

## Flynas to sell 30pc stake in IPO

- A Monitor Desk Report

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Dhaka: Saudi low-cost carrier Flynas has received regulatory approval to proceed with an initial public offering (IPO), under which it will offer 30pc of its share capital.

The approval was granted by Saudi Arabia's Capital Market Authority at the end of March, clearing the way for the airline to advance its listing plans.

The airline intends to sell 33.8 million existing shares and issue 17.4 million new shares, which will be available to individual and institutional investors.

Several current shareholders – among them Kingdom Holding Company and National Flight Services Company, and a number of investment firms – will be divesting stock as part of the IPO.

Flynas says the offer price will be determined at the end of a

bookbuilding process.

It intends to use the proceeds of the share sale to expand the airline's fleet and network, and establish new operations centres, as well as general corporate purposes.

Chief executive Bander Almohanna says the carrier aims to be the first airline listed on the Saudi stock exchange.

The IPO will "accelerate the execution of our growth ambitions" and "solidify our position" across the Middle East and North Africa, he says, adding: "With an all-Airbus fleet and a robust order book, we are well prepared to meet rising travel demand within, from, and to the kingdom."

Flynas has placed firm orders 195 A320neo-family jets, of which more than 50 have been delivered. It says it intends to take 159 Airbus A320neos and 36 A321neos.

It has also ordered 15 A330neos and holds an option for 15 more. The airline is expanding long-haul operations as part of a strategy dubbed 'Blue Ocean', and says it plans to "reap the benefits of being the first-mover among its peers to serve those markets".

"We remain focused on strengthening our market share on key domestic routes while strategically expanding into underserved international markets," says Almohanna.

Flynas turned in a full-year operating profit of SR1.5 billion (\$280 million) in 2024, on revenues of SR7.56 billion. It also achieved a net profit of SR434 million.

The carrier expects the pricing range for the IPO to be disclosed around 12 May, and an allocation of shares by 3 June.

It says the existing shares being sold will represent 19.8pc of its total capital after the IPO, with the newly-issued shares making up another 10.2pc.

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