

## **flydubai announces Annual Results amid one of the toughest years in aviation history**

*Reports total annual revenue of AED 2.8 billion and a loss of AED 712.6 million  
flydubai remains well positioned as a result of its agility and flexibility*

### **Annual Results for 2020**

- flydubai has today, 02 May 2021, announced its Annual Results for the reporting period ending 31 December 2020
- Reports a loss of AED 712.6 million (USD 194 million)
- flydubai reports total annual revenue of AED 2.8 billion (USD 773 million) compared to AED 6.0 billion (USD 1.6 billion) in 2019; a decrease of 52.7%
- During the course of the year, the airline completed two financing facilities amounting to AED 283 million (USD 77 million) for general corporate purposes
- Carries 3.2 million passengers

### **Key factors impacting Full-Year Results for 2020: the COVID-19 pandemic and MAX aircraft**

- In the first two months of 2020 the business fundamentals continued to be strong
- Over a 5-week period, the airline's operations were severely impacted by the increased closure of international borders and the suspension of flights due to the COVID-19 pandemic
- Navigating through the pandemic: severely curtailed flight operations for 14 weeks between 24 March and 07 July
- Coupled with the effects of the pandemic, performance was also impacted by the 22-month grounding of the Boeing 737 MAX aircraft
- This heavily impacted the financial performance from mid-March, continued into the second quarter and resulted in a loss of AED 545.2 million for the six-month period ending 30 June
- The strategy defined at the start of the pandemic to develop alternative revenue sources and contain costs gained momentum during the third and fourth quarters minimising the second half loss to AED 167.4 million
- The government created a safe environment for tourism and this increased demand contributed to flydubai's recovery in the second half of 2020. It is expected to continue in 2021

### **Statements on the 2020 Annual Results**

#### **Ghaith Al Ghaith, Chief Executive Officer at flydubai, commenting on the effects of the COVID-19 pandemic on flydubai's 2020 Annual Results, said:**

"The COVID-19 pandemic has impacted us more than any other crisis. We fully recognise that it is the priority of governments to ensure the health and wellbeing of its people. The effects of the travel restrictions that were put in place to safeguard against transmission of the virus have heavily impacted the aviation industry."

**Hamad Obaidalla, Chief Commercial Officer at flydubai, commenting on how flydubai adapted to the changing situation, said:**

“During the course of last year, we adapted quickly to the changing situation and supported governments with their repatriation efforts helping them to make arrangements for their citizens to return home. We were also conscious of our role to contribute to the easing of the strain on the supply chain. We enabled the movement of essential goods across our network dedicating 11 aircraft for cargo operations at the peak of the pandemic. We redesigned our customer journey and launched our passenger partnership enabling travel in a safe environment. We were ready to launch flights as soon as the airspace opened growing our network to 65 destinations by year end; a considerable achievement in a complex period for the airline industry. We also achieved a seat factor of 73% in spite of these challenges.”

**Ghaith Al Ghaith, Chief Executive Officer at flydubai, commenting on the Boeing 737 MAX aircraft, said:**

“The ongoing impact of the grounding of the MAX aircraft required our Engineering and Maintenance Team to put an active aircraft storage programme in place. The resulting 18 hours of maintenance per aircraft each week placed additional demands on their already extensive workload. We are grateful for their hard work and dedication which has ensured that the aircraft were meticulously preserved and ready to return to service in the best condition. The range and efficiency of the MAX aircraft would have been beneficial to exploring additional revenue opportunities during this challenging period.”

**Francois Oberholzer, Chief Financial Officer at flydubai, commenting on the financial measures taken by the airline, said:**

“During a demanding year for the aviation industry, we optimised all possible revenue generating opportunities and we took early measures to control our costs and preserve liquidity. We redoubled our efforts in cost improvement, deferred capital expenditure and raised new financing facilities. The proactive steps we took at the start of the pandemic enabled the airline to end the year with cash assets, including pre-delivery payments, of AED 2.5 billion.”

**Ghaith Al Ghaith, Chief Executive Officer at flydubai, commenting on the 2020 Full-Year Results, said:**

“The challenges we faced in 2020 meant that there were difficult decisions to be made. The priority however was to protect our employees. I fully recognise that in order to be able to achieve this our employees had to take periods of unpaid leave or work at reduced salary levels. I fully recognise that this created some hardship, but it has meant that we have been able to maintain employment levels. I would also like to thank our financial partners, our lessors and suppliers for the understanding and support they have shown towards us. We managed the combined effects of the pandemic and continued grounding of the MAX aircraft on our operations, but undoubtedly they have had a severe impact on our Results.”

**Key performance and operational figures**

	Reporting period for 31 December 2020	Reporting period for 31 December 2019
<b>Key performance figures for:</b>		
Total annual revenue	AED 2.8 billion (USD 773 million)	AED 6.0 billion (USD 1.6 billion)
Total annual loss for 2020	(AED 712.6 million) (USD 194 million)	-
Total annual profit for 2019	-	AED 198.2 million (USD 53.9 million)

Total cash assets including pre-delivery payments	AED 2.5 billion	AED 2.6 billion
RPKM (% growth)	(63.4%)	(11.4%)
ASKM (million)	9,594	25,415
Passenger numbers	3.2 million	9.6 million
Ancillary revenue % of revenue comprising baggage, cargo and inflight sales	13.4%	8.9%
Fuel costs % of total annual operating costs. Reduction mainly due to the quantity consumed	14.6%	25.8 %
Fleet size	51	59
Average aircraft age	5 years and 1 month	4 years and 4 months
Number of flights operated	27,450	73,233
Total number of destinations on the network	65	93
Total number of countries on the network	37	47
Total number of employees	3,796	3,922
Number of employees on unpaid or voluntary leave	1,092	-

### Outlook statement for 2021

**Ghaith Al Ghaith, Chief Executive Officer at flydubai, commenting on the outlook for 2021, said:**

“We have shown that flydubai is well placed to identify new opportunities and get up and running quickly by deploying our narrow-body aircraft. We expect trading conditions to remain challenging and the business fundamentals remain strong. This is recognised by our shareholder and we are grateful for their continued confidence and commitment.”

“We would like to acknowledge the government’s response to the pandemic and the efforts that have been made to allow the travel and leisure sectors to reopen. Precautionary safety measures are in place on board our aircraft, at the airport and at hotels to keep us all safe whilst allowing the industry to recover. Through the efforts we are making across our customer journey and the launch of new destinations for the summer travel is possible and we are there to support our customers to realise their travel aspirations.”

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**About flydubai**

From its home in Dubai, flydubai has created a network of more than 75 destinations served by a fleet of 50 aircraft. Since commencing operations in June 2009, flydubai has been committed to removing barriers to travel, creating free flows of trade and tourism and enhancing connectivity between different cultures across its ever-expanding network.

flydubai has marked its journey with a number of milestones:

- **An expanding network:** Created a network of more than 75 destinations in 46 countries across Africa, Central Asia, the Caucasus, Central and South-East Europe, the GCC and the Middle East, and the Indian Subcontinent.
  - **Serving underserved markets:** Opened more than 70 new routes that did not previously have direct air links to Dubai or were not served by a UAE national carrier from Dubai.
  - **An efficient single fleet-type:** Operates a single fleet-type of 50 Boeing 737 aircraft and includes: 36 Next-Generation Boeing 737-800, 11 Boeing 737 MAX 8 and 3 Boeing 737 MAX 9 aircraft.
  - **Enhancing connectivity:** Carried more than 75 million passengers since it began operations in 2009.
- For all our latest news, please visit the flydubai Newsroom.

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