

Investors Presentation

Q1 2026

Kuwait Telecommunications Company K.S.C.P.

28 April 2026

stc

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Participant

stc Management

- Khaled Al Mayouf – Chief Financial Officer
- Reem Al Hajri – GM, Investor Relations & M&A

Conference Host

- CI Capital

First Quarter 2026 Key Highlights



Growth in Subscriber Base

Subscriber base reached **2.3 million**, reflecting a **YoY growth of 5.4%**.



Enhanced Profitability & Operational Efficiency

EBITDA **rose by 3.5%** despite lower revenue, while net profit **increased by 1.6%**, driven improved operating margins and disciplined cost control.



Strengthened Operational Resilience






Implemented proactive initiatives to support **network resilience, customer experience, and community needs** during recent regional tensions.



Maximized Shareholders' value

AGM approved **38 fils/share** cash dividend (**~KD 38 million**), reinforcing stc Kuwait's commitment to sustainable shareholder returns.

First Quarter 2026 financial highlights

Revenues	EBITDA	Net Profit	EBITDA Margin	EPS
85.3 KD Mn. 	23.1 KD Mn. 	9.2 KD Mn. 	27.1 % 	9 Kuwaiti fils 
-2.4% YoY	+3.5% YoY	+1.6% YoY	+1.6 pts.	+1.6% YoY

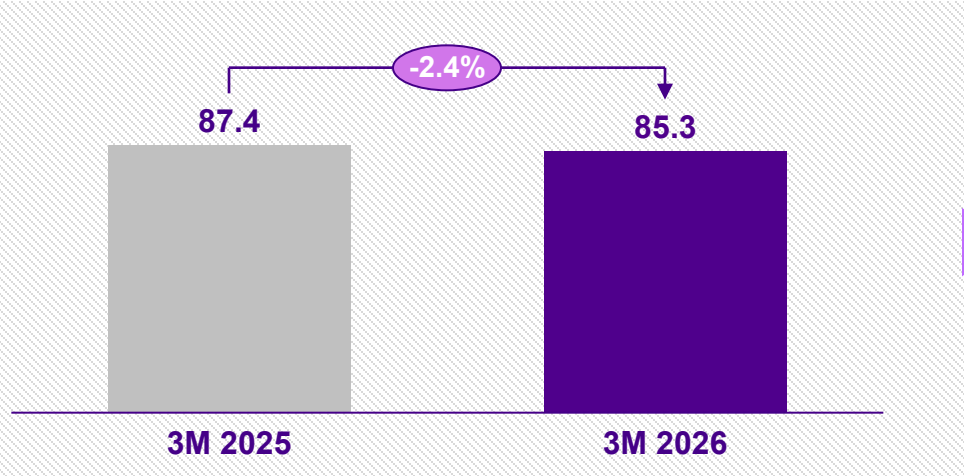
Financial Performance



First Quarter 2026 financial highlights – Revenues

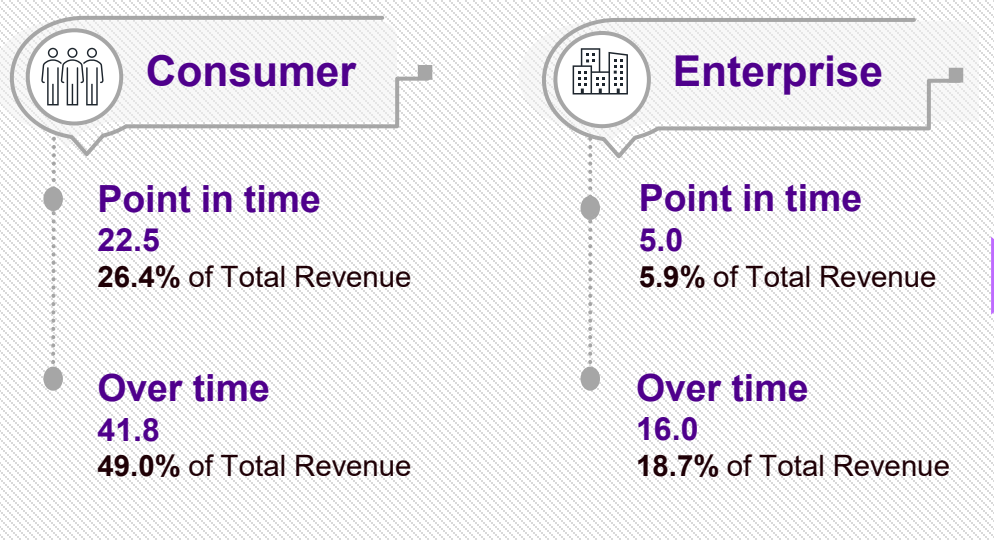
Revenue reflects a strategic shift in mix toward higher-margin activities, supporting improved quality of earnings.

Revenues (KD Mn.)



- The **2.4%** decline in revenues reflects a shift in the revenue mix toward higher-margin activities, in line with the company's strategy to enhance revenue quality and drive sustainable profitability.

Revenue Segmentation (KD Mn.)

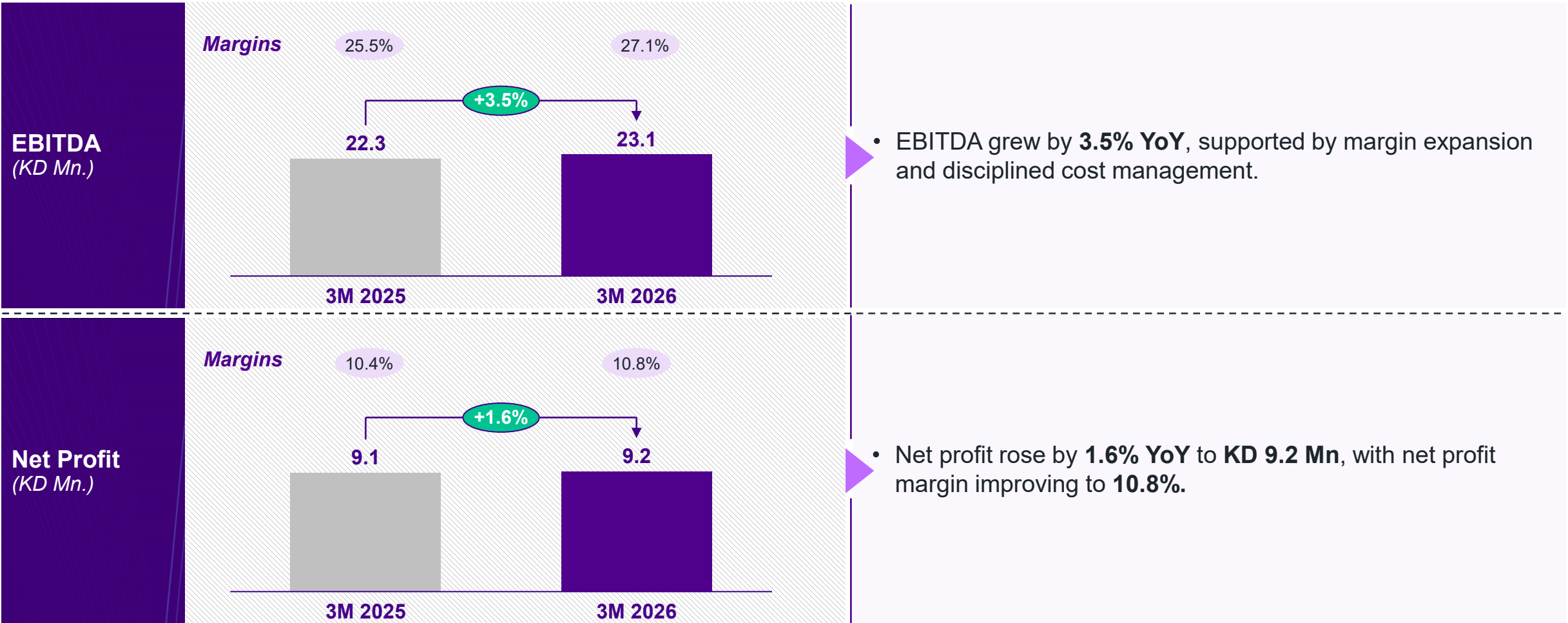


- Consumer segment drove **~75%** of stc's revenues.
- Enterprise segment capturing **~25%** of total revenue, remained stable and well-positioned to capture future growth opportunities.



First Quarter 2026 financial highlights – Profitability

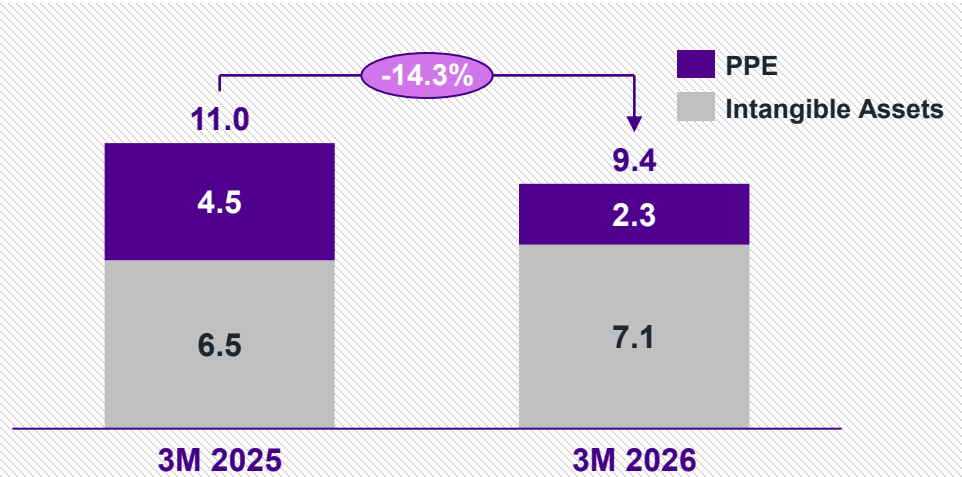
Margin expansion and operational efficiency initiatives supported continued profitability growth.



First Quarter 2026 financial highlights – Investment

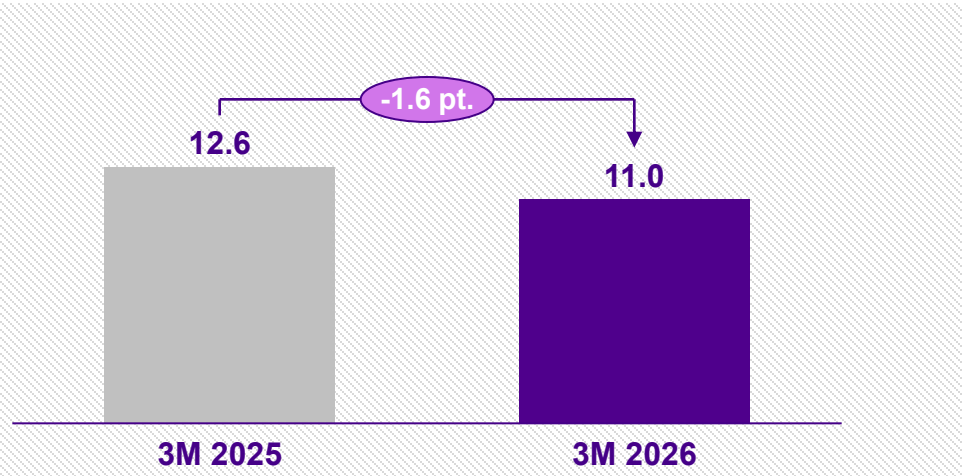
CapEx normalized in Q1-2026 following elevated strategic investment in the prior-year period.

Capital Expenditure
(KD Mn.)



- CapEx declined by **14.3% YoY** to **KD 9.4 Mn**, reflecting a high base in the prior period, which included strategic investments in 5G infrastructure to support the launch of 5G Advanced services.

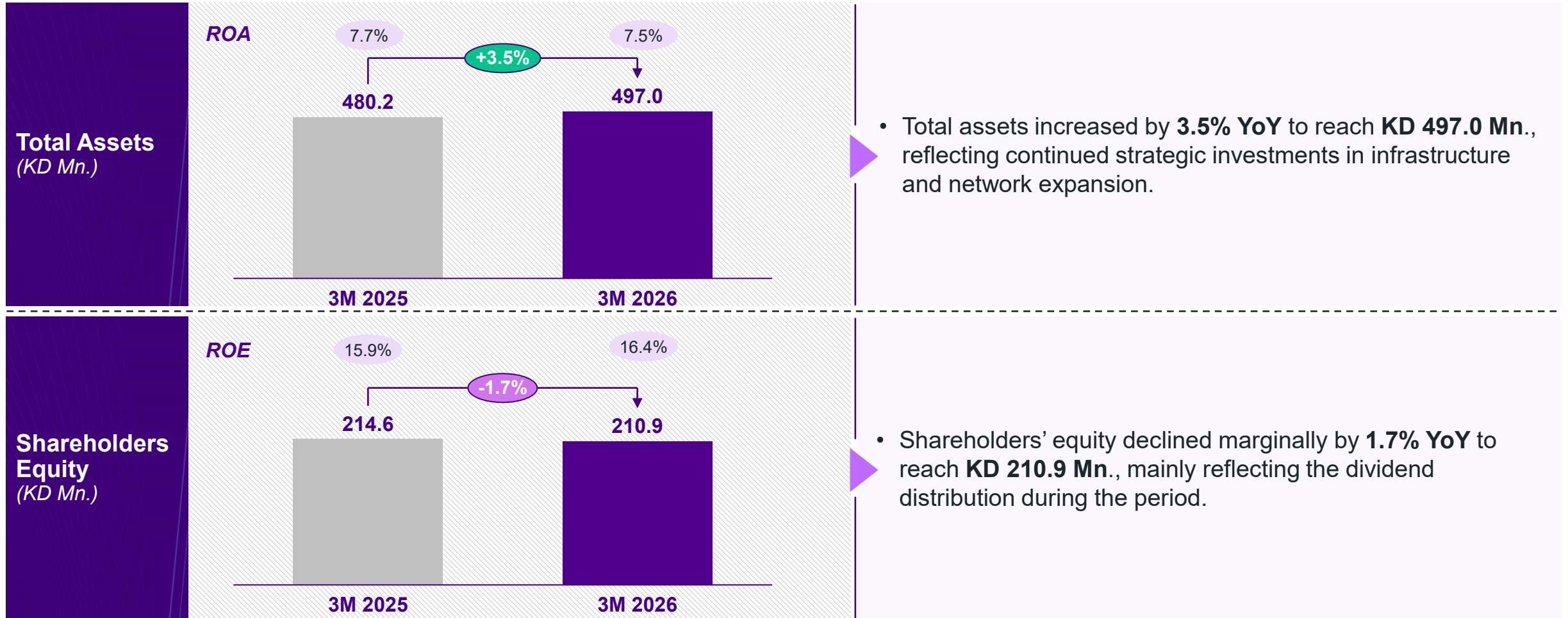
CapEx Intensity
(%)



- CapEx intensity declined by **1.6 percentage points** to **11.0%**, reflecting the normalization of investment levels following elevated spending in the prior period.

First Quarter 2026 financial highlights – Shareholders' Return

Healthy balance sheet reflecting stc's commitment to creating long-term value.



With strong fundamentals and clear strategic direction, stc Kuwait is well placed for long-term value creation



Our **proven track record** of scaling the business and **building differentiated capabilities**, reinforcing our competitive position across **core and adjacent markets**



Today, we present a compelling investment opportunity backed by disciplined capital deployment, consistently **delivering value-accretive returns**



Forward-looking r.e.a.c.h strategy offers a comprehensive and integrated roadmap to deploy capital across consumer, enterprise, and digital adjacencies

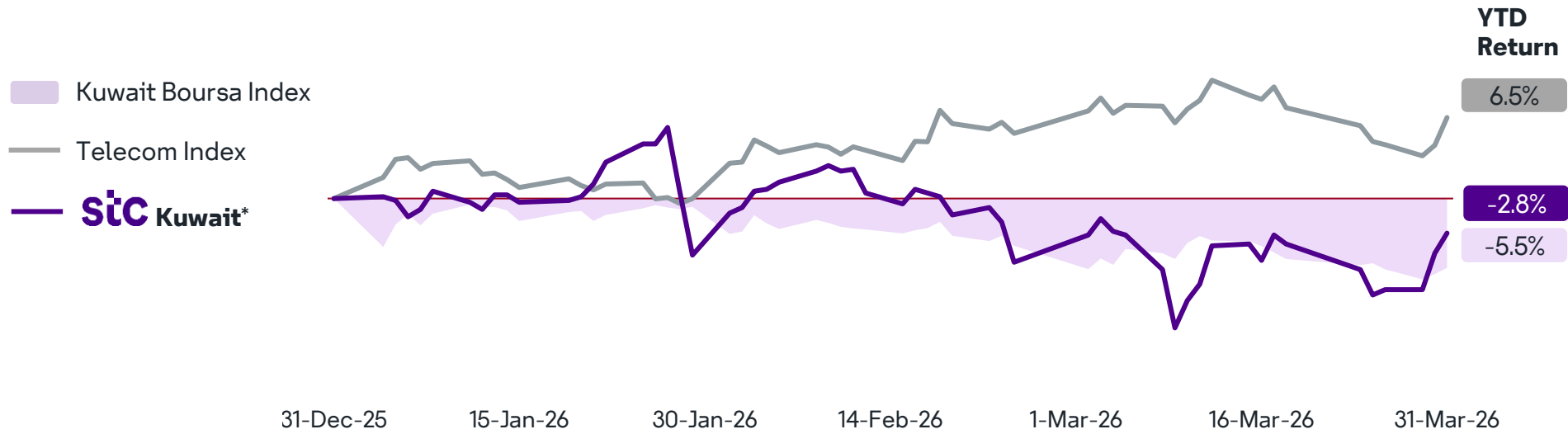
Q&A

Thank you

Appendix

- Share Performance and Valuation Snapshot
- Share & Market Performance
- Statement of Financial Position (2023 – March 2026)
- Income Statement (2023 – 3M 2025)

Share & Market Performance (January – March 2026)



Stock Price (KWD)

Close	0.671
Average	0.680
52 Week High	0.769
53 Week Low	0.619
Beta	0.65

*stc Kuwait YTD Total return including 38 fils dividends per share for the year 2025 is +2.8%.

Number of Shares 998.7 Mn	DPS 38 fils	P/E 19.6 x	P/B 3.2 x	BVPS 211 fils	EPS 9 fils
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Statement of Financial Position (2023 – March 2026)

Statement of Financial Position	2023 KD Mn	2024 KD Mn	2025 KD Mn	Mar-25 KD Mn	Mar-26 KD Mn
Assets					
Property and equipment	161.9	146.4	159.2	144.2	154.7
Goodwill and intangible assets	40.7	41.7	39.2	45.6	43.5
Right of use assets	-	19.9	24.3	28.3	26.2
Trade and other receivables	0.4	0.6	0.3	0.5	0.2
Contract Assets	18.7	20.2	26.7	21.8	27.4
Total non-current assets	221.7	228.8	249.7	240.4	251.9
Inventories	12.8	12.8	12.2	8.9	12.0
Prepayments and other current assets	9.5	14.6	19.0	16.2	15.9
Trade and other receivables	56.9	46.2	46.2	56.8	52.4
Contracts assets	45.3	54.0	61.6	56.4	59.9
Cash, cash balances and deposits	101.4	105.8	90.4	101.5	104.8
Total current assets	226.0	233.4	229.4	239.8	245.1
Total assets	447.7	462.2	479.2	480.2	497.0
Equity And Liabilities					
Share capital	99.9	99.9	99.9	99.9	99.9
Statutory reserve	52.5	52.5	52.5	52.5	52.5
Other reserves	(0.1)	0.1	0.1	0.1	0.1
Retained earnings	91.6	88.0	87.1	62.1	58.4
Total equity	243.9	240.5	239.6	214.6	210.9
Employees' end of service benefits	13.6	12.9	13.3	13.4	13.6
Islamic financing facilities	17.3	11.5	5.8	10.1	4.3
Lease liabilities	-	14.6	18.5	22.7	19.1
Trade and other payables	8.7	2.3	1.3	2.0	1.1
Total non-current liabilities	39.5	41.3	38.8	48.1	38.1
Islamic financing facilities	5.8	5.8	5.8	5.8	5.8
Lease liabilities	-	5.7	5.4	6.7	6.7
Bank Borrowings	-	-	-	-	-
Contract liabilities	-	25.6	24.6	26.3	25.4
Trade and other payables	158.6	143.5	164.9	178.8	210.2
Bank overdrafts	-	-	-	-	-
Total current liabilities	164.3	180.4	200.7	217.5	248.0
Total liabilities	203.8	221.8	239.6	265.6	286.1
Total equity and liabilities	447.7	462.2	479.2	480.2	497.0

Income Statement (2023 –3M 2026)



Income Statement	2023 KD Mn	2024 KD Mn	2025 KD Mn	3M 2025 KD Mn	3M 2026 KD Mn
Revenue	327.4	336.5	342.5	87.4	85.3
Operating expenses	(170.6)	(183.9)	(183.0)	(48.3)	(44.4)
Staff costs	(27.2)	(25.6)	(26.6)	(6.4)	(7.1)
Expected credit losses on trade & other receivables and contract assets	(14.9)	(12.9)	(11.3)	(3.0)	(3.2)
Depreciation, amortization and write-offs	(50.1)	(50.6)	(54.6)	(12.3)	(12.9)
General and administrative expenses	(30.4)	(29.1)	(28.7)	(7.4)	(7.7)
Finance costs (Net)	(2.0)	(2.6)	(2.2)	(0.6)	(0.5)
Finance income and others, net	2.4	1.5	3.1	0.9	0.8
Profit before Contributions to KFAS, NLST, Zakat and BOD Remuneration	34.6	33.4	39.2	10.2	10.3
Taxation	(1.7)	(1.7)	(4.8)	(1.1)	(1.0)
BOD remuneration	(0.2)	(0.3)	(0.3)	(0.1)	(0.1)
Net Profit for the Year	32.7	31.4	34.1	9.1	9.2
Basic and Diluted Earnings per share (Fils)	31	31	34	9	9

Ticker

Boursa Kuwait: **STC** Bloomberg: **STCKK**
Yahoo Finance: **STC.KW** Reuters: **STC.KW**

Investor Relations Department:

✉ : Investor.relations@stc.com.kw

☎ : +965 5000 1911

🌐 : www.stc.com.kw

 **stc Kuwait**

 **Kuwait Telecommunication Company (stc)**

 **stc_Kuwait**

 **@stc_Kuwait**



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