



du reports its Q1 2025 results with 19.8% net profit increase

Sustained revenue growth with revenues up 7.4%, combined with an exceptional margin expansion to 47.4%

Landmark partnership in ICT for a new hyperscale data centre

Dubai, UAE. 05 May 2025 – Emirates Integrated Telecommunications Company PJSC (du) reported its financial results for the first quarter of 2025, marked by robust growth in both revenues and profitability. Total revenues increased by 7.4% year-over-year, driven by solid performance across both service and non-service segments. EBITDA rose by an impressive 15.0% supported by improved revenue mix and efficient cost management, resulting in an exceptional EBITDA margin of 47.4%. This operational strength translated into a net profit increase of 19.8%, underscoring our continued momentum and financial discipline.

Q1 2025 Highlights

- Continuing commercial momentum resulting in 7.4% revenue growth to AED 3.8bn
- Solid growth of mobile and fixed subscriber base with mobile exceeding 9 million subscribers
- Strong profitability with EBITDA increasing by 15.0% to AED 1.8bn, EBITDA margin up by 3.1pp to 47.4% and net profit up by 19.8% to AED 0.7bn
- Key milestone achieved in expanding ICT footprint through a strategic partnership with Microsoft to build state-of-the-art hyperscale data centre in the UAE
- du Pay celebrates one year of activity with half a million app downloads and half a billion dirhams in transactions

Financial Summary¹

AED million	Q1 2025	Q1 2024	Change
Revenues	3,848	3,581	7.4%
Service revenues	2,780	2,563	8.5%
Other revenues	1,067	1,018	4.8%
EBITDA²	1,824	1,586	15.0%
<i>EBITDA Margin (%)</i>	47.4%	44.3%	3.1pp
Net profit	722	603	19.8%
Capex³	377	359	5.0%
<i>Capital intensity (%)</i>	9.8%	10.0%	0.2pp
Operating Free Cash Flow⁴	1,447	1,228	17.9%

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

² EBITDA in the condensed consolidated financial statements is referred to as "Operating profit before depreciation and amortization"

³ Capex is calculated as: cost addition to Property, Plant and Equipment and cost addition to Intangible Assets (See note 4 and 5 in the condensed consolidated financial Statements for the three-month period ended 31 March 2025)

⁴ Operating Free Cash Flow is EBITDA minus Capex

Fahad Al Hassawi, CEO commented:

“We started the year with a very strong first quarter, delivering growth across all key financial metrics and making meaningful progress on our strategy to diversify revenue streams as witnessed by the strategic partnership with Microsoft to develop a hyperscale data centre. The resilient UAE environment coupled with the quality of our offerings and our ability to respond to evolving customer needs contributed to the solid growth in our subscriber base with our mobile base now exceeding the 9 million mark and our revenues witnessing a remarkable 7.4% growth. We also achieved a strong margin expansion, with EBITDA margin rising to 47.4% while net profit grew by 19.8%, reflecting disciplined execution of our strategy and effective cost management. Our balance sheet remains robust supported by strong cash generation and the continuing normalization of capital expenditures in our connectivity business, enabling us to strategically expand into high-potential growth areas. We have reiterated our guidance, highlighting our confidence in maintaining this strong momentum throughout the year.”

Customer base

- In Q1 Our **Mobile customer base** grew by 5.5% year-over-year reaching 9.1 million subscribers with 475,000 net-additions. Postpaid remains a strong engine of growth with an increase of 9.6% year-over-year to 1.8 million customers mainly driven by Enterprise, where we introduced several innovative offerings such Business roaming proposals. The Prepaid base grew by 4.5% to 7.3 million customers driven by new customized plans.
- In Q1 our **Fixed customer base** saw a strong growth of 13.8% year-over-year reaching 701,000 subscribers, with 19,000 net-additions in the first quarter and 85,000 over the past 12 months driven by new offers such as the upgraded Home basic plan and Office wireless offers including managed services. We maintained a strong momentum in Home Wireless boosted by the virgin mobile offerings and we sustained our operational and commercial focus towards network expansion and penetration in areas with high growth potential.

Q1 2025 Financial Highlights

- **Q1 revenues grew by 7.4% year-over-year** reaching AED 3.8 billion with growth in both service and non-service revenues primarily driven by the strong macro environment in the UAE, our ability to gain market share, as well as our sustained focus on high ARPU products and mix improvement.
- **Q1 Mobile service revenues** increased by 7.4% year-over-year to AED 1.7 billion driven by the growth of our customer base, improved mix and enhanced ability to capture demand for higher ARPU products through higher offer personalisation and data driven Customer Value Management, as well as some non-recurring revenues.
- **Q1 Fixed service revenues** rose by 10.2% year-over-year reaching AED 1.1 billion mainly driven by the higher fibre penetration and the continuing success of our Home Wireless product and Enterprise connectivity solutions.
- **Q1 “Other revenues”** grew by 4.8% year-over-year to AED 1.1 billion driven by the expansion of our ICT business as we continue to seek new revenue streams beyond our core business. The growth was also driven by higher in-bound roaming revenues supported by higher tourists’ inflow and higher interconnection revenues reflecting our higher mobile base. This



was partly offset by lower handset sale mainly reflecting a phasing effect, with Q1'24 handset sales benefitting from a pull-forward in demand due to supply constraints in the prior quarter, resulting in a higher comparison base.

- **Q1 EBITDA** grew by 15.0% to AED 1.8 billion, with an EBITDA margin of 47.4%. The strong revenues' growth, improved Mix, increased ARPU, lower handset sales and lower authentication costs, as well as the positive impact of the non-recurring revenue items resulted in higher gross margin. This was coupled with improved collections performance and our continuous focus on operational efficiency and strong control of indirect costs.
- **Q1 Net Profit** witnessed a 19.8% growth year-over-year to AED 722 million, representing a Net Profit margin of 18.8% reflecting the strong EBITDA performance and positive interest result.
- **Q1 Capex** was at AED 377 million (Q1 2024: AED 359 million), a capex intensity of 9.8% (Q1 2024 capex intensity of 10.0%). Our core investments remain focused on 5G densification, enhancing indoor coverage and expanding Fibre deployment, and we will further allocate capital to continue developing our ICT activities. We will also continue improving our infrastructure and transforming our IT systems to further enhance the quality of our network and elevate customer experience.
- **Q1 Operating free cash flow** (EBITDA – Capex) increased by 17.9% to AED 1.4 billion, mainly driven by EBITDA growth.

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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.

Media contact
Shamma Al Mehairi
Shamma.ALMehairi@du.ae
+971 55 203 1119

Investor Contact
Salwa Gradl
Investor.relations@du.ae
+971 55 953 0307