

AirArabia



RESULTS PRESENTATION Q4/FY 2020

FY 2020 IN FOCUS

STRATEGIC SUMMARY – FY 2020

- 2020 started with strong performance across board.
- Impact of covid-19 pandemic started to affect the global aviation industry mid-February.
- The covid-19 impact on aviation was and remains global, fast and material.
- By March airlines around the world, including MENA region, had to face closed skies, travel restrictions, airport closures and sudden drop in travel demand.
- Operations during the Q2 relied on repatriation, charter, and cargo flights while Q3 & Q4 witnessed a gradual resumption of scheduled operations across a limited number of routes.
- A year later, the global aviation industry continues to deal with this uncertainty.
- Notwithstanding the continuous impact of covid-19, Air Arabia still managed to post 2 profitable quarters (Q1 & Q4) which helped reduce the expected net loss for the full year.
- Since the start of the pandemic, Air Arabia reacted quickly and took all possible measures to protect customers & crew while still operating where possible.

STRATEGIC SUMMARY – FY 2020

- Management continues to take measures to control fixed & running costs as well as enhance the cash position to support business continuity.
- Air Arabia was able to launch operation of Air Arabia Abu Dhabi in Q3, currently serving 09 routes from Abu Dhabi International Airport.
- Air Arabia was able to add a total of 14 new routes to its global network in 2020 from its operating hubs in the UAE, Morocco and Egypt.
- Air Arabia ended the year serving around 45% of previous year capacity across its network. Limited capacity remain as per airport regulatory approvals due to COVID-19 implications.
- We remain hopeful that the vaccine roll out will help battle this pandemic, taking into consideration that 2021 continues to be a challenging year for the world economy including aviation.
- Air Arabia remains focused on taking measures to preserve liquidity, gradually resume operations where possible, and keeping business continuity as the prime focus.

FINANCIAL REVIEW

Q4/FY 2020

KEY PERFORMANCE – Q4 2020

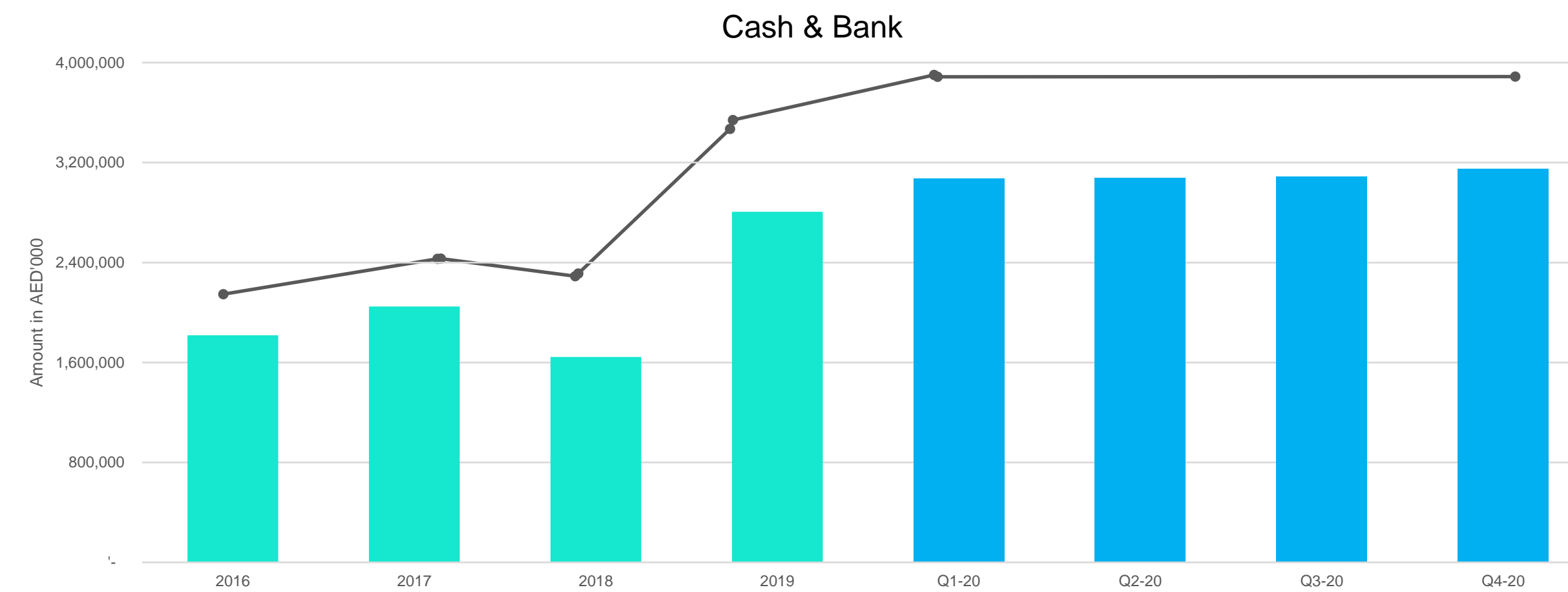
(AED Millions)	Q4/2020	Q4/2019	Change	%
Pax (m)	0.75	2.3	-1.55	-67%
LF %	77%	81%	-5%	-6%
Revenue (m)	1,851	1,147	-611	-53%
Operating Profit / (Loss)	28	190	-162	-85%
Operating Profit Margin %	5.2%	16.6%	-11.3%	
Net Profit / (Loss)	20	199	-179	-90%
* Pax (all hubs)	1.2 m	2.9 m		

KEY PERFORMANCE – FY 2020

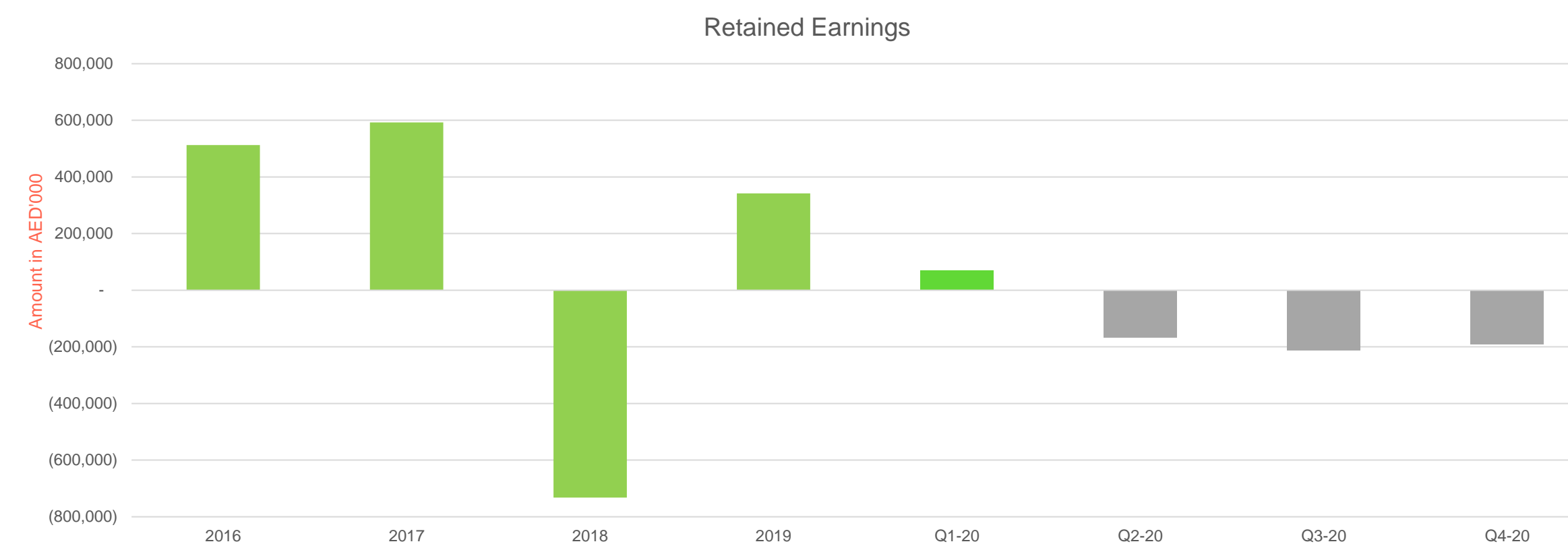
(AED Millions)	FY/2020	FY/2019	Change	%
Pax (m)	2.91	9.43	-6.52	-96%
LF %	79%	83%	-4%	-4%
Revenue (m)	1,851	4,758	-2,2907	-61%
Operating Profit / (Loss)	(180)	932	-1,112	-119%
Operating Profit Margin %	-9.7%	19.6%	-29.3%	
Net Profit / (Loss)	(192)	1,008	-1,200	-119%
* Pax all hubs (m)	4.3 m	12.1 m		

Liquidity YTD

Cash & Bank



Retained Earnings



FLEET STATUS

Q4 2020

CURRENT FLEET



Airbus A320 neo

52 Aircraft in service

39 Sharjah Hub

09 Morocco Hub

04 Egypt Hub



Airbus A321 neo LR

5 Aircraft in service

1 more expected in 2021

FUEL HEDGE STRATEGY

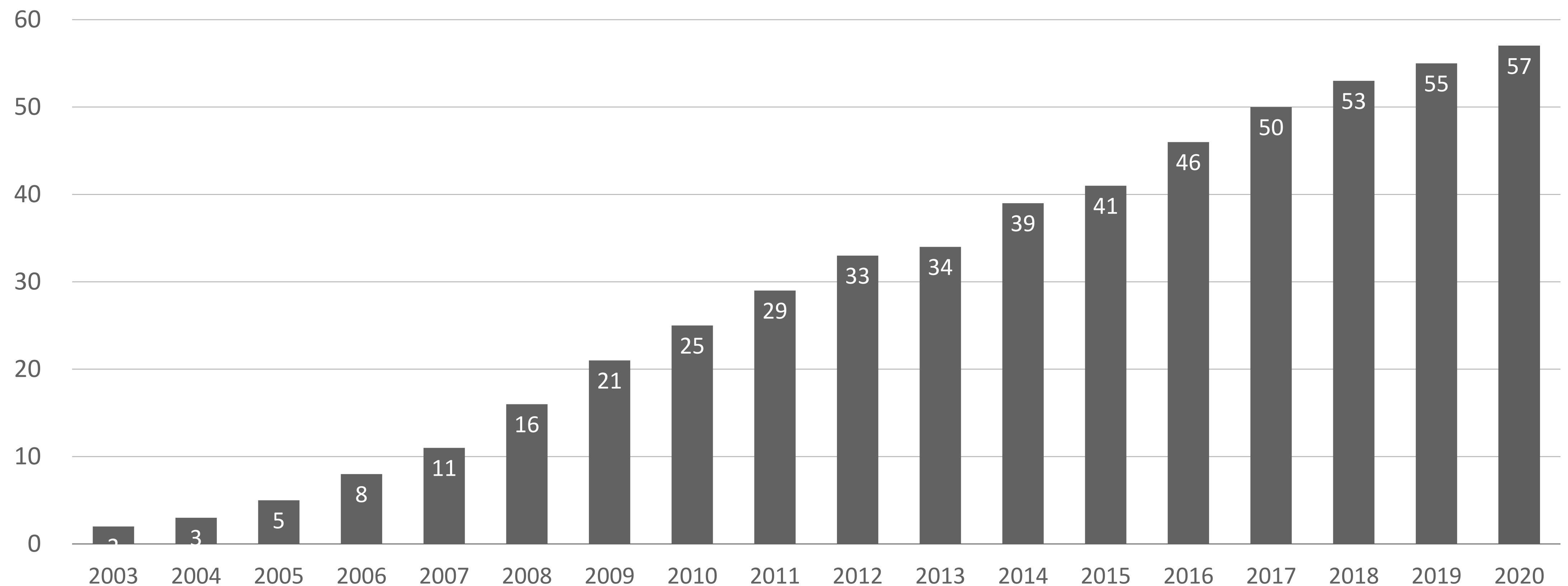
- Air Arabia fuel hedge strategy remain on short to medium term, with the sole objective of providing stability to operational cost.
- A fuel hedge committee meets regularly to determine the company's hedging position.
- Current fuel hedging status spreads from 2021 to 2024, at an average 45% of fuel requirement hedged, at an average price of \$59.

OUTLOOK

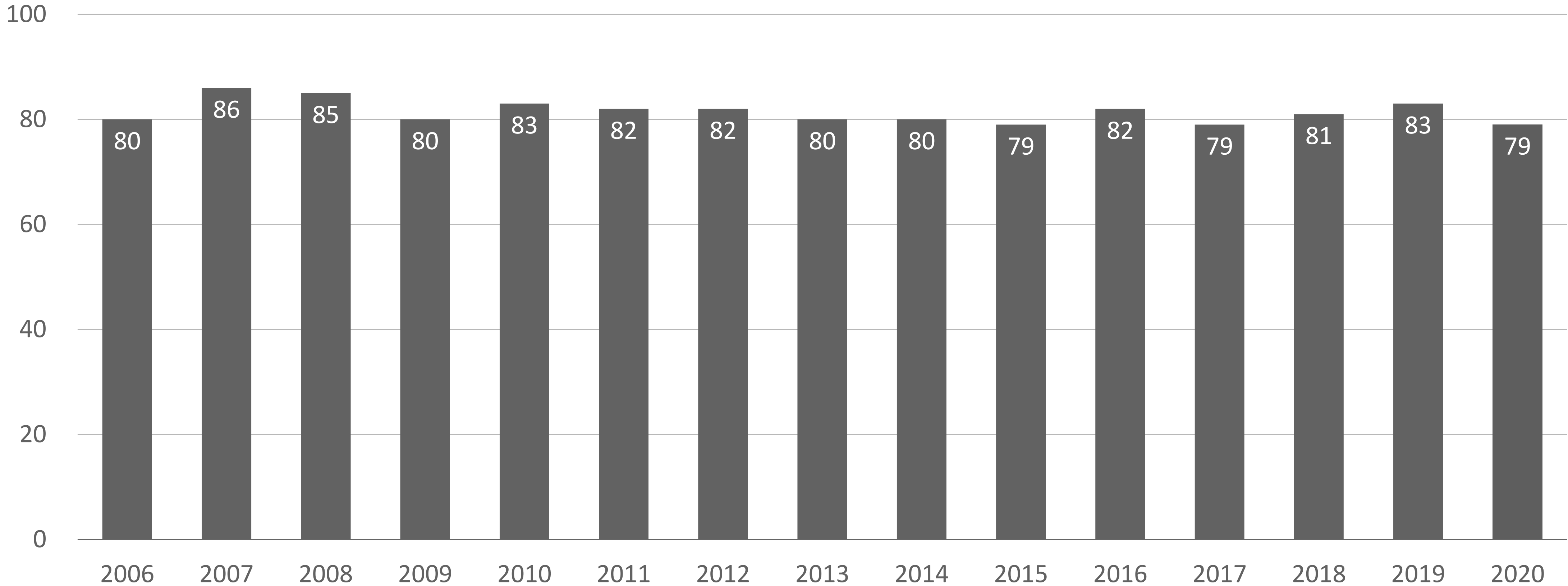
- Continued covid-19 pandemic will have substantial impact on airlines 2021 performance.
- Covid-19 severe economic impact remains of global nature. Aviation recovery is of gradual nature.
- With vaccine roll out, we remain hopeful that gradual resumption of operation continues.
- Long term business continuity remains top priority. Current business decisions are made to help enhance cash position and control fixed & running costs.
- Long-term LCC fundamentals remain strong. The well being of the global aviation industry will play a crucial role in supporting economic recovery post COVID-19.

APPENDIX

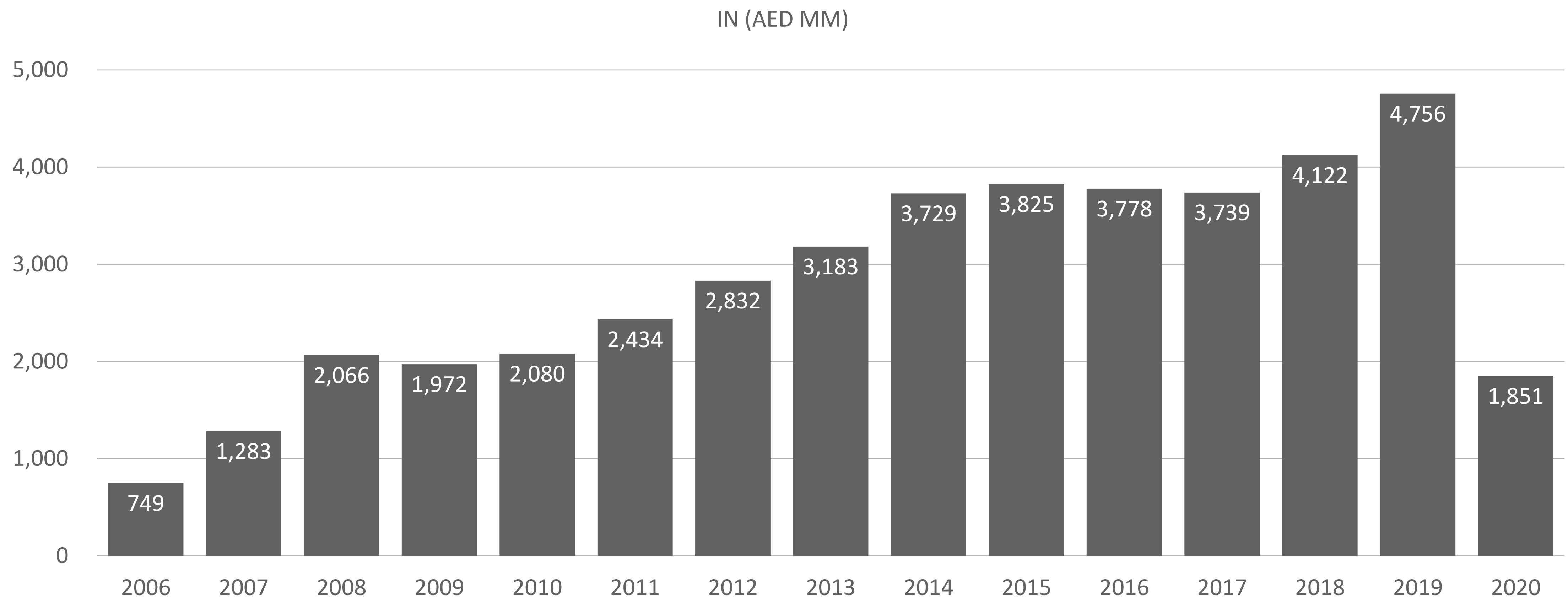
FLEET SIZE HISTORICAL YEARLY



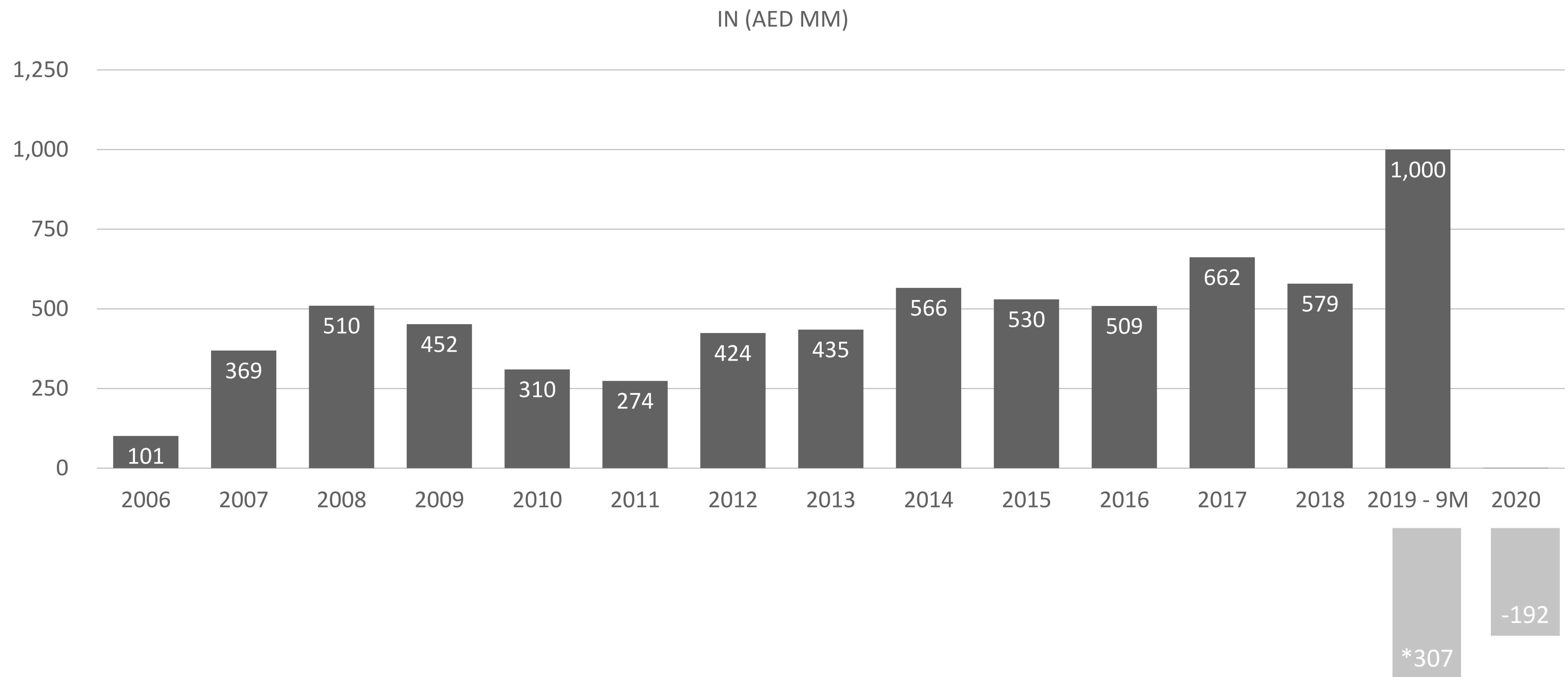
SEAT LOAD FACTOR HISTORICAL YEARLY



REVENUE HISTORICAL YEARLY



NET PROFIT HISTORICAL YEARLY



*2018 reported net profit absorbed AED307 million accumulated loss following the impairment decision taken in relation to the Group's full financial exposure to Abraaj Capital.

CORPORATE SOCIAL RESPONSIBILITY

Air Arabia’s award winning corporate social responsibility program “Charity Cloud’ provides sustainable education and healthcare initiatives in underprivileged communities across the world. Charity Cloud built and operates over 15 schools and clinics in 12 countries and treats over 30,000 patient yearly and provides education for over 1,000 student every year.



Charity Cloud Schools	Charity Cloud Clinics
Sri Lanka	Sudan
India	Yemen
Nepal	Egypt
Turkey	Sri Lanka
Kenya	Bangladesh
Egypt	
Morocco	



AIR ARABIA GROUP COMPANIES

AirArabia
Engineering

AirArabia
Simulator



AirArabia

CONTACT US

 investor-relations.airarabia.com

 +971 6 5088791

 investorrelations@airarabia.com

 www.airarabia.com

DISCLAIMER

Information contained in this presentation is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the company. Neither we nor our advisors make any representation regarding, and assume no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.

In addition, the information contains projections and forward-looking statements that reflect the company's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the company's assumptions are correct.

Actual results may differ materially from those projected. This presentation is strictly not to be distributed without the explicit consent of Company management under any circumstance.