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2Q24 Earnings Webcast

07 August 2024

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*Starting Shortly...*



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# Agenda

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- ◆ Financial & Operational Headlines
- ◆ Operational Performance
- ◆ Outlook for 2H24
- ◆ Financial Review
- ◆ Q&A





# Financial & Operational Headlines

# 2Q24 Operational Headlines



## PASSENGERS

2Q24: 1.1 mn  
2Q23: 1.0 mn

+6.5%



## LOAD FACTOR

2Q24: 74.0%  
2Q23: 74.4%

-0.4%



## UTILIZATION

2Q24: 11.9 hrs  
2Q23: 13.4 hrs

-11.0%



## YIELD

2Q24: KWD44.3  
2Q23: KWD44.7

-0.9%

# 1H24 Operational Headlines



## PASSENGERS

1H24: 2.3 mn  
1H23: 2.1 mn

+5.3%



## LOAD FACTOR

1H24: 76.6%  
1H23: 78.1%

-1.5%



## UTILIZATION

1H24: 11.8 hrs  
1H23: 13.5 hrs

-13.0%



## YIELD

1H24: KWD40.8  
1H23: KWD42.8

-4.8%

# 2Q24 Financial Headlines



## REVENUE

2Q24: KWD52.6 mn  
2Q23: KWD49.5 mn

+6.2%



## OPERATING PROFIT

2Q24: KWD6.7 mn  
2Q23: KWD5.7mn

+17.6%



## NET PROFIT

2Q24: KWD5.4 mn  
2Q23: KWD4.0 mn

+37.3%



# 1H24 Financial Headlines



## REVENUE

1H24: KWD98.9 mn  
1H23: KWD97.8 mn

+1.1%



## OPERATING PROFIT

1H24: KWD8.0 mn  
1H23: KWD9.3 mn

-14.3%



## NET PROFIT \*

1H24: KWD2.7 mn  
1H23: KWD6.3 mn

-56.4%

\* 1H24 includes fx loss of KWD2.5 mn mainly resulting from EGP devaluation in March 2024

# Ancillary Revenue



## CARGO REVENUE

2Q24: KWD523.1 k  
2Q23: KWD536.9 k

-2.6%

1H24: KWD1.0 mn  
1H23: KWD1.1 mn

-7.8%



## ANCILLARY REVENUE

2Q24: KWD5.2 mn  
2Q23: KWD4.4 mn

+18.2%

1H24: KWD9.6 mn  
1H23: KWD8.4 mn

+13.8%

# Terminal 5 Performance

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2Q24

▲  
KWD3.5 mn

Revenue

2Q23: KWD3.0 mn

▲  
KWD2.9 mn

EBITDA

2Q23: KWD2.5 mn

▲  
KWD2.7 mn

Net Profit

2Q23: KWD2.3 mn

1H24

▲  
KWD6.6 mn

Revenue

1H23: KWD5.8 mn

▲  
KWD5.4 mn

EBITDA

1H23: KWD4.7 mn

▲  
KWD5.1 mn

Net Profit

1H23: KWD4.3 mn

Improved flow in T5 as a result of capacity investments

2.3

mn passenger





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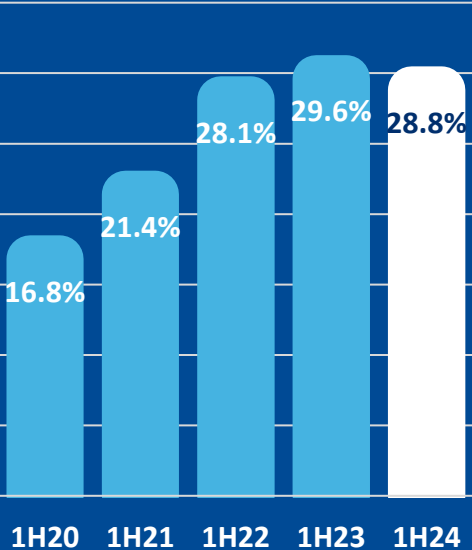
# Operational Performance



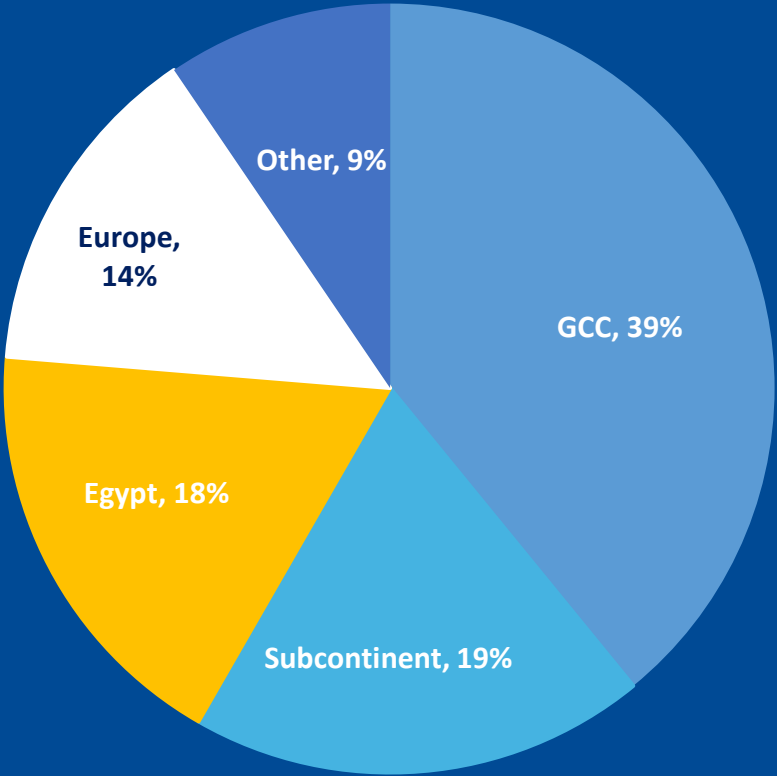
# 1H24 Market Share & Passengers Distribution

## MARKET SHARE

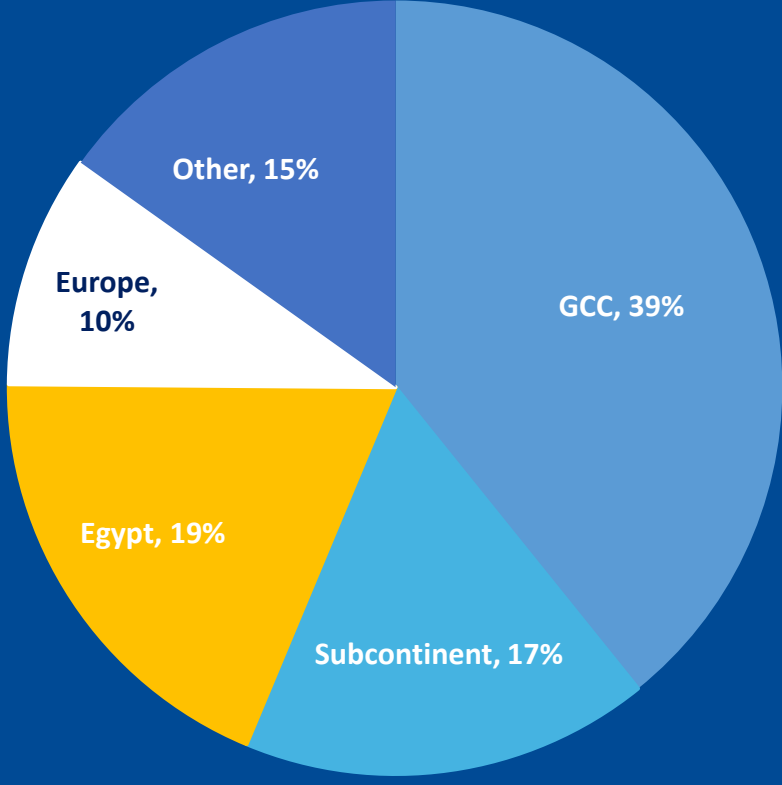
**28.8%**  
AT KWI



## PASSENGERS GEOGRAPHIC DISTRIBUTION – 1H23



## PASSENGERS GEOGRAPHIC DISTRIBUTION – 1H24



# Operational Updates

## Record Operations

The highest on record aircraft movement for Jazeera in 2Q and 1H and the highest in KIA.

The most active summer destination network.

The most active Haj season in the history of Jazeera.

Significantly improved OTP on the back of enhanced network planning.

## IOSA Certification

Renewed registration of Operational Safety Audit (IOSA) Certificate with IATA demonstrating Jazeera's commitment to the highest standards of safety, quality, and operational efficiency.



## Fleet Growth

Added one A320 neo to the fleet bringing current fleet to 24 aircraft.

No further fleet additions in 2024.



## New Destinations

- Krakaw, Poland
- Batumi, Georgia





Prague  
Kraków

Sarajevo  
Tivat  
Tirana

Istanbul  
Sabiha Gokcen  
Trabzon  
Batumi  
Tbilisi

Baku

Samarkand  
Tashkent  
Namangan  
Osh  
Dushanbe  
Bishkek  
Almaty

Antalya  
Larnaca

Tehran  
Mashhad

Islamabad

Alexandria  
Cairo  
Sphinx  
Sharm El Sheikh  
Amman

Najaf

Shiraz

KUWAIT

Assiut  
Sohag  
Luxor

Hail

Qassim

Riyadh

Dammam

Bahrain

Doha

Dubai

Karachi

Lahore

Delhi

Kathmandu

Dhaka

Jeddah  
Taif

Salalah

Mumbai

Hyderabad

Bengaluru

Chennai

Kochi

Colombo



# 2H24 Outlook





# Modest outlook for 2H24

## Revenue

Strong passenger count effective June 24 driven by Hajj season followed by the high traffic summer season.

Moderate yield improvement compared to 3Q23.

Selective network expansion with new summer destinations to launch in 3Q23.

## Costs

Fuel prices higher than last year but crack spread is normalizing.

Ongoing attention to lowering cost by reducing lease rates and enhancing operating efficiencies.

## Market Conditions

Oversupply in the market persists but the supply-demand equilibrium point is better than last year.

Sustained supply from GCC carriers as they increase capacity into Kuwait for 3Q23.

Geopolitical concerns could impact outlook for the coming few quarters.

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# Financial Review

# 2Q24 & 1H24 Key Parameters

## 2Q23 Vs 2Q24

Operating Parameters	2Q23	2Q24	CHANGE
Average Aircraft	20.2	23.0	13.7%
Destination Cities	65	61	-6.2%
<b>Revenue Drivers</b>			
Revenue Drivers	2Q23	2Q24	CHANGE
Seats	1,400,014	1,496,840	6.9%
Passengers	1,040,933	1,108,313	6.5%
Load Factor	74.4%	74.0%	-0.4%
Net Yield	44.7	44.3	-0.9%
<b>Profitability Drivers</b>			
Profitability Drivers	2Q23	2Q24	CHANGE
Sectors	8,296	8,849	6.7%
Block Hours	24,581	24,893	1.3%
Utilization (BH per Day)	13.4	11.9	-11.0%

## 1H23 Vs 1H24

Operating Parameters	1H23	1H24	Change
Average Aircraft	20.1	23.0	14.5%
Destination Cities	66	62	-6.1%
<b>Revenue Drivers</b>			
Revenue Drivers	1H23	1H24	Change
Seats	2,750,207	2,952,706	7.4%
Passengers	2,148,940	2,263,123	5.3%
Load Factor	78.1%	76.6%	-1.9%
Net Yield	42.8	40.8	-4.8%
<b>Profitability Drivers</b>			
Profitability Drivers	1H23	1H24	Change
Sectors	16,299	17,457	7.1%
Block Hours	49,169	49,231	0.1%
Utilization (BH per Day)	13.5	11.8	-13.1%

# 2Q24 Financial Performance

<i>In KWD</i>	2Q23	2Q24	CHANGE
<b>Operating Revenue</b>	49,526,634	<b>52,588,047</b>	6.2%
<b>Operating Expenses</b>	(43,804,606)	<b>(45,856,274)</b>	4.7%
<b>Operating Profit</b>	5,722,028	<b>6,731,773</b>	17.6%
<b>Net Profit (Loss)</b>	3,955,077	<b>5,430,957</b>	37.3%

- Revenues were 6% higher in 2Q24 compared to 2Q23 mainly due to increase in pax numbers.
- Operating costs were higher by 4.7% versus 2Q23 driven by 7% increase in operations and 4% surge in fuel price.
- Operating Margin is higher 18% vs PY, mainly due to operating efficiency measures implemented

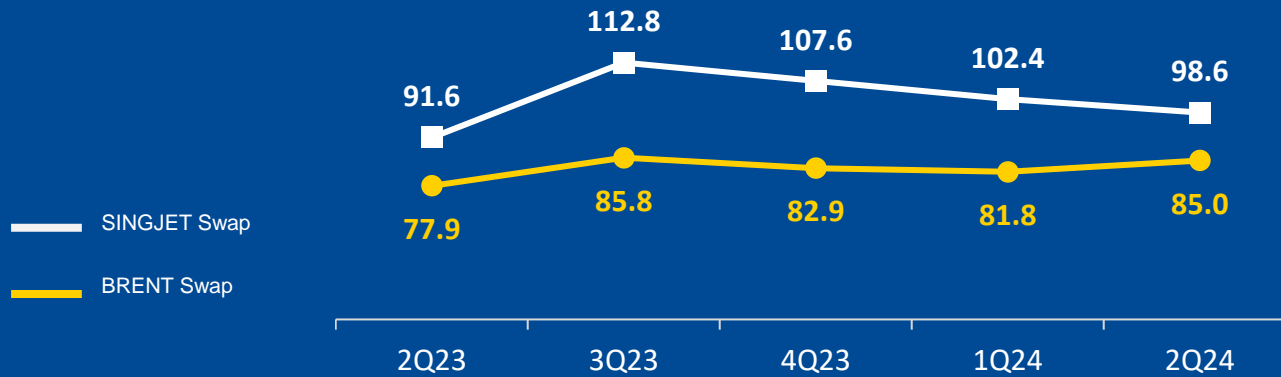
<i>In KWD</i>	FY23	1H24	CHANGE
<b>Cash</b>	32,904,993	<b>43,970,990</b>	33.6%
<b>Fixed Assets</b>	75,239,066	<b>76,167,050</b>	1.2%
<b>Total Assets</b>	286,436,125	<b>298,515,781</b>	4.22%
<b>Total Liabilities</b>	260,938,958	<b>270,623,901</b>	3.71%
<b>Total Equity</b>	25,497,167	<b>27,891,880</b>	9.39%

- Cash balance increased to KWD43.9 mn due to increased advance bookings and utilisation of credit facilities in 2024.
- Fixed assets increased mainly because of advances paid for various projects.
- Liabilities primarily increased due to higher advance bookings, increased level of operations and term loan utilization.

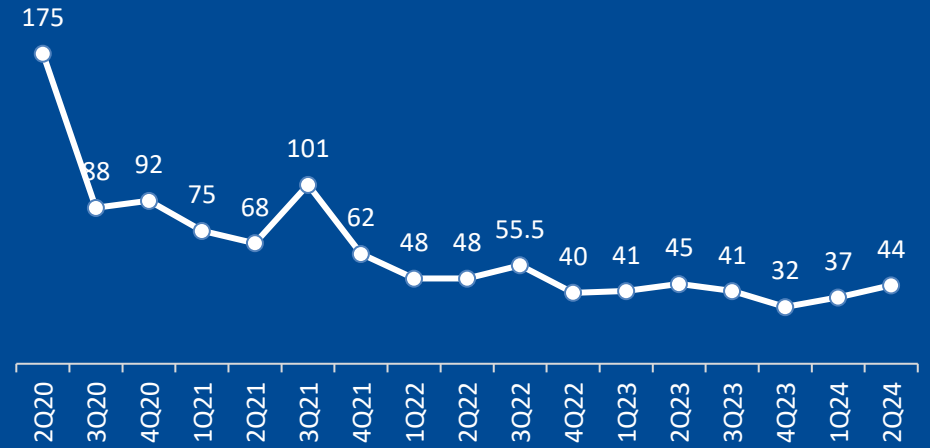


# 2Q24 Key Performance Metrics

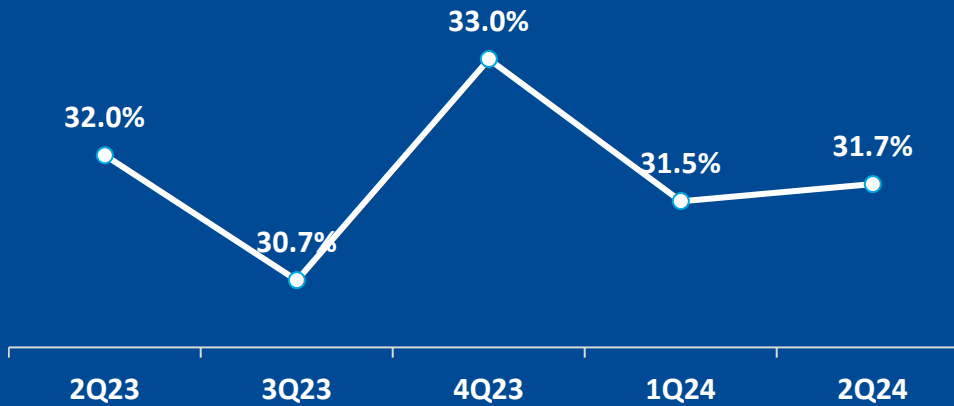
### BRENT Swap Vs. SINGJET Swap (USD/BBL)



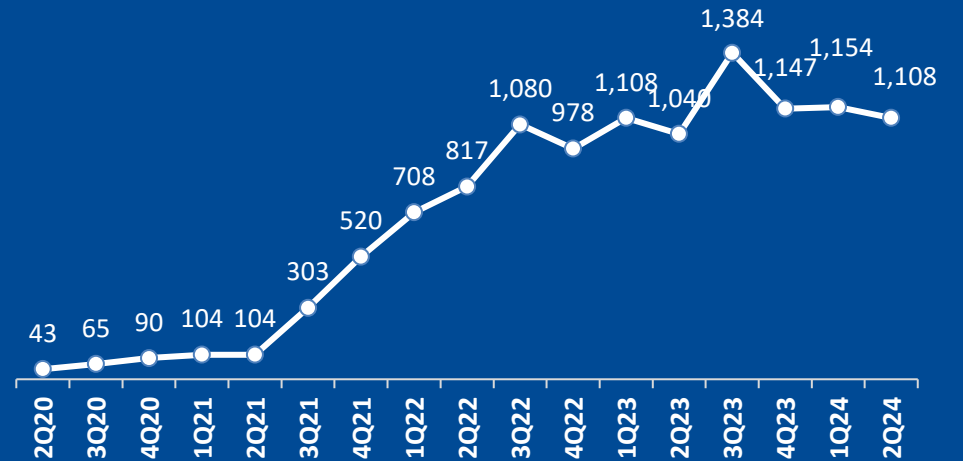
### Quarterly Yield (KWD)



### Fuel as Percent of Direct Costs



### Quarterly Passengers (000)





Q&A



# Contact

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Thank You