

## Directors' Report for Q3 and 9M 2024

<b>Net Assets</b> <b>AED 8.2 billion</b> up 85% YoY	<b>9M Revenue</b> <b>AED 5.0 billion</b> up 6% YoY	<b>9M EBITDA</b> <b>AED 984 million</b> (inclusive of AED596m acquisition gain) up 1795% YoY	<b>9M Net Profit</b> <b>AED 921 million</b> (inclusive of AED596m acquisition gain) up 2754% YoY
---	--	--	--

**Note: Numbers are impacted by assets and P&L figures of acquired entities**

- Significant and strategically diversified assets due to acquisition and combination of the General Aviation, MRO, and Investments segments ("Combined Segments") within the Group
- Stable nine-month revenue of AED 5 billion, a 6% year-on-year increase, including a post-acquisition contribution of ADA legacy group of AED 401 million.
- Strong EBITDA of AED 984 million (including acquisition gain), primarily driven by improved profitability at GAL, AMMROC and the inclusion of ADA's legacy group numbers.
- Attractive net profit reported at AED 921 million (inclusive of AED 596m acquisition gain), demonstrating a solid 18% margin
- Positive business outlook - stable aviation performance is expected, with AMMROC and Etihad Engineering positioned for growth through new contracts and operational enhancements.

**Abu Dhabi, UAE – [7] November 2024:** Abu Dhabi Aviation Group ("ADA" or the "Group"), the UAE-headquartered diversified aviation services provider, has reported its financial results for the three- and nine-month periods ended 30 September 2024. The Group delivered robust top- and bottom-line performance, in line with its long-term strategy to establish itself as a global aviation leader, as supportive macroeconomic conditions continue to drive demand for its key business segments: General Aviation, Maintenance, Repair and Overhaul ("MRO"), and Investments.

At Group level, revenue for the first nine months of 2024 was stable at AED 5 billion, reflecting 6% year-on-year growth, including a post-acquisition contribution of ADA legacy group of AED 401 million. Revenue growth was mainly supported by higher revenue at GAL, driven by new contract awards, and higher revenue at EYE, resulting from airframe services, supply chain, and component sales, partially offset by a decline in revenue at AMMROC due to contract losses. General Aviation revenues have been included starting from May 1st.

ADA sustained strong profitability during the period, with an EBITDA of AED 984 million (inclusive of AED 596m acquisition gain) and an EBITDA margin of 19%. This performance was primarily driven by recent acquisitions (generating an acquisition gain of AED 596 million), along with the integration of combined segments within the Group and improved profitability at both GAL and AMMROC.

The Group's financial position remains robust, following expansion across total assets, liabilities and equity due to the inclusion of new segments. As of 30 September 2024, total debt stood at AED 961 million and total cash of AED 2.4 billion, translating to a conservative Total Debt to LTM EBITDA ratio of 2.8x. The Group generated free cash flow of AED 806 million in the first nine months of 2024, with a free cash flow margin of 16%.

## Segmental Breakdown

**General Aviation:** revenue declined by 9% year-on-year over the nine-month period (with statutory reporting covering May to September due to the reverse acquisition). This decrease was mainly attributed to reduced government sales by Maximus. However, the decline was partially mitigated by increased revenue from ADA, driven by higher spare part deliveries and additional ad hoc flights. Additional offsets included growth in operations at the Abu Dhabi Aviation Training Center, increased sales of AugustaWestland spare parts, and better results from Royal Jet's private jet and non-charter services.

Operating profit declined by 6% year-on-year, in line with the reduction in revenue. General Aviation maintained strong profitability over the nine-month period, with Net Profit reaching AED 302 million, representing a 19% year-on-year decrease primarily due to lower revenue from Maximus.

**MRO:** Strengthened by the recent successful acquisition of 100% stakes in EYE and AMMROC, and 50% in GAL from a wholly owned subsidiary of ADQ, in return for 652 million shares in ADA, in May 2024. The transaction has created a new local aviation champion with over 9,650 employees and a comprehensive service offering, well-positioned to benefit from growing demand in markets across the Middle East, North Africa and beyond.

During the nine-month period, MRO revenue declined by 4% year-on-year, primarily due to weaker performance at AMMROC, driven by reduced activity across multiple contracts. This decline was partially offset by revenue growth at GAL, supported by new professional and technical services contracts, along with increased airframe services revenue at EYE, higher sales of supply chain materials, and greater component revenue.

While AMMROC's nine-month performance showed a decline in revenue, Q3 2024 was marked by multiple positive operational achievements. AMMROC secured a contract strengthening its position in the rotary sector and ensuring continued customer support. The successful closure of two legacy contracts yielded favorable financial results, including the release of guarantees and warranty provisions. AMMROC's paint shop also experienced a significant increase in utilization, contributing to improved financial performance and customer satisfaction.

MRO Operating profit increased to AED 230 million, supported by strong performance in key maintenance and manpower service contracts. However, this gain was partially offset by a decline in operating profit at AMMROC, impacted by contract pricing adjustments, as well as reduced profits at EYE due to an increase in manpower costs.

MRO net profit increased to AED 131 million, primarily driven by higher earnings from GAL and the collection of outstanding receivables at AMMROC. This growth was partially offset by tax provisions, adjustments related to AMMROC's MRO land lease, and reduced operating profit at EYE.

**Investments:** Delivered strong performance during the first nine months of 2024 (note that statutory reporting is May to September only in line with the reverse acquisition), with revenue up 9% YoY, to AED 19 million, mainly due to a 5% rise in new rental rates, along with a higher occupancy rate in Rawdhat. EBITDA of AED 20 million and net profit of AED 20 million were generated during the nine-month period, up 8% and 6% respectively. Demonstrating the underlying returns capacity of the segment, return on investment property, which constitutes 38% of the value of the investment portfolio, stood at an attractive 5.6%.

## Business Outlook

The region's macroeconomic environment remains positive, with population, tourism and industry growth enabled by long-term national vision and growth agendas. The Group holds a market-leading position, with ADA striving to become a global aviation leader based in Abu Dhabi, enhancing its position as a leading hub for aviation and MRO services, logistics and advanced engineering.



طيران أبو ظبي  
ABU DHABI AVIATION

ADA's healthy financial position is underpinned by its diversified portfolio, recently enhanced by the acquisition of stakes in Etihad Engineering, AMMROC and GAL, further bolstering and widening its offering. For the remainder of 2024, relatively steady performance is anticipated, with a slight increase in General Aviation activity expected in Q4 due to rising private jet demand. Looking ahead to 2025, ADA will focus on maintaining growth across its segments, improving efficiency and competitiveness, and exploring new market opportunities.

In Aviation, fleet upgrades are a top priority, with potential market entry being considered in Brazil, Thailand and Indonesia, as well as potential Oil & Gas opportunities in the wider African region.

On the MRO front, ADA is optimistic about the segment's future growth potential. GAL will continue to focus on expansion by pursuing new contract awards, strategically targeting opportunities across key sectors to drive growth. The company aims to strengthen its market position, enhance its service offerings, and broaden its operational footprint through the successful acquisition of high-value contracts. EYE has launched the strategic program "Al Massar" (The Path), which focuses on growth, product diversification, customer experience, and operational excellence. EYE maintains a positive outlook with recent new customers acquired and is currently constructing two widebody hangars set to be completed in early 2025. AMMROC has signed new partnerships with local and international industry leaders, enhancing its capabilities and competitiveness in the MRO sector. With its blade shop now fully operational, revenue generation is expected by year-end, introducing a promising new revenue stream. The introduction of new Line Replaceable Units has further boosted AMMROC's service capabilities and revenue potential, while cost optimization initiatives are set to ensure sustainable future growth.

The Board of Directors is very pleased with ADA's performance in the first nine months of the year and the Group's outlook, cementing ADA's role as a competitive force in the regional aviation sector and further strengthening Abu Dhabi's position as a global aviation hub. We are expanding our operations locally and globally, adding capabilities and replacing our fleet in line with market demand. Our cross-group synergies and highly diversified portfolio, strengthened by the recent acquisition of stakes in Etihad Engineering, AMMROC and GAL, ensure we will continue to drive long-term margin expansion and profitable growth. We look forward to providing further updates on the successful integration of our expanded portfolio during the coming periods.

Group Companies  
**11**

Aircraft  
**73**

Simulators  
**5**

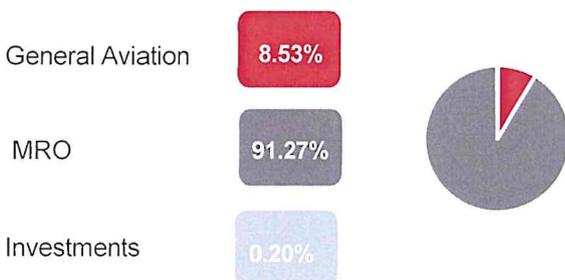
Employees  
**9,650 +**

Investment (Property)  
**AED 351 million**

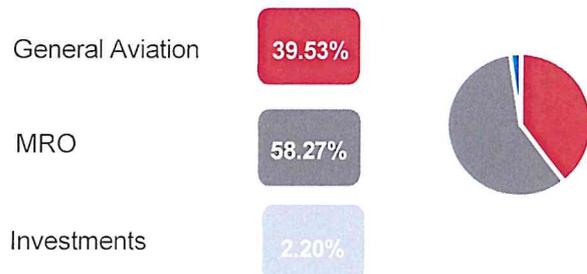
Investment (Securities)  
**AED 563 million**

Investment (JV and Associates)  
**AED 868 million**

Segments by Revenue



Segments by Operating Profit



--- ENDS ---

## Media and Investor Relations contacts

### Investor Relations

Suhaila Al Mazrouei  
[S.Almazrouei@ada.ae](mailto:S.Almazrouei@ada.ae)

### Media Enquiries

Nour Sukkar  
[ADA@teneo.com](mailto:ADA@teneo.com)

## About ADA

Abu Dhabi Aviation (ADA) stands out as a global leader in aviation. ADA offers a comprehensive range of services for both military and civilian sectors, specialising in rotary and fixed-wing aircraft. The company's expertise extends to maintenance, repair, and overhaul (MRO) services, air cargo solutions, luxury air travel, helicopter leasing, advanced aircraft simulator training, and technical training.

Abu Dhabi Aviation provides aviation services to a range of sectors, including offshore oil support, medical evacuation, and search and rescue. The company also offers MRO services for helicopters, delivering comprehensive maintenance, repair, and overhaul services for various helicopter models to ensure their optimal performance and safety. In addition, Abu Dhabi Aviation provides maintenance and overhaul services for fixed-wing aircraft, including narrow and wide-body jets and turboprops, catering to the needs of both civil and military aviation. The company also specialises in maintenance services for aircraft engines and components, ensuring reliability and extending the lifespan of aviation assets.

Beyond aviation, ADA is engaged in property investment, property management, and facility management, enhancing its portfolio and service offerings. The company also manages multi-asset investments in shares and bonds, demonstrating its diversified approach to business and finance.

The company is certified by major OEMs such as Leonardo, Honeywell, Bell, Boeing, and Airbus, and holds approvals from leading regulatory bodies, including the GCAA, FAA, and EASA. With a dedicated workforce of 9,650 +, Abu Dhabi Aviation continues to set benchmarks in the aviation and related sectors.

ADA's shareholding structure consists of 59.4% ADQ Aviation & Aerospace Services; 12.1% Mamoura Diversified Global Holding; and 28.5% Free Float.



**Nader Ahmed Mohamed Al Hammadi**  
Chairman  
Date: 7 November 2024

