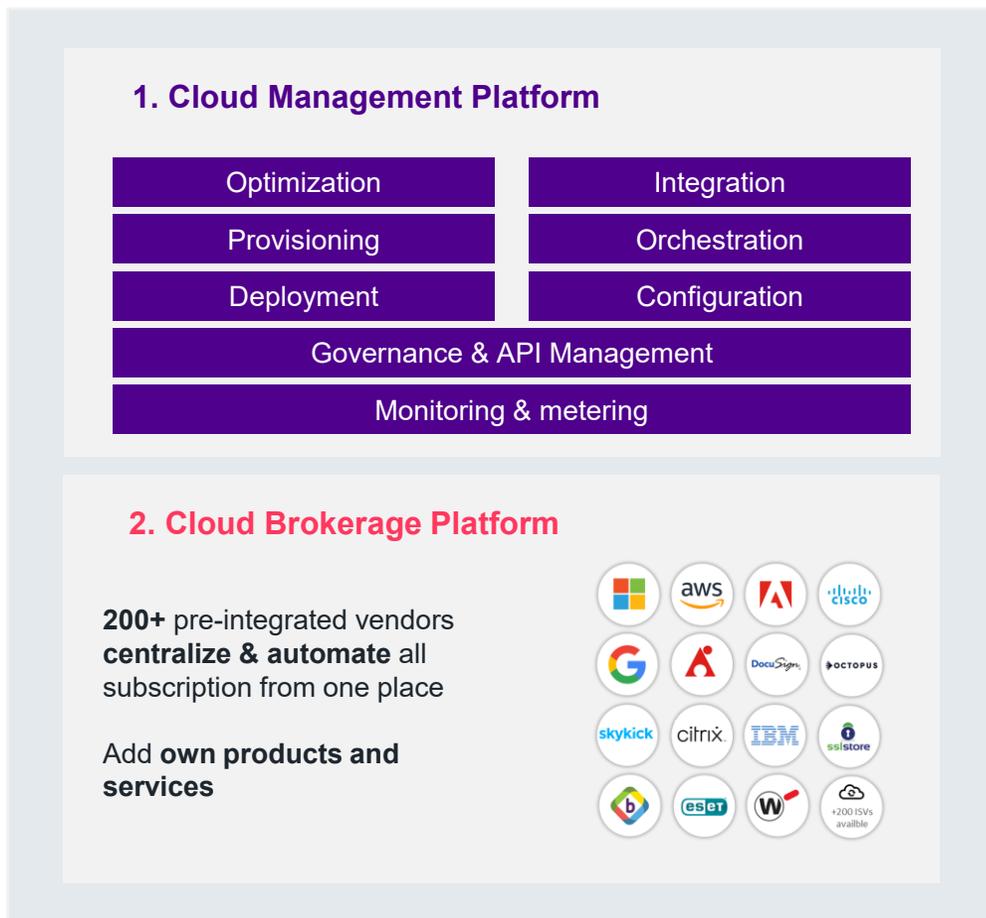
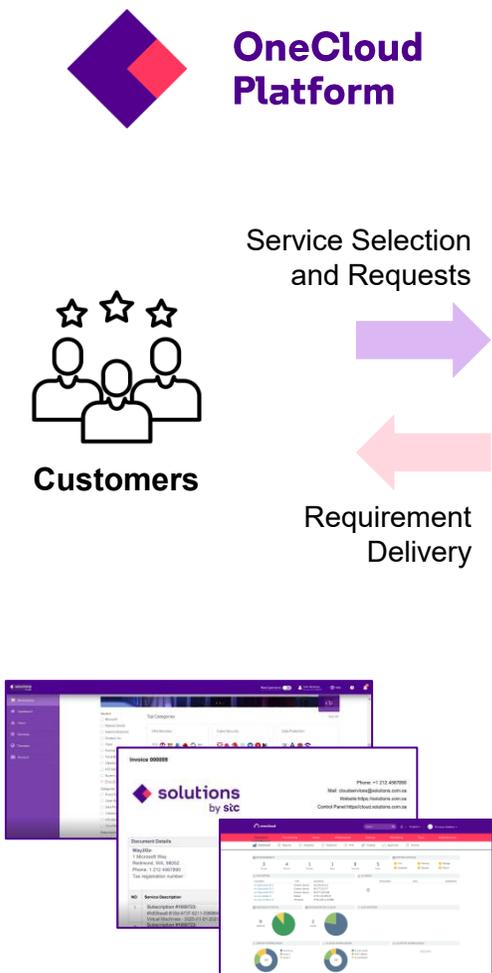
Multi-cloud brokerage

Unified cloud management (manage all hyperscalers workload from single pan of glass)

- OneCloud platform – where multi-cloud becomes manageable
- Pre-Integrated tools (e.g, migration)

OneCloud platform for all cloud needs...

...with brokerage platform for pre-integrated vendors offerings and subscriptions



Service Provisioning



solutions has become the First NVIDIA NCP Partner in the region

Powering the next wave of enterprise AI Innovation



First NVIDIA Cloud Partner in the Middle East

selected after rigorous evaluation of technical capabilities and infrastructure.



NVIDIA-Certified Infrastructure

with enterprise-grade performance, security, and reliability for AI and HPC workloads.



Strategic Partnership

providing exclusive access to NVIDIA's latest technologies, software, and technical expertise.



Regional Leadership

positioning our company as the premier provider of GPU-accelerated cloud services in the Middle East.



Competitive Advantage: Superior Technology & Local Value

Superior Technology & competitive advantage

- ✓ NVIDIA H200, B300, RTX Pro GPUs — the latest and most powerful available
- ✓ Integrated AI platform services (e.g., RAFAY integration) for full-stack MLOps.
- ✓ All-Inclusive TCO: includes compute, storage, networking, and NVIDIA AI Enterprise licensing — unlike hyperscales

100% Data Sovereignty

- ✓ CITC regulations
- ✓ NCA requirements
- ✓ National cloud rules
- ✓ Critical for government sector

Comprehensive Local Value

 Rapid Provisioning
(<5 days)

 Localized Support
Arabic/English

 Customizable SLAs
Tailored SLAs

 Bundled with Services
bundled professional/managed services

Our platform is purpose-built for Saudi public sector and enterprise needs, backed by STC's Datacenter (center3), workforce, and regulatory trust — making us the preferred sovereign AI infrastructure partner over global hyperscalers.



5 Financial Performance

solutions FY 2025 Financial Dashboard

Maintaining steady growth amid revenue phasing effects and margin normalization

FY 25 Revenue



FY 25 GP Margin



FY 25 Capex



FY 25 Capex / Revenue



FY 25 EBITDA



FY 25 EBITDA Margin



FY 25 Net Cash From Operating Activities



FY 25 ROIC



FY 25 Net Profit



FY 25 NP Margin



FY 25 Net Cash



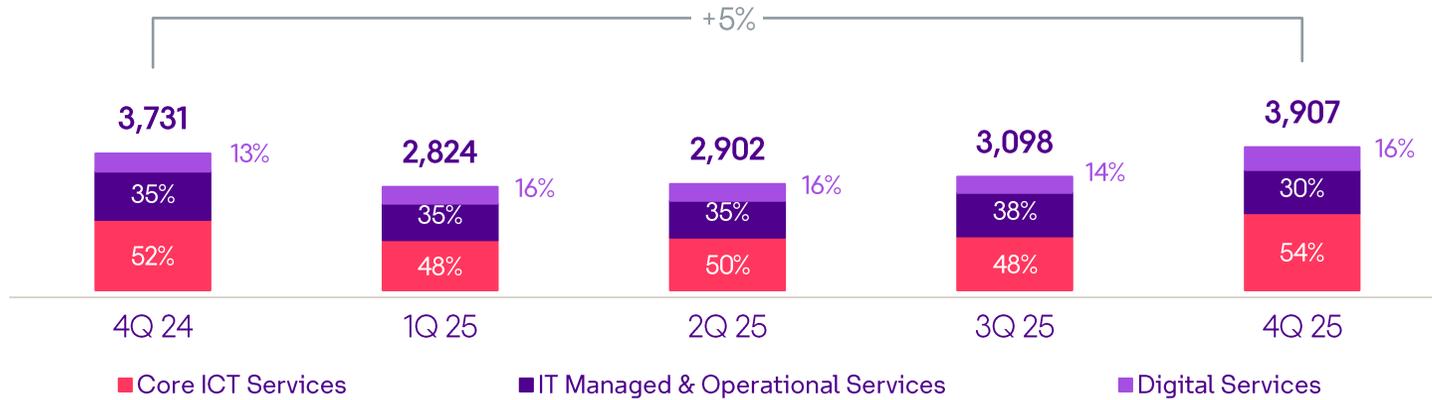
FY 25 ROAE



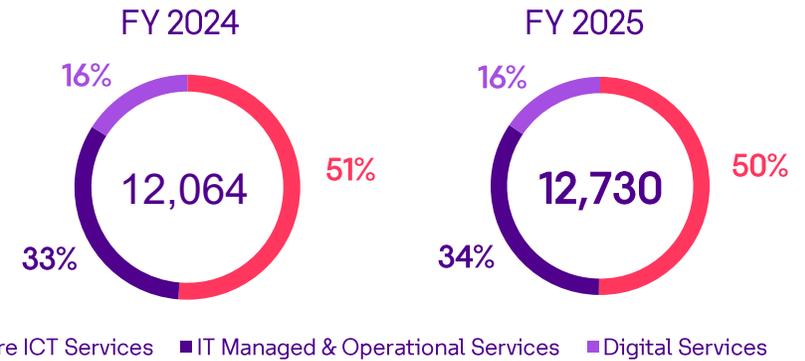
Revenue Trend and Breakdown by Business Segment

2025 revenue grew 6% YoY, driven by IT Managed Services segment

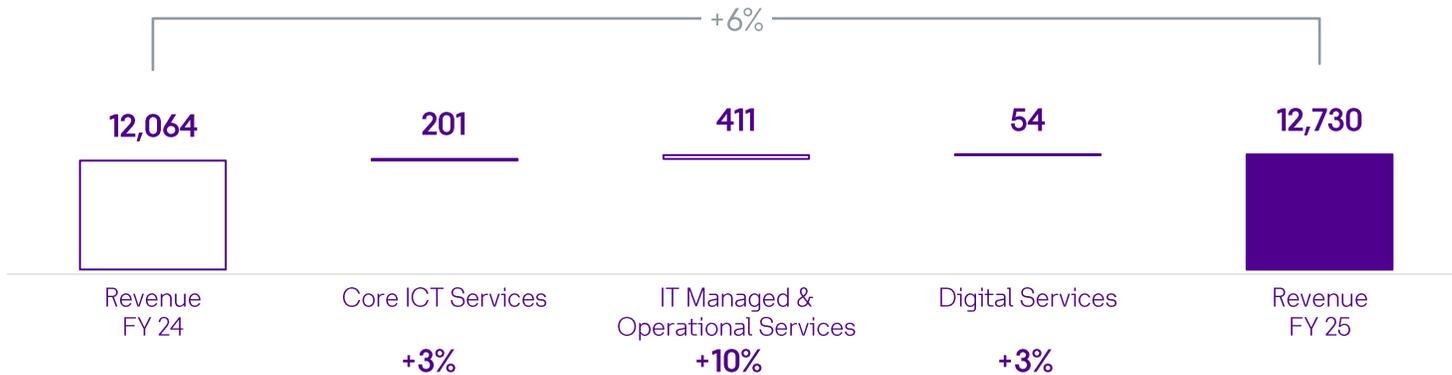
Revenue by Business Segment (₪ mn)



Revenue Composition (by Business Segment)



Revenue Movement YoY (₪ mn)



Management Commentary

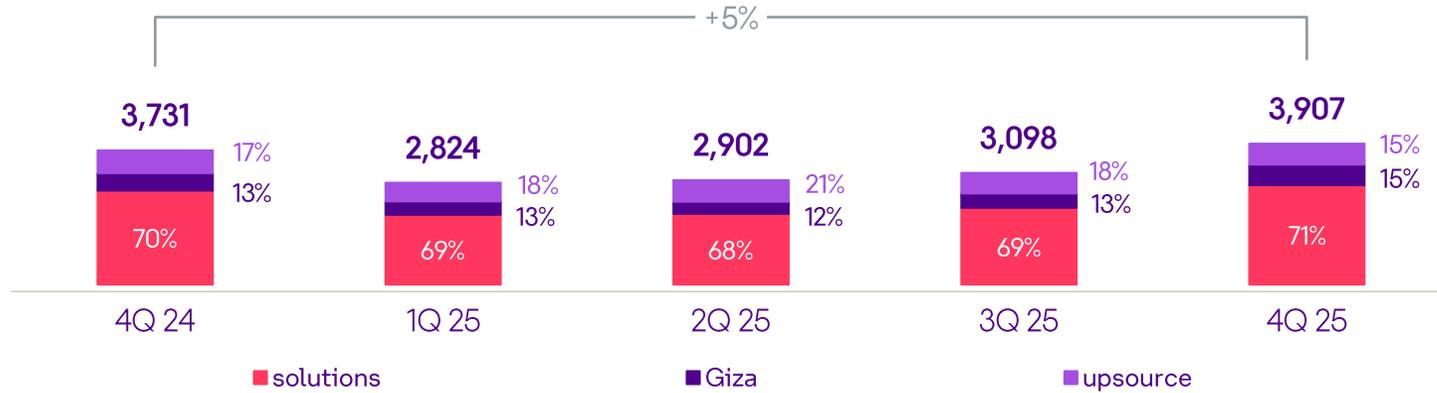
- Revenue grew 6% YoY in 2025, driven by 10% YoY revenue growth in IT Managed Services.
- 4Q25 revenue increased by 5% YoY, impacted by a higher 4Q24 base and timing of revenue recognition of projects awarded in 2H25...
- ...which will contribute to revenue momentum in 2026.

Note: totals may not be equal to 100% due to rounding

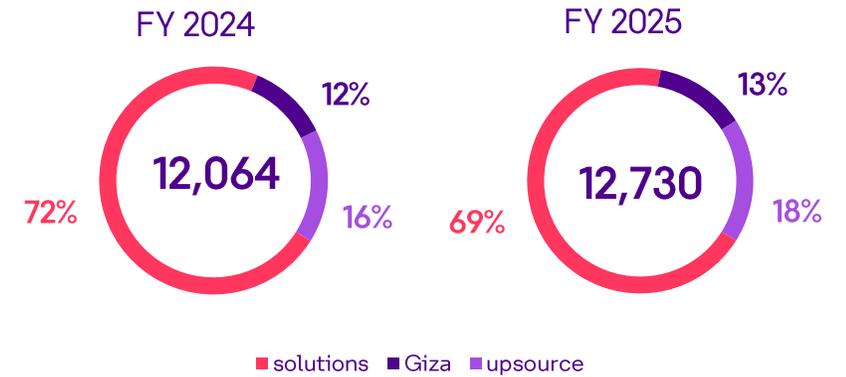
Revenue Breakdown by Entity

Giza led growth with 21% revenue increase YoY followed by upsource with 17% growth YoY in 2025

Revenue Breakdown by Entity (₹ mn)



Revenue Composition (by Entity)



Revenue Movement YoY (₹ mn)



Management Commentary

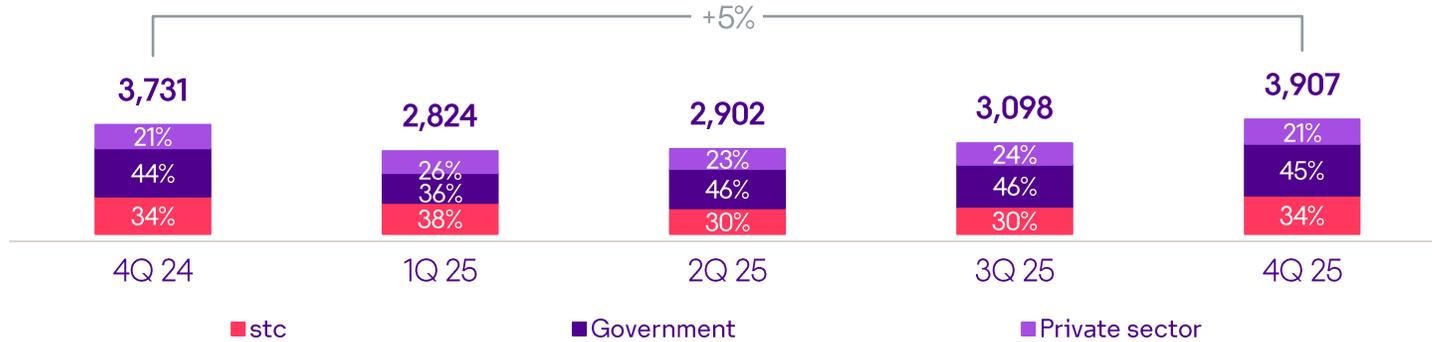
- solutions standalone remained the largest contributor with 69% share in 2025 and 1% growth YoY despite a transfer of projects to other entities within the group.
- upsource posted 17% revenue growth YoY in 2025 supported by new project wins and contracts transferred from solutions.
- Giza's 21% revenue growth was driven by continued expansion within KSA and addition of new entities.

Note: totals may not be equal to 100% due to rounding. All numbers are presented after intercompany eliminations

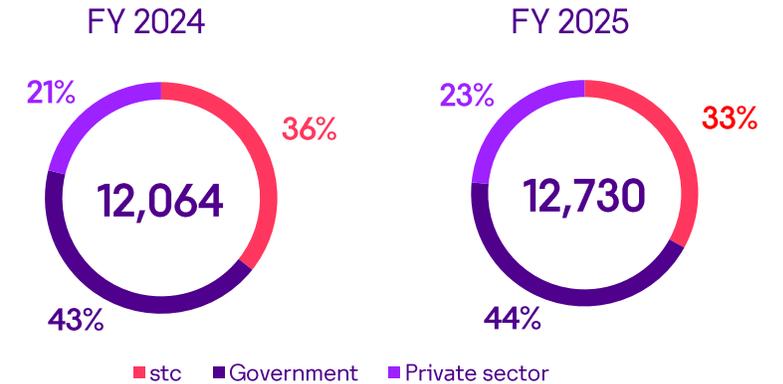
Revenue Breakdown by Customer Type

Private sector drove growth, while the Government remained the biggest customer segment in 2025

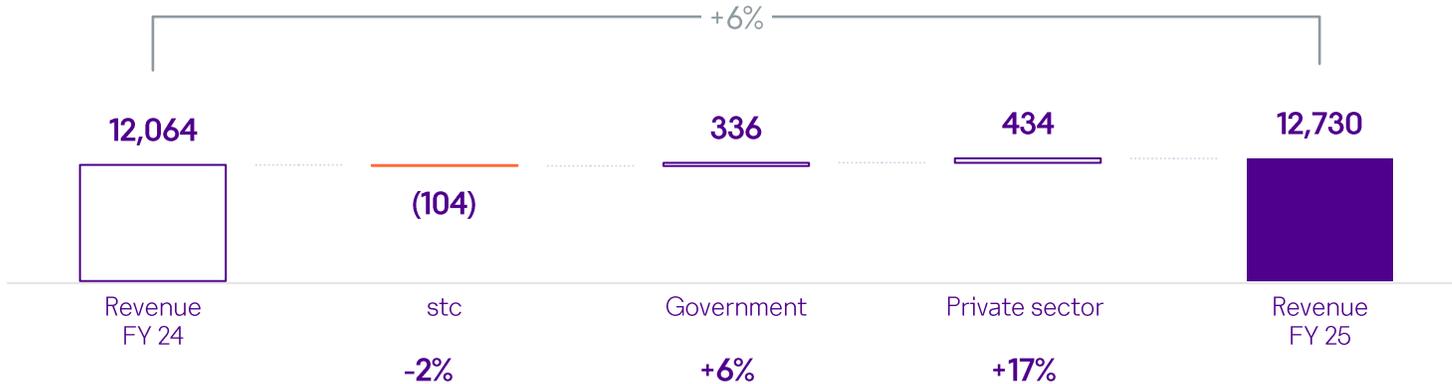
Revenue Breakdown by Customer Type (₹ mn)



Revenue Composition (by Channel)



Revenue Movement YoY (₹ mn)



Management Commentary

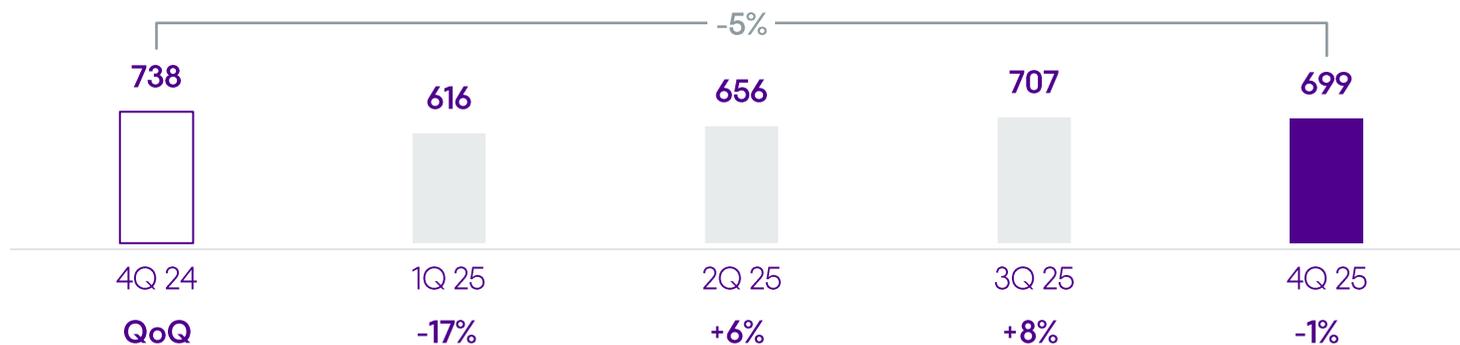
- Government revenue grew 6% YoY in 2025, supported by improved revenue recognition from projects progressing to advanced execution stages.
- stc revenue declined 2% YoY in 2025, reflecting a higher share of projects in early delivery phases.
- Private sector remained the key growth driver with 17% YoY growth in 2025, fueled by strong execution in ongoing projects and new wins.

Note: totals may not be equal to 100% due to rounding

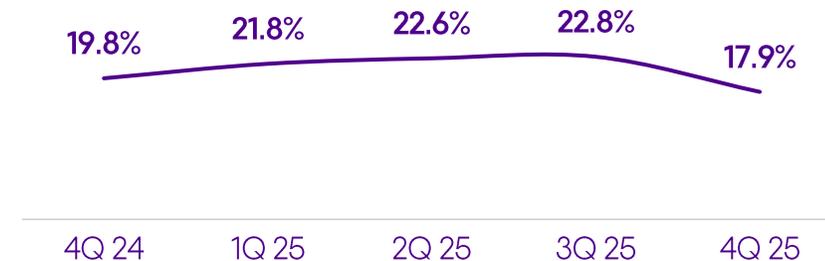
Profitability - Gross Profit Performance

Revenue mix, regulatory changes and project execution timing defined gross margin performance in 2025

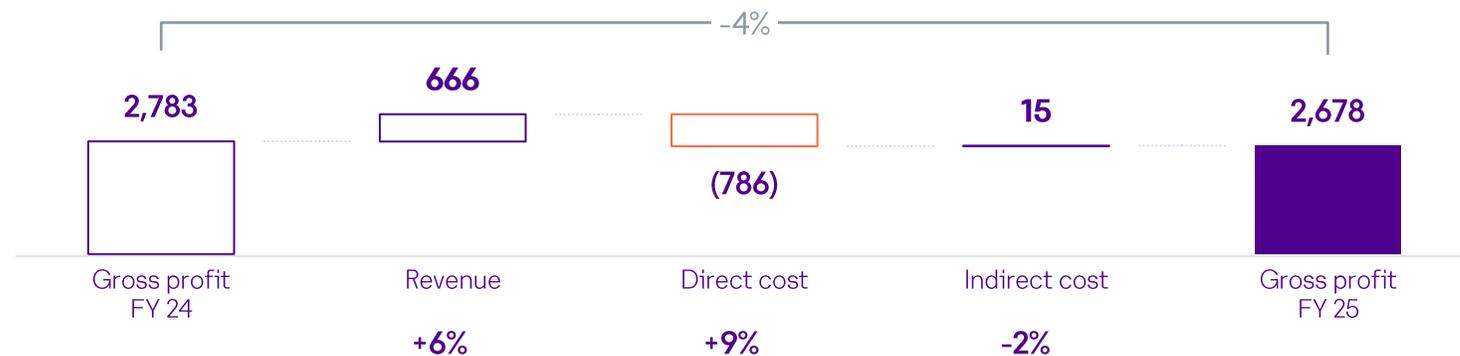
Gross Profit Trend (₹ mn)



Gross Profit Margin (%)



Gross Profit Movement (₹ mn)



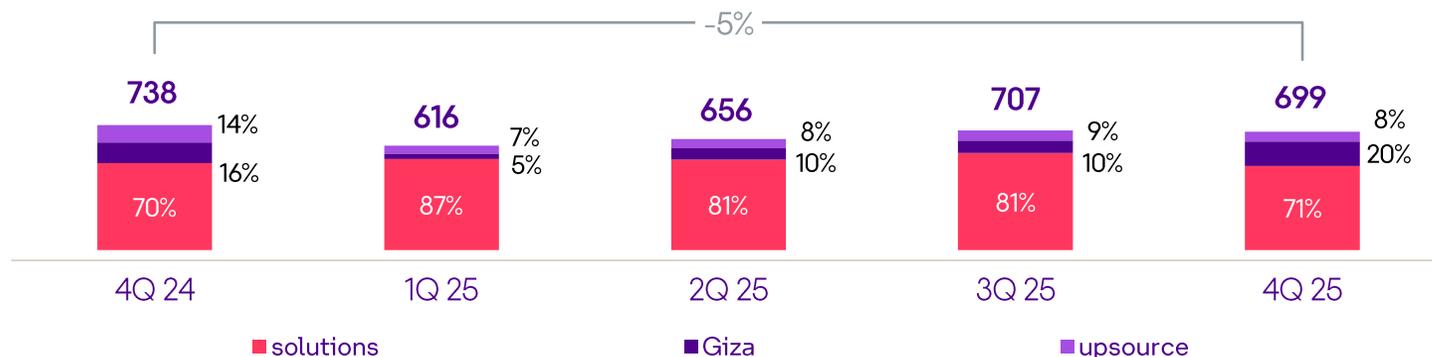
Management Commentary

- Gross margin declined 203 bps YoY to 21.0% in 2025, reflecting evolving revenue mix, regulatory changes and varying margin profiles of projects at different execution stages.
- Quarterly gross margin fell to 17.9% in 4Q25, due to a lower contribution from higher-margin services and temporary execution-stage effects, which are expected to normalize as projects mature.

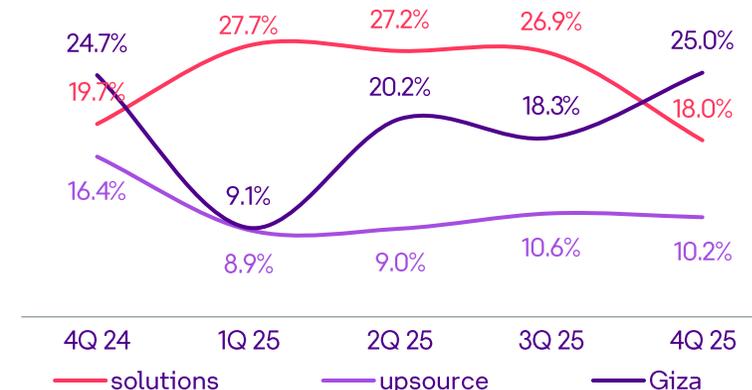
Profitability - Gross Profit Drivers

Gross profit performance was broadly stable across subsidiaries

Gross Profit Breakdown by Entity (₪ mn)



Gross profit margin by Entity



Gross Profit Movement YoY (₪ mn)



Management Commentary

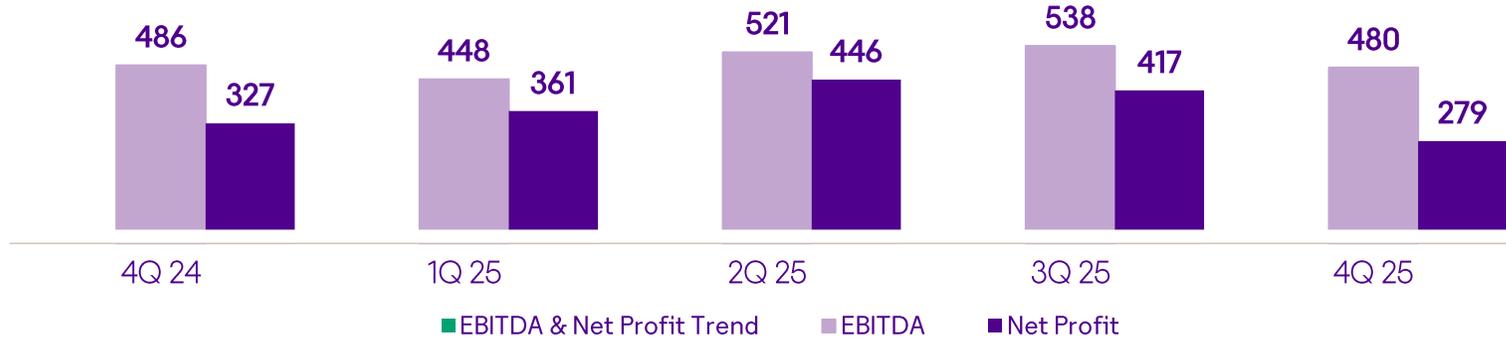
- solutions' gross profit declined 4% YoY in 2025, driven by project mix and milestone-based margin timing.
- Giza gross profit was flat YoY in 2025, as lower margin was offset by business growth.
- Upsource gross profit declined 3% YoY in 2025, as lower gross margin reflected normalization following HRDF rebates in 2024.

Note: totals may not be equal to 100% due to rounding

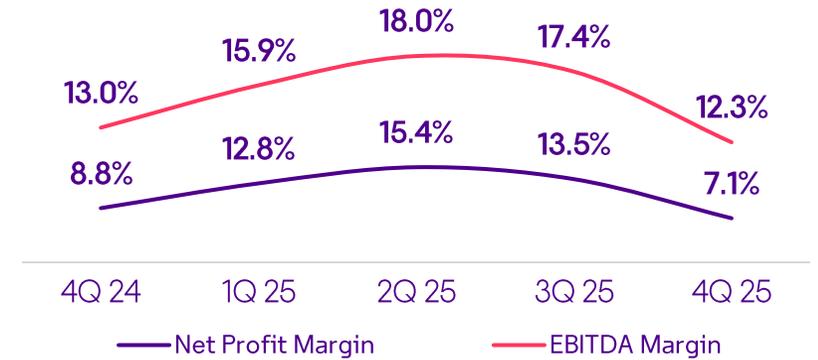
Profitability - EBITDA and Net Profit

EBITDA growth supported by cost efficiencies, while net profit dynamics reflected a higher base and one-off effects

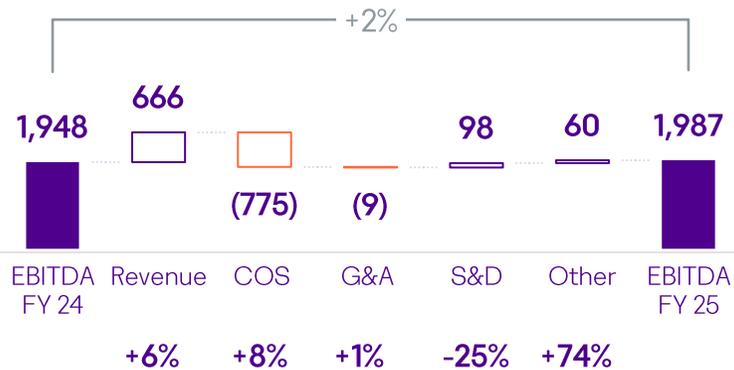
EBITDA & Net Profit Trend (₹ mn)



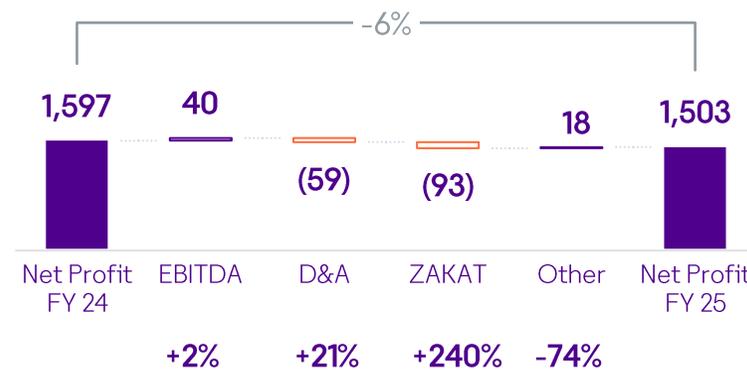
EBITDA & Net Profit Margins (%)



EBITDA Movement YoY (₹ mn)



Net Profit Movement YoY (₹ mn)



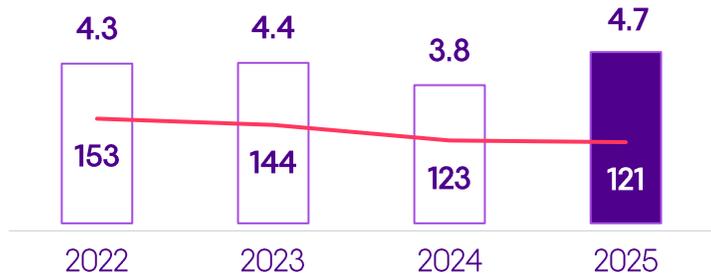
Management Commentary

- EBITDA grew 2% YoY in 2025, supported by revenue growth and continued efficiency gains, partially offset by lower gross margin driven by project mix changes.
- Net profit declined 6% YoY to ₹ 1.5bn, reflecting a high base of last year due to one-off non-operating income and Zakat reversal in 2024.

Balance Sheet - Working Capital

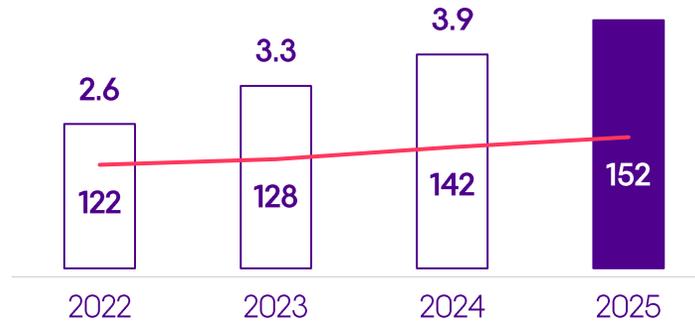
Working capital remained stable, reflecting project cycle timing and disciplined payables management

Accounts Receivable (₪ bn)



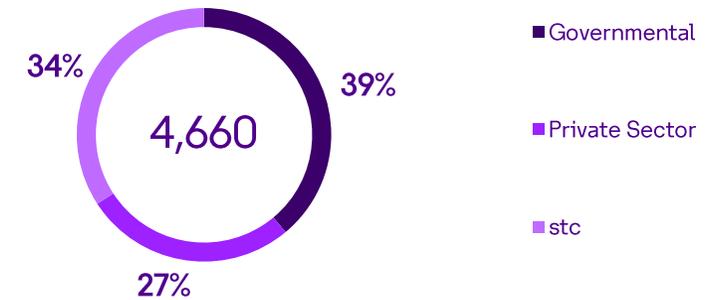
□ Accounts receivable — Days Receivables Outstanding

Accounts Payable (₪ bn)

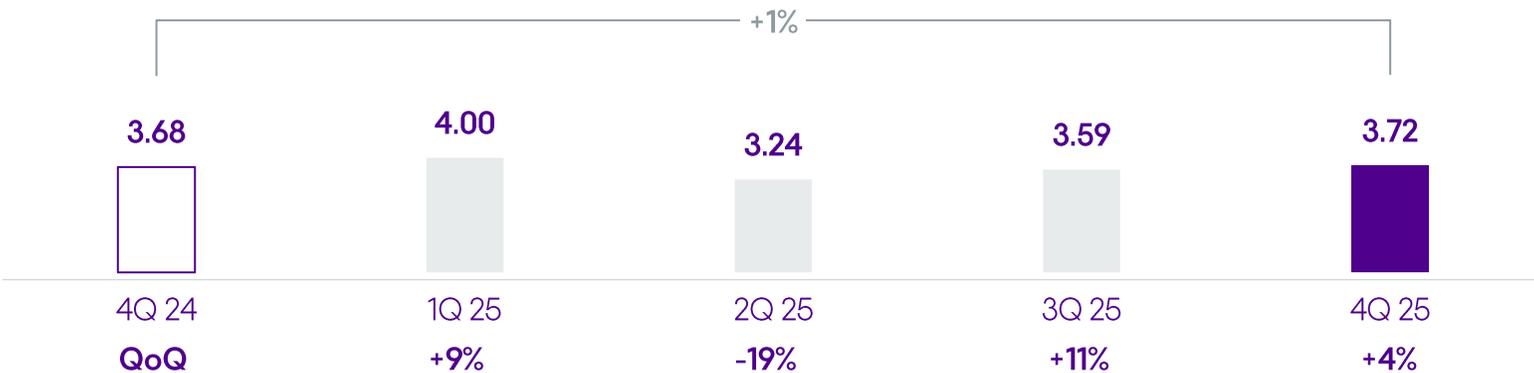


□ Accounts payable — Days Payable Outstanding

Accounts Receivable Composition (%)



Working Capital Performance (₪ bn)



Management Commentary

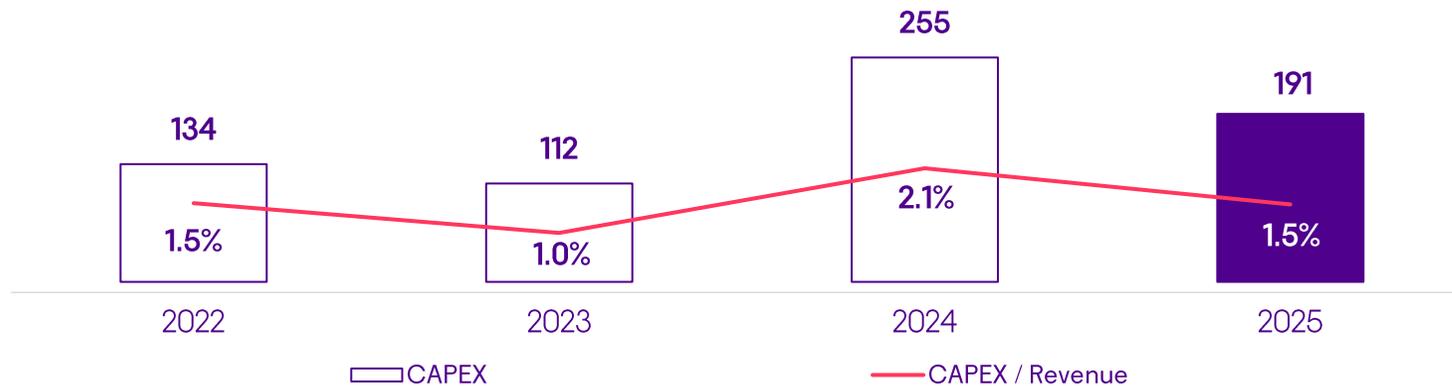
- Working capital increased 1% YoY in 2025, reflecting normal project execution and invoicing cycle.
- Receivable days improved to 121 days in 2025, supported by continued collection optimization despite higher receivables in value terms.
- Payable days increased to 152 days, driven by active management of supplier terms while maintaining strong vendor relationships.

Working Capital = Current Assets - Current Liabilities

Cash Flow Generation

Free cash flow turned negative in 2025 due to billing and collections timing, which should reverse in 2026

Capital Expenditures (₹ mn)*



Free Cash Flow (₹ mn)



Free Cash Flow Movement (₹ mn)



Management Commentary

- FCF was negative at ₹ 364 mn in 2025, primarily reflecting working capital outflows...
- ...resulting from the time lag between revenue recognition and billing, as well as increased inventories due to initiation of new large projects.
- Capex declined to ₹ 191 mn in 2025, accounting for 1.5% of revenue, which underscores the group's asset-light model and disciplined capital deployment.

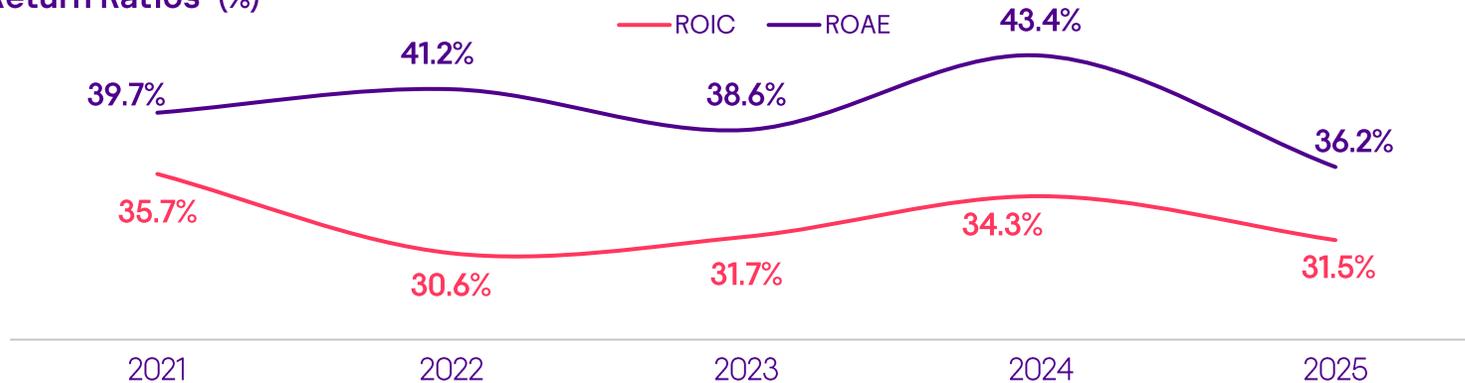
* The chart is provided for organic CAPEX

Free Cash Flow= CFO- CAPEX - Lease liabilities payments – Payment for acquisition of subsidiary

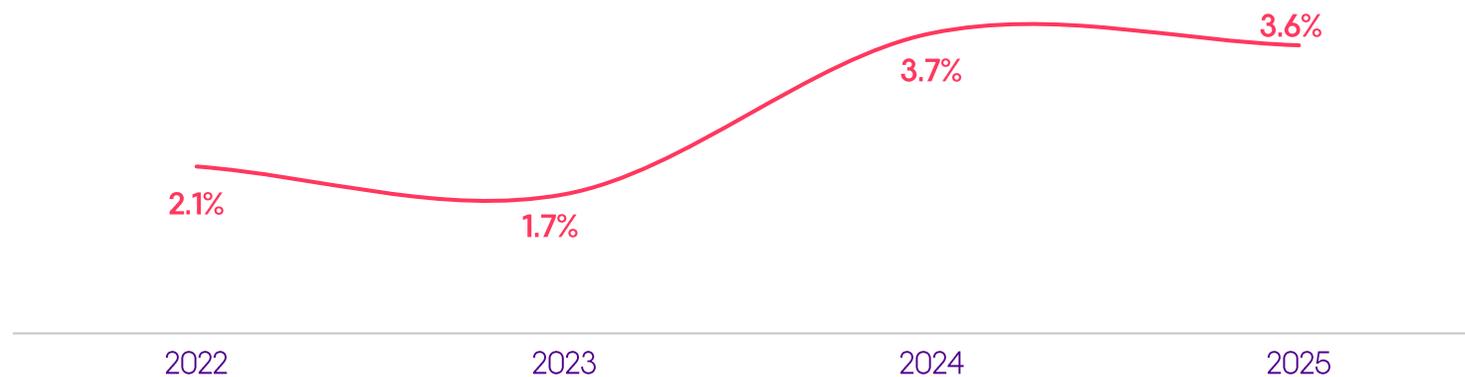
Returns and Dividends

High returns and progressively growing dividends

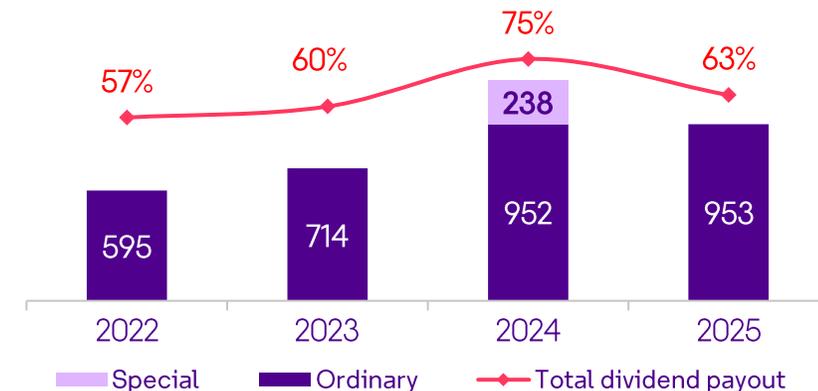
Return Ratios* (%)



Dividend Yield** (%)



Dividends (₹ mn)



Management Commentary

- Capex-light business model continues to generate superior returns and allows for generous dividends.
- The company's BoD recommended to distribute ₹ 8 DPS for 2025, in line with ordinary dividends paid in 2024.
- This implies a dividend payout of 63% of net profit for the year.

* ROIC = EBIT / Invested Capital (Net Working Capital + PPE + Goodwill + Other Operating Assets); ROAE= Net income /Average Total Equity

** Dividend yield is calculated based on the share price as of end of each year

Outlook and Guidance

solutions announces guidance for 2026

	FY 2025 Results	FY 2026 Guidance
Revenue Growth	6%	6%-8%
EBITDA Margin	16%	14%-16%
Capex Intensity	1.5%	2%-3%

6 Contact Details

IR Contact Details

Contact solutions by stc investor relations team

Abdullah Al-Dayel

GM of Corporate Finance & Investor Relations

+966 11 525 2985

aaldayel@solutions.com.sa

Ghadah Alsuham

Investor Relations Director

+966 11 525 2621

galsuhaim@solutions.com.sa

Investor relations – solutions by stc



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Shukran!

شُكْرًا

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