

Air Arabia delivers record 2022 net profit of AED 1.2 billion, up 70%

- *Historic full year performance achieving 65% increase in turnover to AED5.2 billion; and double the number of passengers carried to 12.8 million.*
- *Airline BoD's proposes a cash dividend distribution of 15 fils per share.*

Sharjah, UAE: February 13, 2022: Air Arabia (PJSC), the first and largest low-cost carrier (LCC) operator in the Middle East and North Africa, today announced historic financial results for the full year ending December 31, 2022, almost doubling the profit and passengers' numbers of the previous year, as the airline continued with its growth plans, delivering remarkable financial and operational performance.

Air Arabia reported a net profit of AED 1.2 billion for the full year ending December 31, 2022, an increase of 70 per cent compared to AED 720 million registered for the full year 2021. The airline turnover for the full year 2022 reached AED 5.2 billion, an increase of 65 per cent compared to AED 3.2 billion registered for the full year 2021. The financial and operational results achieved in 2022 were strongly supported by the growth in passenger numbers that exceeded pre-pandemic levels.

Air Arabia served more than 12.8 million passengers in 2022 from its seven hubs in the UAE, Morocco, Egypt, Armenia, and Pakistan, an increase of 90 per cent compared to 6.8 million passengers carried in 2021. The average seat load factor – or passengers carried as a percentage of available seats – for the full year stood at a high 80 per cent.

Air Arabia's Board of Directors proposed a dividend distribution of 15 per cent of share capital, which is equivalent to 15 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 2022 record profitability is considered the best in the company's operating history. The remarkable operational and financial performance reflect the carrier's robust business model, its management team, as well as its discerning growth strategy. Although the year 2022 continued be

challenging, the aviation industry has begun returning to normality as airlines and airports worldwide witnessed faster recovery following the drop in demand caused by the pandemic”.

He continued: “Air Arabia group maintained its robust growth in 2022 by increasing its fleet size and adding new routes across its global network while launching the operations of its latest joint venture airlines in Armenia and Pakistan. We are proud that Air Arabia’s value-driven product and services now reaches a wider and fast-growing customer base spread across key regional markets”.

In the fourth quarter ending December 31, 2022, Air Arabia reported a net profit of AED 356 million, 24 per cent less than the AED 467 million registered in the same quarter last year, which witnessed record high yield margins and lower fuel prices. The turnover for the last quarter 2022 reached AED 1.4 billion, an increase of 7 per cent compared to the same quarter last year. Air Arabia carried more than 3.6 million passengers from its seven hubs in the fourth quarter, an increase of 44 percent compared to 2.5 million passengers carried in the same period last year. The average seat load factor for the same period stood at impressive 79 per cent, reflecting the stable recovery witnessed in demand for air travel.

Al Thani added: “The solid fourth quarter and full year results were supported by the carrier’s cost control measures, strong yield margins and higher demand for its value-driven product. We remain committed to proving our customers with the best travel deals while continuously investing in growth and product innovation”.

Air Arabia added 24 new routes to its global network in 2022 from its operating hubs in the UAE, Morocco, Egypt, Armenia, and Pakistan. The carrier took delivery of 10 new aircraft and ended the year with a fleet of 68 Airbus A320 and A321 aircraft operating to over 190 routes across the Middle East, Africa, Asia, and Europe. Air Arabia Group has also launched operations of its latest joint ventures airlines in Armenia and Pakistan. In June, “Fly Arna”, Armenia’s National Airline, started its operations from its base in Yerevan and continued to expand its network by adding 5 new routes; while “Fly Jinnah”, Pakistan new low-cost carrier, started its operations in October and added 4 domestic destinations. Air Arabia Group along with DAL Group signed an agreement to form “Air Arabia Sudan”, a joint venture company that will be based in Khartoum. The new airline will follow the same low-cost business model providing its customer base with a reliable operation and value-driven product.

Al Thani concluded: “While airlines continue navigating various challenges this year, we are confident of the fundamentals of the aviation sector and the underlying demand for affordable air travel. Air Arabia continues to drive its business by a clear strategy for growth and supported by its commitment to continuously maximize value offering to its customers and shareholders”.

In January, Air Arabia was named “Airline of the Year” at the Air Transport Awards 2022 and was awarded the “Most Punctual Airline” by Moscow Domodedovo Airport, recognizing the airline’s commitment to punctuality. In March, Air Arabia was awarded “Four-Star Low-Cost Carrier 2022” rating by APEX, a testament to the quality of service and customer experience provided by the airline. In October, Air Arabia celebrated 19 years of successful operations which transformed the air travel industry in the wider MENA region.

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About Air Arabia Group

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 68 new Airbus A320 & A321 aircraft, serving some 190 routes from seven hubs in the UAE, Morocco, Egypt, Armenia and Pakistan. Air Arabia Group is an award-winning airline operator that focuses on offering comfort, reliability and value-for-money air travel. For further information, please visit www.airarabia.com.

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