flynas delivers strong earnings and steady growth in 1H 2025

2Q and 1H 2025 Highlights

- Adjusted[1] EBITDA rose 19% year-on-year to ⃁ 1.4 billion in 1H 2025, with margin expanding to 34.0%, compared to 29.1% in 1H 2024
- Adjusted[1] net profit increased 22% year-on-year to ⃁ 339 million in 1H 2025, with margin increasing to 8.5%, compared to 7.1% in 1H 2024
- Fleet expanded to 71 aircraft as of 30 June 2025, with most of the additions occurring in 2Q to support summer operations.
- flynas launched 15 new routes, 7 destinations to 6 countries in 1H 2025.
- Strong Hajj season with 41% year-on-year growth in revenue and number of pilgrims
- Cash and equivalents reached ⃁ 4.5 billion by quarter-end, reflecting strong liquidity and IPO proceeds.
- Net debt-to-adjusted EBITDA improved to 1.4x from 2.2x at year-end 2024, supporting future growth and financial flexibility.
- In 2Q, IPO-related costs totaled ⃁ 1,083 million, including an ESOP charge of ⃁ 982 million and ⃁ 101 million in IPO expenses. The ESOP payment and charge were fully funded by pre-IPO Shareholders and offset by the ESOP reserve and had no impact on retained earnings and net equity or the Company's underlying operational and sustainable financial performance.

Riyadh, 11 August 2025 – flynas (Tadawul: 4264, "the Company"), one of the leading low cost-carriers ("LCC") in the Middle East and North Africa ("MENA") region, today announces its financial and operational results for the second quarter and first half of 2025. During the period, the airline expanded its operating fleet to 71 aircraft, launched seven new international destinations across six countries, and ramped up Hajj operations.

Total revenue in 1H 2025 reached ⃁ 4.0 billion, up 1% year-on-year, supported mainly by Hajj strong performance. Adjusted[1] EBITDA rose 19% year-on-year to ⃁ 1.4 billion, with margin expanding to 34.0%, compared to 29.1% in 1H 2024. Adjusted[1] net profit increased 22% to ⃁ 339 million with 8.5% margin.

[1] Adjusted indicators exclude gain on sale-and leaseback transactions, employee share option plan expense and IPO-related fees

flynas ended the period with ⃁ 4.5 billion in cash, reflecting IPO proceeds and healthy operating cash flow. Net debt-to-EBITDA improved to 1.4x from 2.2x (at December 31, 2024), supporting continued investment in fleet and network expansion.

Bander Almohanna, Chief Executive Officer and Managing Director of flynas, said:

“During the second quarter, we navigated significant headwinds – including geopolitical tensions, the temporary and early suspension of visit visas prior to the start of Hajj, and the grounding of aircraft due to global delays in CFM spare engine deliveries. Despite these challenges, we delivered strong results and met our financial targets.

Our performance reflects consistent delivery against our strategic priorities: expanding the fleet and network, maintaining cost discipline, and enhancing the passenger offering. Demand for affordable, reliable air travel remains resilient, and our disciplined deployment strategy is strengthening our position in both domestic and international markets.

In the first half of 2025, Hajj operations contributed meaningfully to profitability. Within our scheduled business, we added five new A320neo aircraft, introduced seven wet-leased aircraft, and launched seven new international destinations – further improving the efficiency and scale of our network. The wet-leased aircraft introduced at the end of Q2 are expected to mitigate the short-term impact of grounded aircraft and other regional headwinds.

Finally, the completion of our IPO marks a historic milestone for flynas. It supports our future growth and enables us to create long-term value for our shareholders, fully aligned with Vision 2030.”

Ramzi Zaroubi, Chief Financial Officer of flynas, added:

“We delivered resilient financial performance in the first half of 2025, with adjusted[2] net profit increasing 22% year-on-year and adjusted[2] EBITDA margin expanding to 34%, supported by continued cost discipline and strong Hajj season. While softer unit revenue affected second-quarter results, primarily due to the geopolitical tensions, temporary visa suspension, and aircraft groundings from delayed CFM spare engine deliveries, weighed on second-quarter results, overall earnings quality improved, driven by underlying operating strength and efficient cost management.

Our balance sheet has materially strengthened following the IPO, with cash position increasing to ⃁ 4.5 billion and net debt-to-adjusted EBITDA improving to 1.4x. We also continued to diversify our financing sources, with new financing facilities supporting growth.

[2] Adjusted indicators exclude gain on sale-and leaseback transactions, employee share option plan expense and IPO-related fees

As we execute our long-term plan, we remain focused on maintaining a disciplined financial approach – funding growth sustainably, managing risk, and building a platform for consistent value creation."

Strategy Update

flynas is pursuing a focused strategy built around disciplined fleet and network expansion, unit cost control, and leveraging the tailwinds generated by national aviation and tourism development goals under Saudi Arabia's Vision 2030. The objective is to strengthen the airline's position as a leading low-cost carrier in the region, serving short- and medium-haul markets.

The strategy rests on three priorities:

- Scaling operations through measured capacity growth and fleet additions
- Maintaining cost efficiency through standardization and streamlined operations
- Capturing growth from infrastructure investment, tourism flows, and religious travel

Saudi Arabia continues to exhibit strong structural demand drivers, with aviation growth supported by demographic trends, policy initiatives, and infrastructure development. Low-cost carriers account for just 39% of seat capacity[3] in the Kingdom – below levels observed in benchmark markets – indicating further potential for expansion.

The Low-Cost Carrier (LCC) segment forms the core of flynas' operating model, accounting for 85% of total revenue in the first half of 2025. The Company operates a point-to-point network focused on short- to medium-haul routes, offering a differentiated, value-driven product designed to stimulate demand. Seasonal Hajj operations provide incremental uplift during Hajj period, while charter and general aviation services offer additional revenue streams and help diversify the business beyond scheduled passenger services.

Strategy execution efforts during the first half of 2025 included fleet growth, network expansion, cost transformation and continued investment in operational systems and digital tools to support scalability and customer service. Capital deployment remained focused on fleet growth, operational reliability, and long-term unit economics.

[3] Source: Kearney, flynas internal calculations. 2023, % of seats.

Operating and Financial Review[4]

Key Operating and Financial Indicators

	2Q 2025	2Q 2024	YoY	1H 2025	1H 2024	YoY
Key Operating Indicators - flynas LCC						
Passenger Traffic[5] (mn PAX)	3.6	3.4	+3%	7.2	7.2	+0%
Supply[5] (mn ASK)	6,358	6,122	+4%	12,690	12,424	+2%
Load Factor[5] (%)	79.6%	82.3%	-2.7 ppts	82.1%	84.9%	-2.8 ppts
RASK[5] (halalas)	24.5	28.4	-13%	26.1	27.5	-5%
Adjusted CASK[5,6] (halalas)	23.8	26.2	-9%	24.6	25.7	-4%
Fleet (aircraft; end of period)	71	60	+11 a/c	71	60	+11 a/c
Fleet (aircraft; period average)	65	60	+5 a/c	63	59	+4 a/c
Key Financial Indicators - flynas						
Total Revenue (⃁ mn)	2,144	2,176	-1%	3,972	3,923	+1%
Adjusted[7] EBITDA (⃁ mn)	736	634	+16%	1,352	1,141	+19%
Adjusted[7] EBITDA margin (%)	34.3%	29.2%	+5.2 ppts	34.0%	29.1%	+5.0 ppts
Adjusted[7] Net Profit (⃁ mn)	191	196	-3%	339	279	+22%
Adjusted[7] Net Profit margin (%)	8.9%	9.0%	-0.1 ppts	8.5%	7.1%	+1.4 ppts
Adjusted[8] ROIC (%)	10.4%	13.5%	-3.1% ppts	10.6%	12.6%	-2.0 ppts
Cash & Equivalents (⃁ mn)	4,530	1,736	+161%	4,530	1,736	+161%
Net Debt / Adj.[7] EBITDA (x)	1.4	2.4	-1.0x	1.4	2.4	-1.0x

flynas delivered solid operational and financial results in the second quarter and first half of 2025, supported by continued capacity growth, strong Hajj season, and ongoing cost discipline.

In 2Q 2025, passenger traffic rose 3% year-on-year to 3.6 million, while available seat-kilometers (ASKs) increased 4% to 6.4 billion. Load factor declined by 2.7 percentage points to 79.6%, and Revenue per available seat-kilometer (RASK) decreased 13% year-on-year in 2Q 2025 reflecting the effects of visa restrictions ahead of the Hajj season and temporary regional instability during the quarter. In 1H 2025, RASK declined 5% year-on-year to 26.1 halalas due to temporary headwinds in 2Q 2025 as mentioned earlier.

[4] Figures and percentages in this document may not precisely total due to rounding
[5] flynas LCC
[6] Adjusted CASK excludes gain on sale-and leaseback transactions, employee share option plan (ESOP) expense and IPO-related fees
[7] Adjusted EBITDA, Net profit exclude gain on sale-and leaseback transactions, employee share option plan (ESOP) expense and IPO-related fees
[8] Adjusted ROIC excludes gain on sale-and leaseback transactions, employee share option plan (ESOP) expense and IPO-related fees. The equity component of invested capital for 2Q 2025 is weighted on a daily basis to reflect the significant increase following the IPO.

Adjusted[9] Cost per available seat-kilometer (Adjusted CASK) declined 4% in 1H 2025, supported by a reduction in fuel CASK and improved efficiency.

During the first half of 2025, flynas expanded its operating fleet to 71 aircraft[10], with most additions taking place in the second quarter. This included five A320neo aircraft (two in 1Q, three in 2Q) and seven wet-leased aircraft (two in 1Q, five in late 2Q), brought in to support peak summer operations and to mitigate the impact of the temporary CFM grounding. The fleet remained primarily narrow-body, with an average age of 3.9 years[11].

While flynas has a power-by-the-hour agreement with CFM, which includes the provision of spare engines in the event of early failures, recent delays in spare engine deliveries resulted in temporary aircraft groundings. To safeguard planned growth, the airline added seven wet-leased aircraft, five of which were delivered in late June, to support accelerated expansion in the second half of the year. These groundings are expected to be fully resolved by year-end.

This fleet growth is aligned with flynas' strategy to enhance domestic network density and broaden international connectivity. As of 30 June 2025, the route network comprised 146 routes 74 destinations across 34 countries[12], supported by the launch of 15 new routes and seven new international destinations in six new countries.

Total revenue in 2Q 2025 reached ⃁ 2.1 billion, broadly unchanged from the prior-year period. For the first half of 2025, total revenue rose 1% year-on-year to ⃁ 4.0 billion, supported by strong Hajj season.

Adjusted EBITDA, excluding IPO-related expenses and sale-and-leaseback gains, rose 16% year-on-year to ⃁ 736 million in 2Q 2025, with margin improving by 5.2 percentage points to 34.3%, driven by disciplined cost management and operating scale. For 1H 2025, adjusted EBITDA increased 19% to ⃁ 1.4 billion, with margin rising by 5.0 percentage points to 34.0%.

Adjusted net profit in 2Q 2025 declined slightly to ⃁ 191 million, down 3% year-on-year due to higher aircraft depreciation cost. For the first half of 2025, adjusted net profit increased 22% year-on-year to ⃁ 339 million, with the margin improving to 8.5%.

flynas ended the first half of 2025 with ⃁ 4.5 billion in cash and equivalents, reflecting a significant increase in liquidity following the IPO. Net debt-to-adjusted EBITDA improved to 1.4x at the end of 2Q 2025, down from 2.4x a year earlier, supporting financial flexibility and growth plans.

[9] Adjusted CASK excludes gain on sale-and leaseback transactions, employee share option plan (ESOP) expense and IPO-related fees
[10] Including 66 dry-leased and 7 wet-leased aircraft; excluding 2 aircraft under re-delivery procedures.
[11] Total average fleet age (as of EoP) of dry-leased aircraft (including narrow-and wide-body aircraft; excluding aircraft under re-delivery procedures).
[12] LTM as of 30th June 2025.

Income Statement

⃁ million	2Q 2025	2Q 2024	YoY	1H 2025	1H 2024	YoY
Revenue	**2,144**	**2,176**	**-1%**	**3,972**	**3,923**	**+1%**
Cost of revenue	(1,693)	(1,694)	-0%	(3,106)	(3,109)	-0%
Gross profit	**451**	**483**	**-6%**	**866**	**814**	**+6%**
SG&A expenses[13]	(103)	(123)	-16%	(212)	(206)	+3%
IPO-related expenses[14]	(1,083)	0	NM	(1,083)	0	NM
Sale-and-leaseback gain	30	43	-31%	30	109	-73%
Provisions and other income	20	(1)	NM	9	(3)	NM
Operating profit	**(684)**	**402**	**NM**	**(391)**	**715**	**NM**
Adjusted[15] Operating profit	**369**	**359**	**+3%**	**663**	**605**	**+9%**
EBITDA	**(317)**	**678**	**NM**	**299**	**1,250**	**-76%**
Adjusted[15] EBITDA	**736**	**634**	**+16%**	**1,352**	**1,141**	**+19%**
Finance costs and Zakat	(178)	(163)	+9%	(324)	(327)	-1%
Net profit	**(863)**	**239**	**NM**	**(715)**	**388**	**NM**
Adjusted[15] Net profit	**191**	**196**	**-3%**	**339**	**279**	**+22%**
Gross profit margin	21.1%	22.2%	-1.1 ppts	21.8%	20.7%	1.1 ppts
Adjusted[15] EBITDA margin	34.3%	29.2%	5.2 ppts	34.0%	29.1%	5.0 ppts
Adjusted[15] Net profit margin	8.9%	9.0%	-0.1 ppts	8.5%	7.1%	1.4 ppts

flynas reported revenue of ⃁ 3,972 million in 1H 2025, up 1% year-on-year. Revenue in 2Q 2025 was ⃁ 2,144 million, broadly in line with the same period last year (-1% year-on-year).

Cost of revenue in 1H 2025 totaled ⃁ 3,106 million, broadly stable year-on-year, reflecting effective cost management alongside a modest increase in capacity. Gross profit rose 6% to ⃁ 866 million, with gross profit margin improving to 21.8%, compared to 20.7% in 1H 2024. In 2Q 2025, gross profit declined 6% year-on-year to ⃁ 451 million, and gross margin softened to 21.1%, driven primarily by lower unit revenue performance, in line with the temporary impacts discussed earlier.

Recurring selling, general, and administrative (SG&A) expenses amounted to ⃁ 212 million in 1H 2025, increasing 3% year-on-year. A one-off, IPO-related expenses funded by pre-IPO shareholders and recorded in 2Q 2025 totaled ⃁ 1,083 million, comprising ⃁ 982 million related to employee share option plan (ESOP) and ⃁ 101 million in IPO-linked fees. The ESOP charge reflects the accounting recognition of incentive awards under IFRS 2. This

[13] Includes recurring SG&A expenses.
[14] Includes employee share option plan expense (⃁ 982 mn) and IPO-related fees (⃁ 29 mn).
[15] Adjusted indicators exclude gain on sale-and leaseback transactions, employee share option plan expense and IPO-related fees

non-recurring item is excluded from adjusted performance metrics and does not impact net cash flow, net equity, or operational performance.

Gains from sale-and-leaseback transactions totaled ⃁ 30 million, significantly below the ⃁ 109 million recorded in 1H 2024. Provisions & Other income amounted to ⃁ 9 million in 1H 2025, primarily reflecting reversal of previously recorded provisions.

As a result of the factors above, adjusted EBITDA grew 19% year-on-year to ⃁ 1,352 million in 1H 2025, with margin expanding to 34.0% (+5.0 ppts). In 2Q 2025, adjusted EBITDA rose by 16% to ⃁ 736 million, supported by operating scale, ongoing cost control and strong Hajj performance, with margin improving to 34.3% (+5.2 ppts).

Adjusted net profit for 1H 2025 increased 22% year-on-year to ⃁ 339 million, with adjusted net profit margin reaching 8.5%. In 2Q 2025, adjusted net profit was ⃁ 191 million, down 3% compared to the prior year due to higher aircraft depreciation cost.

Revenue Segments

⃁ million	2Q 2025	2Q 2024	YoY	1H 2025	1H 2024	YoY
LCC	1,581	1,758	-10%	3,357	3,459	-3%
Hajj & Umrah	518	369	+41%	527	375	+41%
General Aviation	45	50	-10%	88	89	-1%
Total Revenue	**2,144**	**2,176**	**-1%**	**3,972**	**3,923**	**+1%**
LCC Share	*74%*	*81%*	*-7%*	*85%*	*88%*	*-4%*
Hajj & Umrah Share	*24%*	*17%*	*+7%*	*13%*	*10%*	*+4%*
General Aviation Share	*2%*	*2%*	*-0%*	*2%*	*2%*	*-0%*

flynas reports revenue across three distinct operating segments: LCC (Low-Cost Carrier), Hajj & Umrah, and General Aviation. These segments reflect the underlying structure of the Company's service offering and form the basis for internal performance assessment and resource allocation.

- The LCC segment comprises the Company's core scheduled passenger services operated under a low-cost model, serving domestic and international routes on a pre-published schedule.
- The Hajj & Umrah segment includes mainly non-scheduled flight operations that cater to religious pilgrims traveling to the Kingdom, concentrated around seasonal peaks, this is usually operated using short-term wide-body leases due to the seasonal nature of the business.
- The General Aviation segment includes services offered to aircraft management clients, including crew and maintenance support and charter flight operations.

In 2Q 2025, total revenue remained broadly in line with the same period last year (-1% year-on-year) to ⃁ 2,144 million, as softer LCC performance was offset by strong growth in the

Hajj & Umrah segment. Revenue from LCC operations declined 10% year-on-year to ⃁ 1,581 million, reflecting seasonal pause in inbound travel associated with early visa suspensions ahead of Hajj season, the temporary impact of the geopolitical situation on travel demand, and the ongoing engine supply constraints from CFM, which have further limited the capacity and operational performance during the period.

Conversely, Hajj & Umrah revenue rose 41% year-on-year to ⃁ 518 million, supported by increase in number of transported pilgrims. General Aviation revenue declined slightly to ⃁ 45 million, maintaining a 2% share of the revenue mix.

For 1H 2025, total revenue increased 1% year-on-year to ⃁ 3,972 million. LCC revenue declined by 3% year-on-year to ⃁ 3,357 million for the earlier mentioned reasons, while Hajj & Umrah revenue grew 41% to ⃁ 527 million, reflecting effective capture of seasonal pilgrimage demand. General Aviation revenue was stable at ⃁ 88 million, representing a 2% share of the revenue mix.

Cost Trends

⃁ million	2Q 2025	2Q 2024	YoY	1H 2025	1H 2024	YoY
Fuel	(450)	(487)	-8%	(835)	(924)	-10%
Handling, landing, navigation	(341)	(366)	-7%	(652)	(701)	-7%
Staff	(218)	(220)	-1%	(448)	(427)	+5%
Maintenance	(76)	(122)	-38%	(159)	(227)	-30%
Depreciation	(366)	(275)	+33%	(687)	(534)	+29%
Rental	(215)	(173)	+24%	(237)	(208)	+14%
Distribution	(40)	(42)	-5%	(69)	(70)	-1%
Other	13	(8)	NM	(19)	(19)	-1%
Total Cost of revenues	**(1,693)**	**(1,694)**	**-0%**	**(3,106)**	**(3,109)**	**-0%**
Selling & marketing	(62)	(66)	-7%	(131)	(116)	+13%
General & administrative	(41)	(56)	-27%	(81)	(90)	-10%
Provisions and other income/(cost)	20	(1)	NM	9	(3)	NM
Total recurring expenses	**(1,775)**	**(1,818)**	**-2%**	**(3,310)**	**(3,317)**	**-0%**
Employee share options	(982)	0	NM	(982)	0	NM
IPO fees	(101)	0	NM	(101)	0	NM
Sale-and-leaseback gain	30	43	-31%	30	109	-73%

Total recurring expenses for 2Q 2025 amounted to ⃁ 1,775 million, 2% lower year-on-year, supported by disciplined cost control across key categories. This brought total recurring expenses for 1H 2025 to ⃁ 3,310 million, broadly stable compared to the prior year.

Cost of revenue was flat year-on-year at ⃁ 3,106 million in 1H 2025. Fuel remained the largest contributor, totaling ⃁ 835 million, down 10% year-on-year, supported by lower average fuel prices. Handling, landing, and navigation charges declined 7% year-on-year to ⃁ 652 million, reflecting improved rates negotiated on the back of increased scale of operations. Staff costs grew to ⃁ 448 million (+5% year-on-year), consistent with increased crew requirements following fleet expansion. Maintenance costs fell 30% year-on-year to ⃁ 159 million, driven by a high base in 2024 related to more aircraft re-deliveries in the comparative period. Rental costs rose to ⃁ 237 million (+14%), driven by the larger wet-leased fleet base. Distribution and other cost categories remained broadly in line with the prior year levels.

Selling and marketing expenses rose to ⃁ 131 million in 1H 2025, up 13% year-on-year, reflecting seasonal advertising and promotional activity around network expansion. General and administrative expenses decreased 10% to ⃁ 81 million, reflecting lower professional and consultancy fees.

Three non-recurring items were recorded in the second quarter of 2025, which also influenced the cost base in the first half of the year. A one-off, IPO-related expenses totaling ⃁ 1,083 million primarily driven by ESOP charge of ⃁ 982 million was recognized in 2Q 2025, related to the full vesting and fair value recognition of the employee incentive plan, and ⃁ 101 million in IPO-linked fees . Although the total cost was funded by existing pre-IPO shareholders, the correct accounting treatment is to route the cost through the Income Statement which was offset in the Balance Sheet with no effect on retained earnings or net equity. The Company also recognized ⃁ 30 million gains from aircraft sale-and-leaseback transactions, versus ⃁ 109 million a year earlier due to lower number of sale-and-leaseback transactions in 2Q 2025.

Finance Cost Trends

⃁ million	2Q 2025	2Q 2024	YoY	1H 2025	1H 2024	YoY
Finance income	31	17	+85%	49	32	+54%
Interest on lease liabilities and aircraft provisions	(151)	(155)	-3%	(296)	(301)	-2%
Interest on loans	(35)	(11)	+3.2x	(42)	(24)	+72%
Bank guarantees	(10)	(6)	+66%	(18)	(14)	+29%
Other	(2)	(1)	+2.7x	2	(6)	NM
Total Finance costs, net	**(167)**	**(156)**	**+7%**	**(304)**	**(314)**	**-3%**

Finance income increased by 54% year-on-year in 1H 2025 to ⃁ 49 million, supported by higher average cash balances. The uplift was more pronounced in 2Q 2025, where finance income rose to ⃁ 31 million, up 85% compared to the same quarter last year.

Interest on lease liabilities and aircraft-related provisions totaled ⃁ 296 million in 1H 2025, slightly lower than ⃁ 301 million in 1H 2024, reflecting a marginally more efficient financing structure despite the larger fleet base. Interest on loans rose to ⃁ 42 million in 1H 2025 (up from ⃁ 24 million), mainly due to a higher debt balance despite lower financing rates. Other finance costs, including bank guarantees and miscellaneous charges, totaled ⃁ 16 million in 1H 2025, compared to ⃁ 20 million in the prior-year period.

In 2Q 2025, net finance costs were ⃁ 167 million, a 7% increase year-on-year, primarily due to higher loan-related interest and bank guarantee fees. Net finance costs for 1H 2025 amounted to ⃁ 304 million, down 3% from ⃁ 314 million in 1H 2024.

Balance Sheet and Debt Highlights

⃁ million	2Q 2025	4Q 2024	YtD
Current Assets	5,263	2,124	+2.5x
Non-Current Assets	12,342	11,406	+8%
Total Assets	**17,606**	**13,530**	**+30%**
Total Equity	**3,376**	**1,643**	**+2.1x**
Current Liabilities	3,854	3,113	+24%
Non-Current Liabilities	10,375	8,773	+18%
Total Liabilities	**14,229**	**11,887**	**+20%**
Bank debt	1,608	425	+3.8x
Lease liabilities	6,205	5,813	+7%
Total debt	**7,813**	**6,239**	**+25%**
Cash and bank deposits	4,586	1,757	+2.6x
Net debt	**3,227**	**4,482**	**-28%**
Net debt/Adjusted[16] EBITDA	1.4x	2.2x	-0.8x

As of 30 June 2025, flynas reported total assets of ⃁ 17.6 billion, marking a 30% increase since year-end 2024. This growth was driven by a 2.5x rise in current assets to ⃁ 5.3 billion, supported by an increase in cash and bank deposits to ⃁ 4.6 billion, primarily from IPO proceeds. Non-current assets rose 8% to ⃁ 12.3 billion, reflecting continued investment in fleet expansion.

Total liabilities increased by 20% to ⃁ 14.2 billion, including a 24% rise in current liabilities and an 18% rise in non-current liabilities. The increase was driven by higher lease liabilities,

[16] Adjusted indicators exclude gain on sale-and leaseback transactions, employee share option plan expense and IPO-related fees

which rose 7% to ⃁ 6.2 billion in line with fleet growth, and a 3.8x increase in bank debt to ⃁ 1.6 billion, used to support fleet expansion and operating requirements.

Despite the increase in total debt to ⃁ 7.8 billion (+25% year-to-date), strong liquidity helped reduce net debt by 28% to ⃁ 3.2 billion. As a result, net debt to adjusted[14] EBITDA improved to 1.4x from 2.2x at year-end 2024, reflecting enhanced financial flexibility.

Total equity increased to ⃁ 3.4 billion as of 30 June 2025, more than doubling from ⃁ 1.6 billion at year-end 2024. This increase primarily reflects the increase in retained earnings and the recognition of IPO proceeds, which were recorded in equity under share capital and share premium in line with standard accounting treatment.

Cash Flow Highlights

⃁ million	2Q 2025	2Q 2024	YoY	1H 2025	1H 2024	YoY
Profit Before Zakat	**(851)**	**246**	**NM**	**(695)**	**401**	**NM**
Non-cash adjustments[17]	1,476	404	+3.7x	1,962	767	+2.6x
Working capital changes	57	(273)	+2.2x	(113)	(360)	-68%
Interest & employee end-of-service benefits	52	12	+4.2x	67	22	+3.0x
Adjusted[18] net cash, operating activities	**734**	**390**	**+88%**	**1,221**	**830**	**+47%**
ESOP payment	(722)	0	NM	(722)	0	NM
Net cash, operating activities	**12**	**390**	**-97%**	**499**	**830**	**-40%**
Capex, net	(132)	134	NM	(621)	155	NM
Net cash, investing activities	**(132)**	**134**	**NM**	**(621)**	**155**	**NM**
Net cash, financing activities	**2,986**	**(301)**	**NM**	**2,951**	**(699)**	**NM**
Net changes in cash & equiv.	2,867	223	+12.9x	2,830	286	+9.9x
Ending cash & equivalents	**4,530**	**1,736**	**+2.6x**	**4,530**	**1,736**	**+2.6x**
Adjusted Free cash flow	**703**	**524**	**+34%**	**701**	**985**	**-29%**

In 1H 2025, flynas generated ⃁ 1,221 million in adjusted net cash from operating activities, up from ⃁ 830 million in the same period last year. This figure excludes the one-off ESOP-related charges. The increase was supported by stronger operating performance and improved working capital management, with outflows narrowing to ⃁ 113 million from ⃁ 360 million a year earlier.

Net cash used in investing activities was ⃁ 621 million, reversing from a ⃁ 155 million inflow in 1H 2024. This was primarily driven by a step-up in capital expenditure, reflecting investments in fleet.

[17] Includes ESOP in the amount of ⃁ 982 mn.
[18] Excludes ESOP payment in the amount of ⃁ 722 mn

Net cash from financing activities rose sharply to ⃁ 2,951 million in 1H 2025, from an outflow of ⃁ 699 million in the prior year. The increase was mainly due to ⃁ 2,347 million in IPO proceeds and ⃁ 1,455 million increase in Murabaha facility and new Murabaha agreement against aircraft financing. These inflows were partially offset by repayments of ⃁ 851 million, including lease principal and loan settlements.

As a result of these dynamics, net changes in cash and equivalents amounted to ⃁ 2,830 million in 1H 2025. Ending cash and equivalents stood at ⃁ 4,530 million as of 30 June 2025, up 2.6x year-to-date.

Adjusted Free cash flow amounted to ⃁ 701 million in 1H 2025, down from ⃁ 985 million a year earlier, primarily reflecting increased capital investments.

Guidance

Based on the performance in the first half of the year, flynas is announcing guidance towards the following financial results for full-year 2025:

- Revenue is projected to grow by 6% to 18% year-on-year, supported by capacity growth and continued demand on international routes.
- EBITDA margin is expected to range between 30.0% and 32.0%, reflecting scale effects and ongoing cost control.
- Net margin is projected at 6.0% to 6.5%, consistent with efficiency improvements.
- Net debt to EBITDA is expected to normalize at approximately 2.0x by year-end.

These expectations reflect the Company's current plans for network growth and operational efficiency.

Earnings Call

The Company is holding an earnings call to discuss 2Q 2025 financial results with analysts and investors on Monday, 11 August 2025, at 4:00 pm Riyadh time (2:00 pm London, 5:00 pm Dubai, 9:00 am New York).

Webcast link: flynas 2Q 2025 webcast

For any further questions or queries, please reach out to Investor Relations.

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Glossary of Terms

Note on Operating Indicators: Unless otherwise indicated, the operating performance metrics below, including RASK, CASK, Load Factor, ASK, and RPK, refer only to flynas' Low-Cost Carrier (LCC) segment, which represents the Company's core scheduled passenger operations. These metrics are not reported for the Hajj & Umrah or General Aviation segments due to the distinct nature of their business models.

ASK (Available Seat-Kilometers; supply): A measure of airline capacity, calculated as the number of available seats multiplied by the kilometers flown. It reflects the total passenger-carrying capacity of the airline.

RPK (Revenue Passenger-Kilometers; demand): The number of paying passengers multiplied by the kilometers they traveled. It measures actual demand and is used to calculate load factor.

Load Factor (%): The percentage of available seat-kilometers that is actually filled with passengers. Calculated as Revenue Passenger-Kilometers (RPK) divided by ASK.

RASK (Revenue per Available Seat-Kilometer): Unit revenue generated per available seat-kilometer. Reflects yield strength and pricing dynamics within the LCC segment.

CASK (Cost per Available Seat-Kilometer): Unit cost per seat-kilometer flown, calculated by dividing total operating costs by ASKs. Measures cost efficiency for the LCC segment.

PAX (Passenger Traffic): The total number of paying passengers transported during a given period.

Fleet (end of period): Refers to the number of aircraft in operation at the end of the respective period. Includes both owned and leased aircraft (dry and wet leases), Excludes short-term wet leases related to Hajj operations.

Fleet (average): Refers to the average number of aircraft in operation during the respective period. Includes both owned and leased aircraft (dry and wet leases). Excludes short-term wet leases related to Hajj operations.

A320neo: A fuel-efficient aircraft model produced by Airbus. "Neo" stands for "New Engine Option" and denotes newer-generation technology with improved fuel economy.

Wet Lease: A leasing arrangement where the aircraft, crew, maintenance, and insurance are provided by the lessor. Used to meet seasonal or operational demand.

Dry Lease: A lease of the aircraft only, without crew or services, typically over a longer term.

Total Revenue: Total income earned from all operating segments, including LCC, Hajj & Umrah, and general aviation.

EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization): A measure of operating performance that shows earnings before the impact of financing decisions, tax structure, and non-cash depreciation and amortization expenses.
EBITDA = Operating profit + Depreciation + Amortization

Adjusted EBITDA: EBITDA excluding non-recurring items such as IPO-related charges and gains from sale-and-leaseback transactions. Provides a normalized view of underlying operational profitability.
Adjusted EBITDA = EBITDA – IPO-related charges – Gains from sale-and-leaseback transactions

Adjusted Net Profit: Net profit excluding one-off or non-operating items.
Adjusted Net Profit = Reported Net Profit – IPO-related charges – Gains from sale-and-leaseback transactions

Adjusted Return on Invested Capital (ROIC): Return on invested capital excluding non-recurring items such as IPO-related charges and gains from sale-and-leaseback transactions. Measures how effectively the Company uses invested capital to generate adjusted net operating profit after tax (NOPAT).
Adjusted ROIC = Adjusted NOPAT / Weighted average invested capital (equity part weighted on a daily basis for 2Q 2025 to reflect the significant equity increase following the IPO).

Adjusted Free Cash Flow: Operating cash flow less cash used in investing activities and the IPO-related charges in 2Q 2025. This metric reflects the cash generated by the business after meeting reinvestment requirements.

Sale-and-Leaseback Gain: Profit earned from selling an owned aircraft and then leasing it back. Used as a financing tool but excluded from adjusted metrics for consistency across different periods.

Total Debt: Sum of all interest-bearing liabilities, including bank loans and lease obligations.

Net Debt: Total debt less cash and equivalents. Represents the net financial obligations of the Company.

ESOP (Employee Share Option Plan): A compensation program where employees receive Company shares. In this earnings release, it refers to a one-off post-IPO grant recognized in G&A (non-recurring).

About flynas

flynas (Tadawul: 4264) is a leading Saudi low-cost carrier operating since 2007. Headquartered in Riyadh, it supports the Kingdom's Vision 2030 by providing affordable, reliable air travel and enhancing regional and domestic connectivity.

In FY 2024, flynas carried c. 15 million passengers and generated total revenue of ⃁ 7.6 billion, up 19% YoY. The airline reported EBITDA of ⃁ 2.2 billion, up 31% YoY, and net profit of ⃁ 434 million, up 8% YoY. It ended the year with a fleet of 59 aircraft, serving 72 destinations across Saudi Arabia, the GCC, and broader regional markets.

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