

# 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

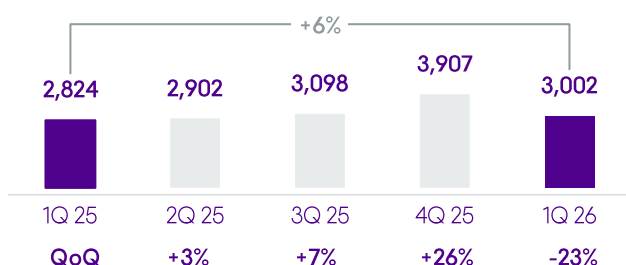
The principal activities of the Company are concentrated in the ICT services sector:

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

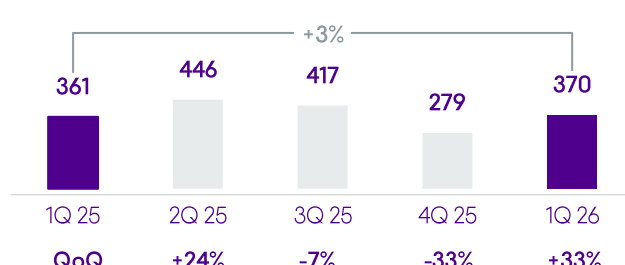
**IT Managed and Operational Services**, which consists of Outsourcing Services; and Managed Services.

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

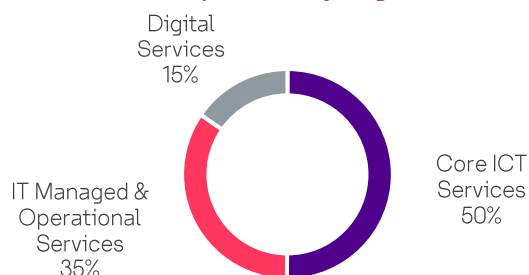
## Revenue (₪ mn)



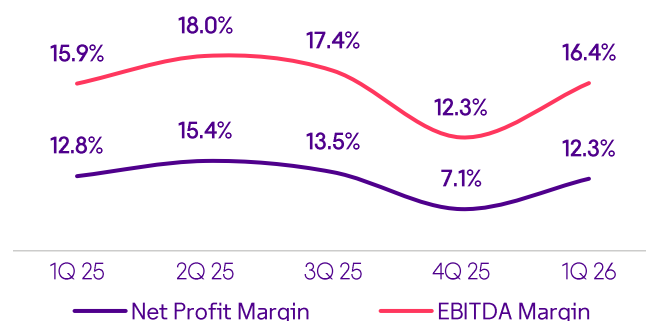
## Net Profit (₪ mn)



## 1Q 2026 Revenue Composition by Segment



## EBITDA & Net Profit Margins (%)



Key Figures ₪ (mn)	1Q 2026	1Q 2025	ΔYoY%
Revenue	3,002	2,824	+6.3%
Gross profit	586	616	-5.0%
Gross Profit Margin (%)	19.5%	21.8%	-2.3ppts
EBITDA	492	448	+9.8%
EBITDA Margin (%)	16.4%	15.9%	+0.5ppts
Net Profit	370	361	+2.7%
Net Profit Margin (%)	12.3%	12.8%	-0.4ppts
Capex	18	58	-68.8%
Free Cash Flow	344	(488)	n/m
Net Debt/(Cash)	(1,687)	(2,472)	-31.7%
ROIC	28.9%	28.5%	+0.4ppts
ROAE	33.2%	34.1%	-0.9ppts

Outlook	FY 2026 Guidance
Revenue Growth	6-8%
EBITDA Margin	14-16%
Capex intensity	2-3%

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## Market Positioning

### KSA Pure Play

The majority of solutions revenue is generated in Saudi Arabia.

### Public & Private Sector

Diversified revenue mix across private and public sectors.

### E2E solutions

solutions delivers integrated ICT and digital services across the IT value chain through its ecosystem of subsidiaries and partners.

## Investment Thesis

### Dominant market position in IT services

Market leader in IT services in the Kingdom of Saudi Arabia, according to IDC

### Strong backlog & revenue visibility

Large diversified backlog of 14bn, reflecting strong demand and high win rates in KSA's IT market

### Superior returns above cost of capital

ROIC above 30% over the last 5 years, consistently ahead of WACC, driven by a high-quality, capital-efficient business model

### Strong & Resilient Profitability

Resilient margins averaging ~16% EBITDA over the last 5 years, driven by operational leverage, a diversified service mix and disciplined cost management

### Asset-Light, Capital-Efficient Model

Minimal capex requirements averaging ~1.7% of revenue over the last 5 years, allowing the business to convert a high share of earnings into free cash flow

### Strong Through-Cycle FCF Generation

Strong FCF generation with ~67% average conversion from EBITDA over the last 5 years is sufficient to fund organic growth, value-added M&A and deliver returns to shareholders

### Robust Balance Sheet & Net Cash

Net cash position averaging 1.4x EBITDA over the last 5 years, providing flexibility for growth investments and downside protection

### Attractive & Sustainable Dividends

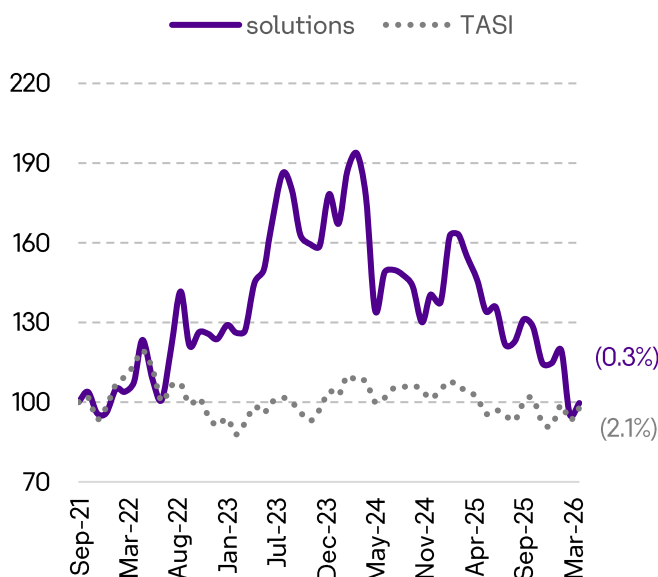
Dividend payout ratio averaging ~62% over the last 5 years, supported by strong earnings and consistent cash generation

## solutions by stc - Key Metrics

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IPO offering price	151.0
Closing Price at 30 September 2021	196.2
Closing Price at 31 March 2026	195.6
Market Cap at 31 March 2026	23.5 bn
Price / Earnings (LTM)	15.4x
EV / EBITDA (LTM)	10.7x

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

## solutions share price vs Tadawul (rebased to 100)



## Looking for additional information?

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