



du reports its Q4 and FY 2024 results

Exceptional performance with net profit up 49.1% to a record AED 2.5 billion

Historical annual dividend of 54 fils per share, a 59% increase y-o-y

Dubai, UAE. 10 February 2024 – Emirates Integrated Telecommunications Company PJSC (du) announced its financial results for the fourth quarter and full year of 2024. The exceptional full year results reflect the strong financial performance throughout the year and the success of our strategic initiatives. The 2024 performance exceeded the guidance for the year as revenues grew by 7.3% and EBITDA margin reached 44.2%, expanding by 1.7 percentage points with EBITDA increasing by 11.6%. Our net profit growth of 49.1%, reaching a record AED 2.5 billion, underscores our ability to drive both top-line expansion and bottom-line improvement. Our strong financial performance and robust balance sheet enabled the Board to recommend distributing 34 fils per share as the final dividend for 2024, taking our 2024 dividend to 54 fils per share, the highest dividend in the history of du and the maximum amount of dividends per share allowed by our dividend policy.

FY 2024 Highlights

- Strong market position and revenue diversification resulting in 7.3% revenue growth to AED 14.6bn
- Exceptional profitability with EBITDA increasing by 11.6% to AED 6.5bn, EBITDA margin up by 1.7pp to 44.2% and net profit soaring by 49.1% to AED 2.5bn
- Capex normalisation with a capital intensity of 14.0%
- Highly cash generative business translating into operating cash flow up 23.0% to AED 4.4 billion
- Strategic partnerships with Orange and Telefónica to further boost innovation and growth

Financial Summary¹

	Quarterly			Full year		
AED million	Q4 2024	Q4 2023	change	FY 2024	FY 2023	change
Revenues	3,873	3,558	8.8%	14,636	13,636	7.3%
Service revenues	2,748	2,529	8.6%	10,551	9,880	6.8%
Other revenues	1,125	1,029	9.3%	4,085	3,757	8.7%
EBITDA	1,581	1,430	10.6%	6,472	5,800	11.6%
EBITDA Margin (%)	40.8%	40.2%	0.6pp	44.2%	42.5%	1.7pp
Net profit	585	396	47.5%	2,488	1,668	49.1%
Capex	729	759	(3.8%)	2,042	2,198	(7.1%)
Capital intensity (%)	18.8%	21.3%	(2.5pp)	14.0%	16.1%	(2.2pp)
Operating Free Cash Flow	852	671	26.8%	4,430	3,602	23.0%

¹ Note: Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures

**Malek Sultan Al Malek, Chairman, commented:**

"In 2024, we made significant progress in our transformation journey from a traditional telecom operator to a comprehensive digital services provider, supported by UAE's resilient economy and ambitious digital agenda. The introduction of the du Tech and du Infra sub-brands enhances our B2B service offerings and caters more effectively to specific market segments. The launch of du Pay challenges the status quo, promoting financial inclusion, accessibility and security.

Our mobile and fixed network, supporting close to 10 million subscribers, is forming the backbone of the UAE's digital economy, highlighting the success of our customer-centric and digital-first approach. We continue introducing new-generation technologies and forming strategic partnerships with global tech leaders to become the partner of choice of businesses in their digital transformation journey.

Our focused strategy execution translated into exceptional financial performance in 2024, marked by strong revenue and profitability growth. On the basis of these excellent results, the Board has proposed a final dividend of 34 fils per share, taking the final dividend to 54 fils per share, the highest dividend in the history of du.

Our outlook remains positive as we continue to progress on our transformation journey, prioritise emerging technologies, and strengthen our position in the telecom and ICT sectors to meet evolving market demands. We are confident in our ability to drive sustained growth and value for our shareholders while shaping the UAE's digitally empowered future."

Fahad Al Hassawi, CEO said:

"2024 was a pivotal year for du. During the year, the company achieved record financial performance and reached major operational and strategic milestones. We reinforced our position as a leading Telecom and Digital Services Provider, by driving innovation with new services, additional revenue streams and enhanced networks, and by focusing on our digital-first strategy to deliver exceptional customer experience. Key milestones included the launch of the du Tech and du Infra sub-brands, the roll-out of the du Pay fintech solutions, and the deployment of the Middle East's first indoor 5G-Advanced Network. In the Data centre business, strategic partnerships with Oracle Alloy and AI Hosting Hub boosted our capabilities, while a new strategic partnership with Telefónica will strengthen our competitive edge.

During the year, du was recognised by Brand Finance as the third strongest brand in the UAE, a testimony of our strong market presence and customer recognition. Our exceptional financial performance in 2024 was driven by the strong focus of our management and the unwavering engagement of our people resulting in a 7.3% increase in annual revenues to AED 14.6 billion and a remarkable 49.1% rise in net profit to AED 2.5 billion, while the proposed dividend increased by a stellar 59%.

Looking ahead, we will continue driving digital transformation and strategic revenue diversification, enhancing our infrastructure and expanding partnerships, while sustainably driving operational efficiency, profitable growth and value creation to all our stakeholders."

Customer base

- In Q4 Our **Mobile customer base** grew 4.2% year-over-year reaching 8.9 million subscribers with 600,000 net-additions this quarter. The postpaid subscriber base grew by 10.0% year-over-year to 1.8 million customers supported by attractive B2B initiatives such as SME infinite plans and new postpaid plans for large enterprise customers as well as new consumer offers, such as the UAE nationals Exclusive



postpaid plan. Meanwhile, our prepaid customer base grew by 2.9% y-o-y reaching 7.1 million driven by attractive offers to residents such as special offers for blue collar workers and attractive offers dedicated to du Pay customers as well as successfully capturing the increase in tourism activity by upgrading our services with offers such as the e-sim for tourists, the tourist welcome bonus and enhanced bundles for tourists.

- In Q4 our **Fixed customer base** saw a strong growth of 12.8% year-over-year reaching 682,000 subscribers, with 27,000 net-additions in the fourth quarter and 78,000 over the past 12 months driven by growth of demand for our Fibre and Home Wireless services including home wireless gaming and attractive offers by our Virgin brand and the improvement of our Fixed services market share.

Q4 and FY 2024 Financial Highlights

- **Q4 revenues grew by 8.8% year-over-year** reaching AED 3.9 billion. **FY 2024** revenues reached AED 14.6 billion, a 7.3% increase year-over-year exceeding our guidance of 5-7% growth, and with growth across all our segments. This was driven by the supportive environment and our growing market share in Mobile and Fixed services as well as the expansion of our ICT offerings.
- **Q4 Mobile service revenues** increased by 8.0% year-over-year to AED 1.7 billion. **FY2024** Mobile revenues grew by 7.3% to reach AED 6.5 billion primarily driven by the growth of the customer base - including higher tourism activity- and improved mix with strong growth in the postpaid segment and focus on high ARPU products.
- **Q4 Fixed service revenues** rose by 9.8% year-over-year reaching AED 1.0 billion. **FY 2024** Fixed services revenues grew by 6.0 % year-over-year to AED 4.0 billion driven by the continuing success of our Home Wireless product, enterprise broadband plans including large enterprise contracts and the continuous expansion of our fixed network into new areas partly offset by the negative effect resulting from the termination of the beIN contract at the end of Q2 2023.
- **Q4 “Other revenues”** grew by 9.3% year-over-year to AED 1.1 billion. **FY 2024** “other revenues” grew by 8.7% and reached AED 4.1 billion driven by strong increase in our ICT business and highlighting the successful diversification of our revenues beyond connectivity. The growth was also driven by the higher mobile subscriber base resulting in higher interconnection revenues, higher roaming revenues due to increased tourist influx in the country and increasing handset sale owing to the successful launch of the iPhone16.
- **Q4 EBITDA** grew by 10.6% to AED 1.6 billion, with an EBITDA margin of 40.8%. **FY 2024** EBITDA of AED 6.5 billion was up 11.6%, with an EBITDA margin of 44.2%, 1.7 pp improvement compared to FY 2023 and exceeding the upwardly revised guidance of “above 43%”. The higher margin resulted mainly from the strong revenues growth, improved revenues mix with higher share of postpaid, lower cost of authentication services, optimised content cost as well as a positive one-off booked in Q3 2024. This was partly offset in particular by the diluting effect of higher equipment sale, higher expenses related to the modernisation of our IT infrastructure as we strive to offer the best digital experience to our customers and higher marketing spending to support some targeted commercial efforts aiming at expanding our high value subscriber base.
- **Q4 Net Profit** grew by 47.5% year-over-year to AED 585 million. **FY 2024** Net profit reached AED 2,488 million, a 49.1% increase year-over-year reflecting the EBITDA performance, our efficient cash management resulting in the improvement of the interest income, normalised level of Depreciation & Amortisation reflecting progressive normalisation of our core capex and positive impact from federal



royalty and tax. This strong performance highlights our focus on coupling top-line expansion with profitable growth.

- **Q4 Capex** was at AED 729 million (Q4 2023: AED 759 million). **FY 2024** Capex stood at AED 2.0 billion while capital intensity reduced to 14.0%, moderating from its peak levels as the bulk of our 5G deployment has been achieved (FY 2023 capital intensity: 16.1%). Investment in 5G is now directed towards densification and enhancing indoor coverage. Additionally, we will continue deploying fibre in both new and existing areas while transforming our IT systems and infrastructure and capitalising on AI initiatives to boost efficiency and deliver an exceptional customer experience.
- **Q4 Operating free cash flow** (EBITDA – Capex) increased by 26.8% to AED 852 million, while **FY 2024** operating cash flow stood at AED 4.4 billion reflecting EBITDA growth and Capex moderation. Our business remains highly cash generative, steadily enhancing our cash position and solidifying our balance sheet, which gives us ample flexibility to invest in our future growth and distribute generous dividends.
- **Final dividend** of 34 fils bringing the total 2024 dividend proposed by the Board to 54 fils per share, a 58.8% increase year-over-year, representing a payout ratio of 98% and a testimony to our commitment to maximise value creation to our shareholders.

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About du

du adds life to life with a comprehensive portfolio of mobile, fixed, broadband, entertainment services, and fintech solutions. Through a digital-first approach powered by ultra-reliable fibre and 5G technology, du delivers bespoke solutions leveraging cloud computing, AI-driven analytics, advanced cybersecurity, and IoT integration. As a trusted digital telco enabler spearheading the UAE's digital transformation, we collaborate with a dynamic partner ecosystem to propel industries and society toward operational excellence, shaping a more connected and digitally advanced future across the region.

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