Fact Sheet

solutions by stc

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.

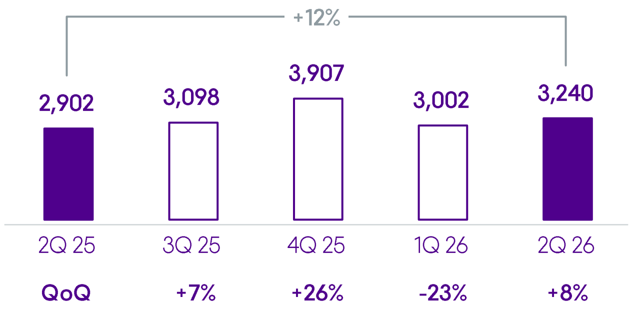
IT Managed and Operational Services, which consists of Outsourcing Services; and Managed Services.

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

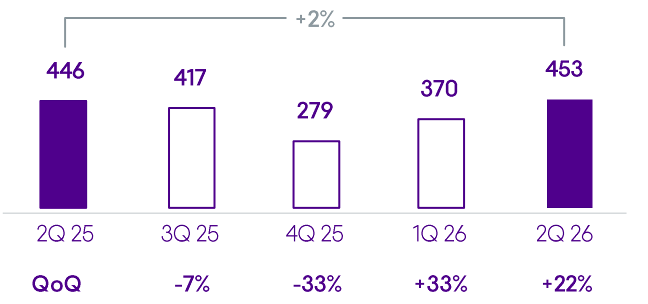
Key Figures ⃁ (mn)	1H 2026	1H 2025	∆YoY%
Revenue	6,243	5,725	+9.0%
Gross profit	1,374	1,272	+8.0%
Gross Profit Margin (%)	*22.0%*	*22.2%*	*-0.2ppts*
EBITDA	1,089	969	+12.3%
EBITDA Margin (%)	*17.4%*	*16.9%*	*+0.5ppts*
Net Profit	824	807	+2.1%
Net Profit Margin (%)	*13.2%*	*14.1%*	*-0.9ppts*
Capex	90	86	+4.0%
Free Cash Flow	315	(882)	n/m
Net Debt/(Cash)	(693)	(866)	-19.9%
ROIC	*35.1%*	*36.8%*	*-1.7ppts*
ROAE	*42.3%*	*46.9%*	*-4.5ppts*

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

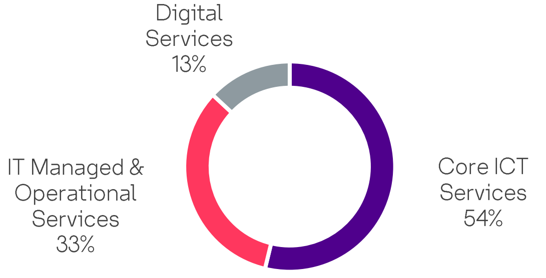
Revenue (⃁ mn)



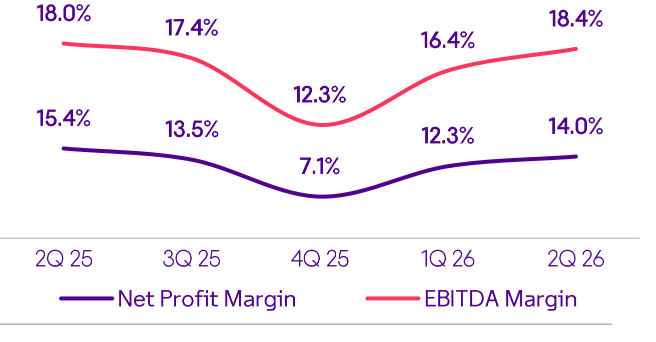
Net Profit (⃁ mn)



1H 2026 Revenue Composition by Segment



EBITDA & Net Profit Margins (%)



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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 ⃁ 14.5bn, 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

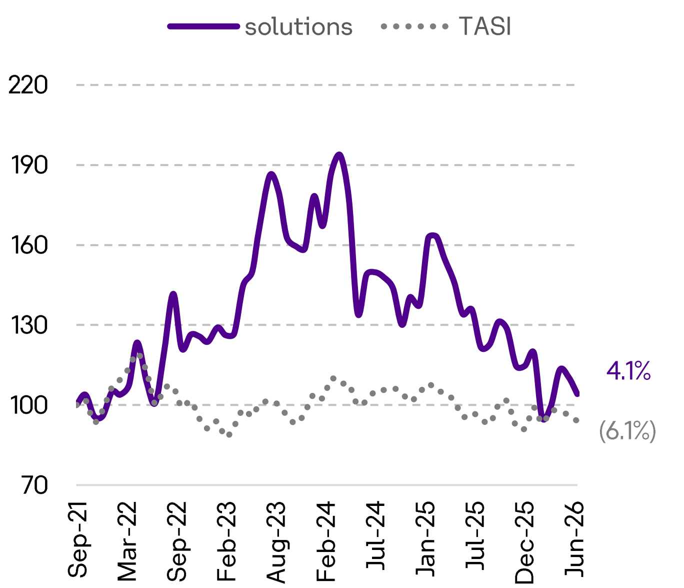
Robust Balance Sheet & Net Cash
Net cash position averaging 1.4x EBITDA over the last 5 years, providing flexibility for growth investments and downside protection

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	⃁
IPO offering price	151.0
Closing Price on 30 September 2021	196.2
Closing Price on 30 June 2026	204.3
Market Cap on 30 June 2026	24.5 bn
Price / Earnings (LTM)	16.0x
EV / EBITDA (LTM)	11.3x

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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