

DTC Delivers H1 2024 EBITDA Growth of 27% YoY to AED 309.3 million

First Half Revenue Up 14% to AED 1.09 billion

- Taxi fleet in operations expanded by 294 vehicles YoY following the successful award of new taxi licences in Q1 2024
- 23 million trips completed across the taxi and limousine segments in H1 2024, up 4% YoY
- Attractive EBITDA margin of 28%, up 3 percentage points YoY
- Net profit of AED 187.4 million impacted by interest and corporate tax introduction; up 11% excluding tax impact
- Board approves dividends of AED 159.3 million for H1 2024, in line with policy to distribute least 85% of annual net profit

Dubai, UAE, 25 July 2024: Dubai Taxi Company PJSC (“DTC” or the “Company”), a leading provider of comprehensive mobility solutions in Dubai, today announced its financial results for the six months ended 30 June 2024 (“H1 2024” or the “Period”).

DTC delivered robust performance during the first half of 2024 with revenue growing 14% year-on-year to AED 1.09 billion with strong growth across all its segments. The Company’s performance was underpinned by the ongoing execution of its growth strategy including increasing its taxi fleet and entering into new strategic partnerships, to consolidate its market-leading position.

DTC’s core taxi segment achieved solid growth during the period, with revenue up 12% year-on-year to AED 939.0 million, driven by increased trips and trip lengths as the Company expanded its operating fleet by 294 vehicles year-on-year following the successful award of new taxi licences in Q1 2024. The taxi segment also benefited from higher tariffs, as determined by the Road and Transport Authority (RTA), as well as an increase in the proportion of dedicated airport taxis, where DTC has exclusive rights to operate and charges a higher tariff. The limousine segment saw revenue increase 6% year-on-year to AED 61.7 million in H1 2024, also supported by fleet expansion and higher tariffs. The Company’s taxis and limousines completed 23 million trips during the period, an increase of 4% year-on-year.

The bus segment achieved stellar growth with revenue increasing by 26% year-on-year to AED 72.0 million, driven by the award of new service contracts and increased fleet size. The Company’s bike segment also continued to grow exponentially, with revenue increasing almost threefold year-on-year, supported by overall market expansion and the formation of new partnerships.

DTC’s strong revenue performance resulted in a 27% year-on-year increase in EBITDA to AED 309.3 million, at an attractive margin of 28%, as DTC continues to focus on cost optimisation through increased asset utilisation and the adoption of fuel-efficient vehicles in line with its sustainability commitments. H1 2024 net profit, which

was impacted by the introduction of corporate tax in the country as well as finance costs, was up 1% year-on-year to AED 187.4 million. Excluding the tax impact, net profit increased 11%. Further, excluding interest cost related to the AED 1.0 billion loan which was drawn in September 2023, net profit increased 27% on a comparable basis. Free cash flow for the period was AED 178.5 million, a 65% increase compared to H1 2023.

DTC maintained a healthy balance sheet, with a highly attractive net debt to EBITDA ratio of 1.1x and a cash balance of AED 374.0 million, including Wakala deposits, as of June 2024.

Commenting on the Company's H1 2024 results, DTC's Chairman, H.E. Abdul Muhsen Ibrahim Kalbat, said:

"Our results for the first half of 2024 demonstrate DTC's ability to execute its growth strategy and take advantage of Dubai's positive growth story. We have a well-defined vision and strategy that capitalises on Dubai's ambitious urban development and robust resident and tourism growth, ensuring we are well-positioned to deliver long-term growth and value creation for our shareholders. I am also pleased to confirm that DTC's Board has approved a dividend payout of AED 159.3 million for the first half of the year, in line with our highly attractive dividend policy to distribute at least 85% of annual net profit."

DTC's CEO, Mansoor Rahma Alfalasi, added: "We delivered a robust set of results during the first half of 2024 with revenue increasing 14% year-on-year, sustaining an attractive EBITDA margin of 28%, as we continued to execute our strategic growth plans of fleet expansion while leveraging our industry-leading partnerships. We increased our taxi fleet by 294 vehicles compared to the previous year following the successful award of new taxi licences in Q1 2024, enabling us to further consolidate our market leadership to 45% of Dubai's taxi market share. We remain committed to delivering value to our shareholders through growth and operational excellence, by enhancing asset utilisation and optimising our cost base through technology and economies of scale."

"Our outlook is positive, supported by Dubai's continued success as a leading business and leisure destination, with strong macroeconomic tailwinds enabling population growth and urban expansion, which we see driving long-term, sustainable demand growth for our services."

Board Approves H1 2024 Dividend

DTC's Board of Directors has approved dividends of AED 159.3 million, amounting to 6.37 fils per share for H1 2024, in line with the Company's dividend policy of targeting dividend distribution of at least 85% of annual net profit, distributed semi-annually. The announced interim dividend is expected to be distributed in August 2024.

Q2 2024 Operational Highlights

DTC's strong equity proposition and potential was recognised during Q2 2024 through index inclusions and industry awards. The Company's shares were added to the MSCI Small Cap Index and the S&P UAE Shariah Index during the quarter, reflecting the market's recognition and potential in its equity offering. The Company was awarded the Equity Capital Markets Deal of the Year award at the Bonds, Loans, & Sukuk Middle East Awards 2024 and the Best Sustainable IPO in EMEA at the EMEA Finance Awards 2024, showcasing the high-profile nature of its landmark IPO.

Operationally, DTC continued to make strides, signing a strategic MoU with Blacklane Middle East to enhance and develop luxury chauffeur services in accordance with international best practices, further strengthening the appeal of its limousine segments offering.

The delivery bikes segment continues to grow rapidly driven by strong demand for delivery partners from e-commerce providers and aggregators. DTC signed a strategic agreement with Talabat UAE, the region's leading delivery platform to offer transportation and delivery solutions, utilising its diverse fleet of vehicles.

Outlook

DTC has a positive outlook across all its business segments, enabled by Dubai's strong economic outlook and a forecasted resident population Compound Annual Growth Rate ("CAGR") of 2.8% between 2023 and 2040, as well as a tourist CAGR of 20.5% between 2023 and 2025. During the period, Dubai International Financial Centre (DIFC) reinforced its position as the preferred hub for wealth and asset management (WAM) companies and hedge funds with over 370 WAM firms, highlighting the emirate's growing stature as a preeminent global business hub, and Dubai International Airport (DXB) recorded its busiest quarter in history, affirming its role as a global aviation hub.

The Company's growing market leadership positions it to capture value from the emirate's robust growth while continuing its expansion into neighbouring emirates and exploring market consolidation opportunities.

Financial Highlights

AED million	Q2 2024	Q2 2023	YoY growth (Q2 24 vs Q2 23)	H1 2024	H1 2023	YoY growth (H1 24 vs H1 23)
Revenue	531.2	476.2	12%	1,089.6	956.7	14%
<i>Taxi *</i>	<i>458.5</i>	<i>416.8</i>	<i>10%</i>	<i>939.0</i>	<i>835.7</i>	<i>12%</i>
<i>Limousine</i>	<i>28.2</i>	<i>26.9</i>	<i>5%</i>	<i>61.7</i>	<i>58.1</i>	<i>6%</i>
<i>Bus</i>	<i>35.5</i>	<i>28.6</i>	<i>24%</i>	<i>72.0</i>	<i>57.1</i>	<i>26%</i>
<i>Delivery Bike</i>	<i>9.0</i>	<i>3.9</i>	<i>130%</i>	<i>16.9</i>	<i>5.7</i>	<i>195%</i>
EBITDA	139.3	122.4	14%	309.3	243.4	27%
<i>EBITDA Margin (%)</i>	<i>26%</i>	<i>26%</i>	<i>1 p.p.</i>	<i>28%</i>	<i>25%</i>	<i>3 p.p.</i>
Net Profit	79.4	92.3	(14%)	187.4	186.3	1%
Net Debt (Cash)	623.3	(393.8)	-	623.3	(393.8)	-

* Includes revenue from My Driver services

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About DTC

DTC was recognised as a public joint stock company under Law No. (21) of 2023. The Company is a leading provider of comprehensive mobility solutions in Dubai, operating a fleet of more than 8,200 vehicles, including more than 5,500 taxis. DTC was established in 1994 to operate a fleet of taxis and has since expanded to offer an extensive range of integrated mobility solutions across four key business lines: taxis, VIP limousines, buses and last mile delivery bike services. DTC is the number one taxi operator by fleet size in Dubai with an approximately 45% market share. In 2023, the Company's taxis and limousines completed 46 million trips.

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