



## du reports its Q3 2024 results

**Very strong performance with quarterly revenues growing 9.1%, EBITDA growing 16.9% and 9-months net profit surging by 49.7%**

Dubai, UAE. 28 October 2024 – Emirates Integrated Telecommunications Company PJSC (du), announced today its financial results for the third quarter of 2024 with a stellar topline growth of 9.1% and a robust EBITDA growth of 16.9%. Q3 EBITDA margin of 48.3% is the highest since inception. Q3 net profit of AED 719 million is the highest quarterly net profit in the last three years while net profit for the 9 months grew by a stellar 49.7%. This very strong financial performance is the result of a sustained commercial momentum, consistent strategy execution and efficient cost management. Significant milestones have been achieved in the connectivity business and beyond, underpinning du's evolution from a telecom operator to a leading Telecom and Digital Services Provider.

### Q3 2024 Highlights

- Strong commercial momentum resulting in 9.1% y-o-y topline growth, as revenues reached AED 3.6bn
- Profitable growth with EBITDA increasing by 16.9% to AED 1.7bn and a record EBITDA margin at 48.3%
- Net profit up 42.7% to AED 0.7bn, the highest quarterly net profit in the last three years
- Capex normalizing with a capital intensity of 12.2% in the first 9 months
- Strategic B2B portfolio overhaul with the launch of two new sub-brands
- Global partnership with Orange to support innovation and digital transformation
- FY 2024 guidance reaffirmed

### Financial snapshot

	Quarterly			9 Months		
AED million	Q3 2024	Q3 2023	change	9m 2024	9m 2023	change
<b>Revenues</b>	3,589	3,291	9.1%	10,763	10,078	6.8%
Service revenues	2,646	2,464	7.4%	7,803	7,351	6.1%
Other revenues	944	827	14.1%	2,960	2,727	8.5%
<b>EBITDA</b>	1,734	1,483	16.9%	4,891	4,370	11.9%
EBITDA Margin (%)	48.3%	45.1%	3.2 pts	45.4%	43.4%	2.1pts
<b>Net profit</b>	719	504	42.7%	1,903	1,271	49.7%
<b>Capex</b>	511	527	-3.0%	1,312	1,439	-8.8%
Capital intensity (%)	14.2%	16.0%	-1.8 pts	12.2%	14.3%	-2.1 pts
<b>Operating Free Cash Flow</b>	1,223	956	27.9%	3,579	2,930	22.1%

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



Commenting on the Q3 developments and performance, Fahad Al Hassawi, CEO said:

*“In the third quarter, we continued to execute our strategy of strengthening our core connectivity business whilst selectively expanding beyond the core to position ourselves as a leading integrated digital services enabler. The recent overhaul of our operating brands, with the introduction of two new sub-brands, du Tech and du Infra, reflects our strategic shift to drive comprehensive digital transformation across our services, underscoring our commitment to innovation and creation of dynamic digital ecosystems. With our expanded portfolio and the deployment of 5G SA and AI technologies, we are setting the stage for transformative digital adoption by individuals, businesses, and governmental bodies alike, building a future that is both more interconnected and digitally savvy. Our recent partnership with AI Hosting Hub underscores our commitment to growing in the data centre and cloud sectors. As part of our transformation journey, we have recently joined the Orange Alliance highlighting our aim to leverage the expertise of global operators to adopt industry leading practices.*

*The successful execution of our strategy has led to another quarter of strong financial performance. Our quarterly revenues were up by over 9% as we saw a robust growth in all our segments. Our customer base is further expanding and the third quarter was marked by over 14% growth of the Fixed customer base. These results highlight the alignment of our products with customer needs and the high quality of our infrastructure. Our top line growth continues to be highly value creative, as we achieved a record high EBITDA margin of 48.3% and the highest quarterly net profit in the last three years. Our strong cash generation and healthy balance sheet provide us with the flexibility to invest in future growth opportunities and deliver strong returns to our shareholders. We remain confident in achieving our targets and have reaffirmed our 2024 guidance”.*

### Customer base

- **Our Mobile customer base grew 2.7% year-over-year** reaching 8.3 million subscribers with 71,000 net-additions this quarter and 218,000 over the past 12 months. The year-over-year growth was driven by a robust 12.5% growth in our postpaid subscriber base supported by dynamic B2B initiatives and compelling consumer offers, such as unlimited data plans and special roaming bundles for the holiday season. Meanwhile, our prepaid customer base remained broadly stable at 6.5 million customers.
- **Our Fixed customer base saw a strong year-over-year growth of 14.2% reaching** 655,000 subscribers, with 24,000 net-additions this quarter and 81,000 over the past 12 months. This growth was driven by the continued appeal of our Fibre and Home Wireless offerings.

### Financial highlights

- **Revenues grew by 9.1% year-over-year** reaching AED 3,589 million.
- **Mobile service revenues** increased by 7.0% year-over-year to AED 1,633 million primarily driven by strong growth in the postpaid segment and an increase in mobile ARPU thanks to our focus on high value products and the success of our Customer Value Management strategy.
- **Fixed service revenues** rose by 7.9% reaching AED 1,013 million driven by the continuing success of our Home Wireless product, enterprise broadband plans and the expansion of our fixed network into underserved areas.
- **“Other revenues”** surged by 14.1% to AED 944 million driven by the strong performance of our wholesale business and high equipment sales following the successful launch of the iPhone 16. Our ICT

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business also contributed significantly to this performance, with growth in cloud and managed services as well as consistent results from our data centre operations.

- **EBITDA** grew by 16.9% to AED 1,734 million, with a record EBITDA margin of 48.3%. This strong performance was driven by a combination of revenue growth, an improved revenue mix and an effective management of operating expenses. Additionally, a significant reversal of certain accruals, following the conclusion of negotiations on authentication fees further boosted EBITDA. Excluding this one-time benefit, EBITDA growth would have remained solid at 6.7% with an EBITDA margin of 44.1%.
- **Net Profit** grew by 42.7% to AED 719 million, reflecting the stellar EBITDA performance and the reduction of most post-EBITDA items.
- **Capex** was at AED 511 million (Q3 2023: AED 527 million). Capital intensity for the first nine months stood at 12.2% moderating from its peak levels as the bulk of our investments in 5G has been achieved (9m 2023 capital intensity: 14.3%). We will continue extending our 5G coverage focusing on densification and indoor coverage, as well as deploying Fibre in new and existing developments and implementing the transformation of our IT and infrastructure to increase efficiency and offer the best-in class customer experience.
- **Operating free cash flow** (EBITDA – Capex) increased by 27.9% to AED 1,223 million, reflecting EBITDA growth and Capex moderation. Our business remains highly cash generative, enhancing our cash position and solidifying our balance sheet.

**ENDS**

## 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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