

## Air Arabia posts Dh693m in H1 net profit

- A Monitor Desk Report

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Sharjah: Air Arabia (PJSC), the Middle East and North Africa's first and largest low-cost carrier (LCC) operator, on Monday announced strong financial and operational results for the second quarter and first half of 2024, as the airline continued to expand its network, further solidifying its leadership position in the market.

Air Arabia reported a net profit of Dh427 million during the second quarter ending June 30, 2024; 7 per cent lower than the Dh459 million recorded in the same period in 2023. The airline achieved a turnover of Dh1.65 billion, marking a 19 per cent increase compared to the second quarter of last year. Between April and June 2024, over 4.5 million passengers traveled with Air Arabia Group across its operating hubs, reflecting a 19 per cent increase from the 3.8 million passengers carried in the same quarter of the previous year. The airline's average seat load factor — representing the percentage of available seats occupied — rose by 3 per cent, reaching an impressive 79 per cent during the second

quarter of 2024.

In the first half of 2024 (January to June), Air Arabia reported a net profit of Dh693 million, reflecting a 13 per cent decrease from the Dh801 million recorded in the same period in 2023. In the same period, the airline achieved a turnover of Dh3.19 billion, marking a 13 per cent increase compared to the Dh2.82 billion registered in the first half of last year. During this period, over 8.9 million passengers traveled with Air Arabia across its hubs, representing a 16 per cent growth compared to the same period last year. The airline's average seat load factor in the first half of 2024 remained strong at 81 per cent.

Commenting on the results, Sheikh Abdullah bin Mohammad Al Thani, Chairman of Air Arabia, said: "The solid net profit recorded in the second quarter was driven by robust passenger demand and revenue growth, underscoring the strong fundamentals of our business and the enduring appeal of our value-driven offerings to customers."

He continued, "Despite the robust passenger demand, the aviation industry continued to experience slower yield growth and rising costs during the second quarter of this year, driven by economic and geopolitical uncertainties, currency fluctuations, fuel price volatility, and supply chain disruptions that have led to increased inflationary pressures. Air Arabia's ability to sustain its growth momentum and achieve such solid profitability amidst these challenges reflects the resilience of our business model and the strength of our management team." Al Thani concluded: "Throughout the first half of 2024, Air Arabia remained steadfast in executing its expansion plan by expanding fleet size, launching new routes, and increasing flight frequencies across all operating hubs. As we navigate the remainder of the year, we remain committed to driving business growth, seizing new opportunities, and reducing costs, all while continuing to deliver exceptional value to our customers."

During the first half of the year, Air Arabia added 3 new aircraft to its modern fleet bringing it to a total of 77 owned and leased Airbus A320 and A321 aircraft. During the same period, the carrier has expanded its network by launching 16 new routes across its operating hubs in the UAE, Morocco, Egypt, and Pakistan. In March, Air Arabia was ranked third highest operating margin worldwide at the 'Airline Weekly' World's Most Profitable Airlines index. The airline liquidity for the first half 2024

stood at AED 4.8 billion in cash and cash equivalent.

As part of its ongoing commitment to environmental responsibility, Air Arabia has fully implemented a circular economy approach for all in-flight service items, ensuring they are biodegradable. Additionally, all food and beverage packaging and containers are now 100% recyclable. This initiative underscores Air Arabia's comprehensive strategy to integrate environmental stewardship, social responsibility, and governance excellence into its core operations.

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