

Air Arabia delivers record 2021 net profit of AED 720 million, despite pandemic impact

- *Full year turnover increased by 71% reaching AED 3.17 billion and 44 new routes added to the airline group network.*
- *Airline BoD's proposes a dividend distribution of 8.5% of share capital*

Sharjah, UAE: February 14, 2022: Air Arabia (PJSC), the first and largest low-cost carrier (LCC) operator in the Middle East and North Africa, today announced a record financial results for the fourth quarter and for full year ending 31 December 2021, despite the prevailing impact of COVID-19 pandemic that continued throughout the year.

Air Arabia reported a net profit of AED 720 million for the full year ending December 31, 2021, an increase of 475 per cent compared to AED 192 million net loss registered for the full year 2020, which was heavily impacted by COVID-19 pandemic restrictions on air travel. The airline's turnover for the full year 2021 reached AED 3.17 billion, an increase of 71 per cent compared to the AED 1.85 billion registered for the full year 2020.

The financial and operational results achieved in 2021 were backed by ease of travel restrictions and recovery in demand for air travel. Air Arabia served more than 6.7 million passengers in 2021 from its five hubs in the UAE, Morocco and Egypt, an increase of 54 per cent compared to the 4.3 million passengers carried last year. The average seat load factor – or passengers carried as a percentage of available seats – for the full year remained strong at 73 per cent.

Air Arabia's Board of Directors proposed a dividend distribution of 8.5 per cent of share capital, which is equivalent to 8.5 fils per share. This proposal was made following a meeting of the board of directors of Air Arabia and is subject to ratification by Air Arabia's shareholders at the company's upcoming Annual General Meeting.

Commenting on the results, Sheikh Abdullah Bin Mohammad Al Thani, Chairman of Air Arabia, said: "Air Arabia's full year record profitability is a testament to the strength of the business model we operate, the group's management team, as well as the diversification and growth strategy adopted. The year 2021 continued to be challenging for the aviation industry worldwide because of the lasting impact of the

COVID-19 pandemic and the restrictions it imposed on air travel. Despite that, we are proud that Air Arabia managed to deliver such a performance signalling a steady recovery for the industry”.

In the fourth quarter ending December 31, 2021, Air Arabia reported a net profit of AED 467 million compared to AED 20 million in the same period last year. The turnover for the last quarter 2021 reached AED 1.3 billion, an increase of 143 per cent compared to the same quarter last year. Air Arabia carried more than 2.5 million passengers from its five hubs in the fourth quarter, double the number of passengers carried in the same period last year. The average seat load factor increased by 6 per cent, reflecting the increase in demand for air travel witnessed in the last quarter, and stood at an impressive 81 per cent. This is the fifth consecutive profitable quarter that Air Arabia managed to register since the pandemic hit the aviation industry.

Al Thani continued: “The remarkable performance for the fourth quarter was supported by higher customer demand for our value driven product, stronger yield margins, and was combined with the cost control measures adopted by the management team since the start of the pandemic. Air Arabia remains committed to providing customers with the world’s best value driven air travel while focusing on operational efficiency and cost control”.

In 2021 Air Arabia received a brand-new Airbus A321 neo LR airplane bringing its total fleet size to 58 aircraft and added 44 new routes across its five hubs in the UAE, Morocco and Egypt. Despite the impact of the pandemic, Air Arabia continued its growth from its operating hubs with Air Arabia Abu Dhabi adding a total of 7 new routes in 2021 from its base in Abu Dhabi International Airport while Air Arabia Maroc added 16 new routes and Air Arabia Egypt added 15 new routes. In 2021, Air Arabia Group also announced the signing of an agreement with the Armenian National Interests Fund (ANIF) to launch Armenia’s national airline “Fly Arna”. Another joint venture was also announced with Lakson Group, one of Pakistan’s leading business conglomerates, to launch “Fly Jinnah” a new low-cost airline based in Pakistan. Both new joint ventures are managed by Air Arabia Group and will follow the same low-cost business model providing its customer base with a reliable operation and value-driven product.

Al Thani concluded: “While we continue to operate under the impact of COVID-19 pandemic on the aviation industry, we remain confident that the ease on travel restrictions will continue to help the industry in its path towards recovery. We have full confidence in the strength of the aviation industry worldwide and its crucial role in supporting economic recovery”.

Now in its 18th year of successful operations, Air Arabia is regarded as a true low-cost carrier operator that transformed the definition of low-cost travel by providing reliable, trusted and value-driven product offering.

-Ends-**@airarabiagroup****#AirArabia****#Q4Results****About Air Arabia**

Air Arabia (PJSC), listed on the Dubai Financial Market, is the Middle East and North Africa's leading low-cost carrier (LCC) operator. Air Arabia commenced operations in October 2003 and currently operates a total fleet of 58 new Airbus A320 & A321 aircraft, serving some 170 routes from four hubs in the UAE, Morocco and Egypt. Air Arabia is an award-winning airline that focuses on offering comfort, reliability and value-for-money air travel. For further information, please visit www.airarabia.com.

For more information:

Press Office

Air Arabia PJSC

Sharjah, UAE

Tel: +971 6 5088895 | Fax: +971 6 5580031

pressoffice@airarabia.com