

Fact Sheet



Company Profile

Founded in 2003, solutions by stc developed strong operational expertise and market-leading digital solutions in key technology verticals across the IT value chain. This supercharged its strategic ambition to become the digital solutions innovator.

Strategy

solutions by stc’s refreshed LEAP 2.0 strategy targets significant economic value creation by strengthening its core business by emerging tech, innovation and operational excellence. To accomplish these goals, the Company focuses on the four main components:

- L – **Lead** through service excellence
- E – **Empower** business growth and diversification
- A – **Achieve** excellence in customer engagements
- P – **Promote** efficiencies and sustainability

Product Offering

The principal activities of the Company are concentrated in the internet and telecommunications service sector:

Core ICT Services, which consists of System Integration; and Communication and Internet.

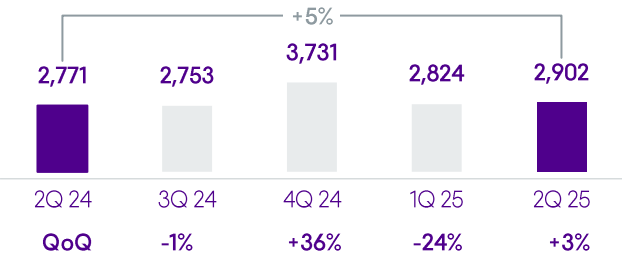
IT Managed and Operational Services, which consists of Outsourcing Services; and Managed Services.

Digital Services, which consists of Cloud Services; Cybersecurity integration; and Digital Transformation Services.

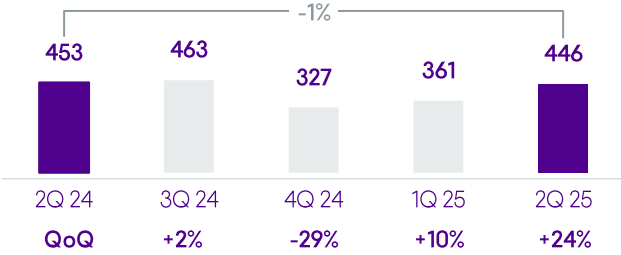
| Key Figures ₪ (mn) | 1H 2025 | 1H 2024 | YoY |
|-------------------------|---------|---------|----------|
| Revenue | 5,725 | 5,580 | +2.6% |
| Gross profit | 1,272 | 1,315 | -3.3% |
| Gross Profit Margin (%) | 22.2% | 23.6% | -1.4ppts |
| EBITDA | 969 | 909 | +6.6% |
| EBITDA Margin (%) | 16.9% | 16.3% | +0.6ppts |
| Net Profit | 807 | 806 | +0.1% |
| Net Profit Margin (%) | 14.1% | 14.4% | -0.4ppts |
| Capex | 86 | 55 | +57.2% |
| Free Cash Flow | (882) | (569) | +54.9% |
| Net Debt/(Cash) | (866) | (1,224) | -29.3% |
| ROIC | 36.8% | 38.0% | -1.3ppts |
| ROAE | 46.9% | 53.1% | -6.2ppts |

| Outlook | FY 2025 Guidance |
|-----------------|------------------|
| Revenue Growth | 8% - 10% |
| EBITDA Margin | 14% - 16% |
| Capex intensity | 2% - 3% |

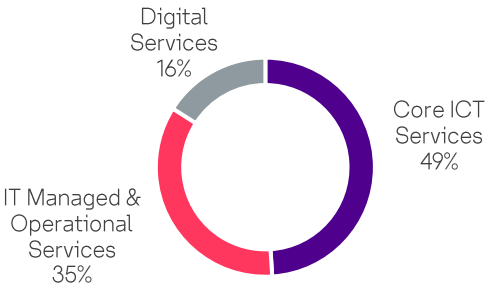
Revenue (₪ mn)



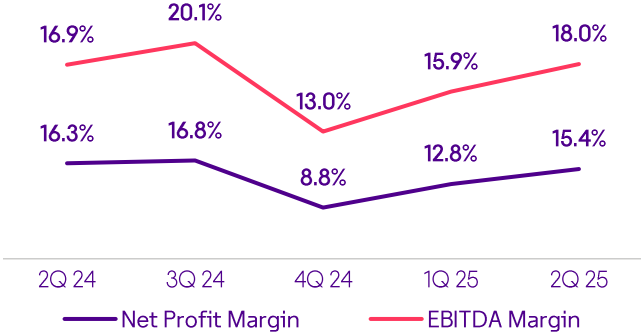
Net Profit (₪ mn)



1H 2025 Revenue Composition by Segment



EBITDA & Net Profit Margins (%)



Fact Sheet



Market Positioning

KSA Pure Play

The majority of solutions revenue is generated in Saudi Arabia

Public & Private Sector

solutions revenue mix is well diversified across various customer types with 34% coming from stc, 41% from the Government and 25% from private sector in 1H 2025

E2E solutions

solutions comprehensive portfolio offers a One-Stop-Shop approach covering the entire IT value chain

Investment Thesis

Leading Market Position in KSA

Clear market leader with consolidation opportunities in the fragmented IT market with a 22.7% share

Sizeable and Diversified Portfolio

Strong pipeline of projects with over 95+ new contracts signed in 1H 2025 and a winning ratio above 75%

Superior Value Creation

36.8% ROIC in 1H 2025 is well above the company’s cost of capital

Asset-Light Business Model

Organic capex of 1.5% of revenue in 1H 2025

Strong FCF Generation

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

Dividend

Company paid out ordinary DPS of ﷲ 8 and special dividend of ﷲ 2 for FY 2024, 75% total payout ratio, 67% dividend growth YoY

Efficient Capital Allocation

High-return organic capex, value-accretive M&As, high-potential partnerships and PPP projects, progressively rising dividends

Robust Balance Sheet

Strong net cash position, efficient WC management

Looking for additional information?

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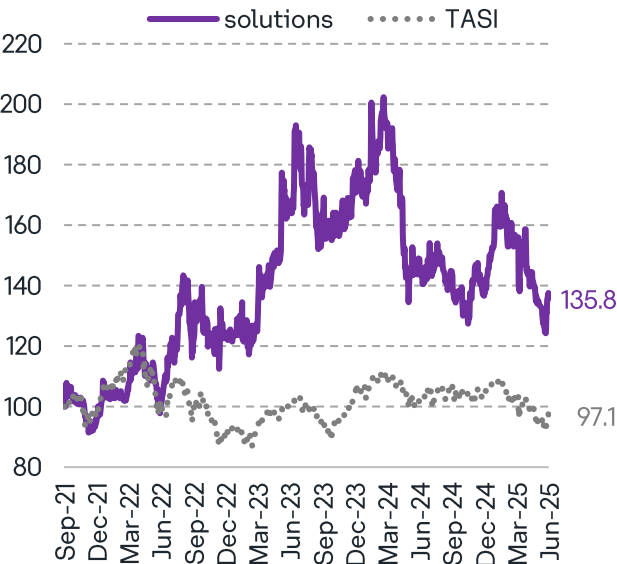
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solutions by stc - Key Metrics

| | ﷲ |
|------------------------------------|---------|
| IPO offering price | 151.0 |
| Closing Price at 30 September 2021 | 196.2 |
| Closing Price at 30 June 2025 | 266.4 |
| Market Cap at 30 June 2025 | 32.0 bn |
| Price / Earnings (LTM) | 19.9x |
| EV / EBITDA (LTM) | 15.5x |

Sources: S&P Capital IQ Pro; Tadawul; solutions by stc financial reports

solutions share price vs Tadawul (rebased to 100)



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