

Jazeera Airways reports KD 7.8m net profit in H1 2022

A Monitor Report

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Kuwait : Jazeera Airways on August 9 announced strong results with a net profit of KD 7.8 million for the first half (H1) of 2022, compared to a net loss of KD11.7 million in the first half of 2021. Total revenue for the period reached KD 77.6 million, up four times from the comparable period, while operating profit stood at KD 9.8 million, up 187 per cent.

These solid financial results were driven by active operations that saw the company carry its highest ever number of passengers in the second quarter of 817k bringing the total for H1 2022 to a record of 1.5 million passengers as travel activities gradually return to pre-pandemic levels. Correspondingly, load factor reached 74.0 per cent for the first half of the year reflecting an increase of 19.3 per cent over last year.

On this note, Marwan Boodai, Chairman, Jazeera Airways, said, "Jazeera has placed itself well to reap the benefits of the new market dynamics and was able, through its constant communication with its passengers and its analysis of the market, to return stronger than before. We launched new tourist destinations and started services to high traffic ones and will continue our growth and progress throughout the coming quarters."

During H1 2019, the last full comparable period before Covid-19, Jazeera carried 1.1 million passengers and reported a net profit of KD 6.2 million.

The board of the company recommended an interim cash dividend of KWD 6.6

million or 30 per cent of share capital, marking the first time in the history of the company to make an interim cash distribution, which reflects the strong cash position of Jazeera Airways and its positive views on recovery post the pandemic.

Jazeera Airways achieved a new milestone as the Maintenance and Engineering team performed the first in-house "A" check, which is a large step towards dependency in that key service line after being fully dependent on outsourcing CMAO, Part 145 and other services until two years ago. This will enable the airline to achieve higher control in terms of operational efficiency and create financial savings in the future for the company.

During the quarter, Jazeera added an additional wet leased aircraft to its fleet in preparation for the Summer high season, while also concluding two new aircraft on long-term leases, that would join the fleet in September 2022, after reaching agreements with Airbus and lessors.

Jazeera's Duty-Free division, which took over the flagship Duty Free store at Jazeera Terminal 5 (T5) in December 2021, was fully profitable for the second quarter of operations and exceeded all commercial and financial objectives.

Additionally, Jazeera Airways also continued to grow its network with the launch of several new services to Vienna, Prague, Abha, Hail and most recently Qassim. These new destinations will cater for different market segments that fall within Jazeera's flying radius.

Jazeera has announced plans to launch new routes during the summer season to cater to high tourist demand. The airline will continue to grow its fleet and number of destinations during 2022 as originally planned, maintaining a positive outlook for the rest of the year despite higher fuel prices since March 2022.