



אל על **EL AL**

Investor Presentation

August 2024



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Q2 2024

Revenue



EBITDAR



Net profit

Increase in profit is mainly attributable to: load factor, activity, cargo



EL AL Q2 2024

ASK [M]

Available seat kilometer



Load Factor [%]

Passenger load factor



RRPK [Cents]

Average revenue to RPK



RASK [Cents]

Revenue per ASK

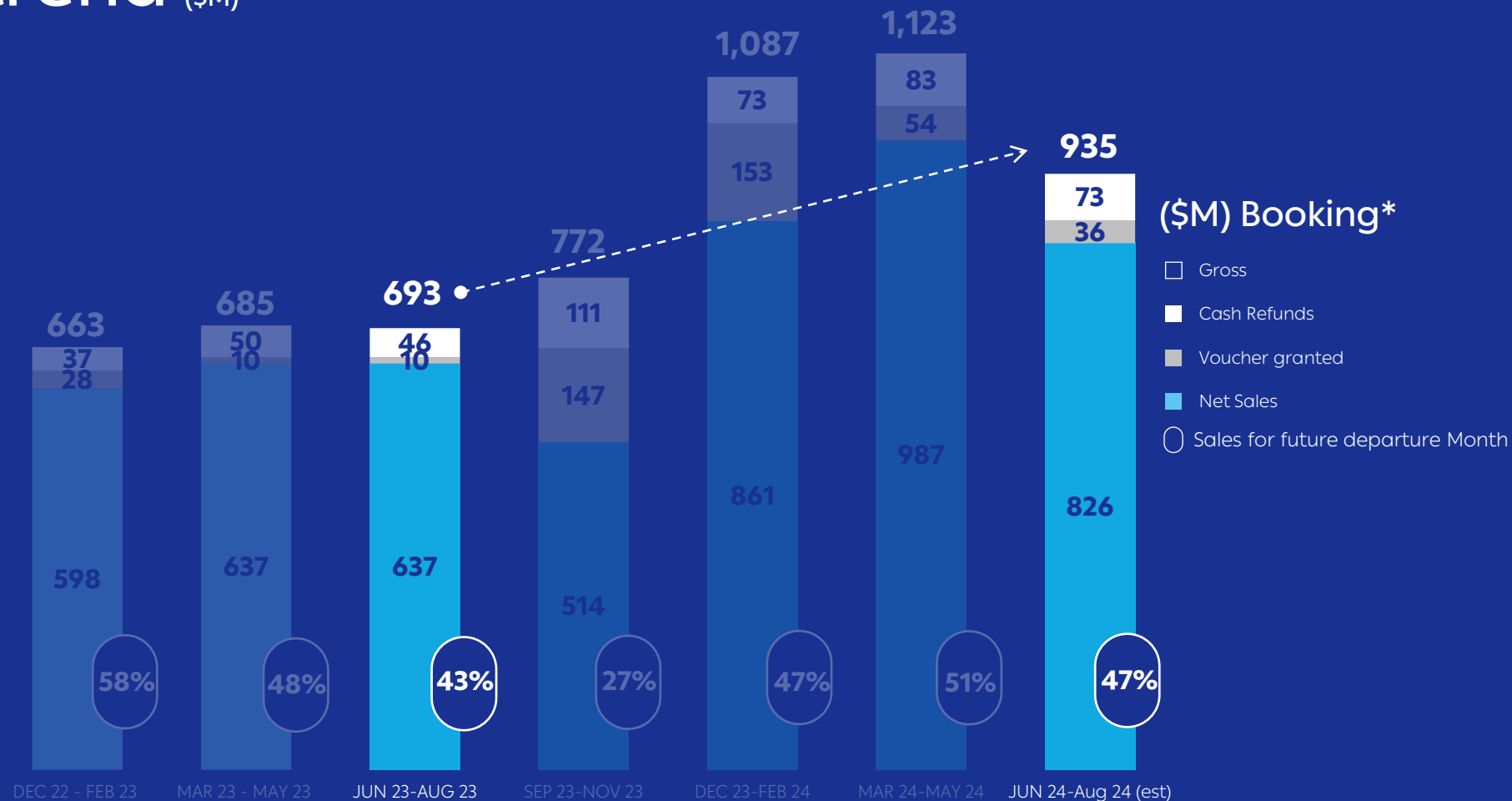


Equity

140 million dollars capital raise and EL AL's shares added to the Tel Aviv 125 index for the first time

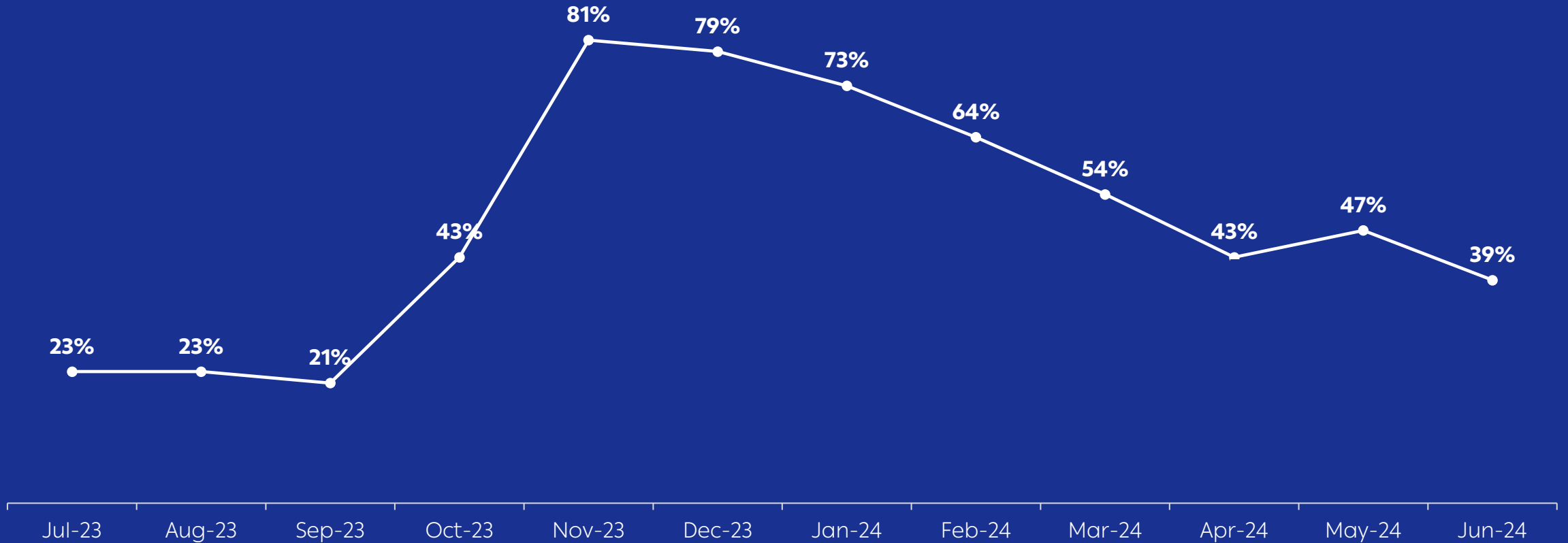


Booking trend (\$M)*



*Booking in terms of sales - do not constitute revenue, sales are recognized as revenue when service is provided . The forecast figures represent gross sales data, including airport taxes attributed thereto, and including sales of vouchers, credits and frequent flyer points. Companies policy allows customers to change order/ receive credit on flight tickets in certain cases. Sales for future departure months relates to the percentage of sales out of the net sales, sold in the relevant period, and the service be provided after the relevant period,

EL AL market share trend





RISING ABOVE & BEYOND

Fleet expansion
& renewal as
part of our
strategic plan

Rising Above & Beyond Strategic plan

Financial Targets

Clear and ambitious targets



EL AL
*Net debt to EBITDA is calculated as: Loans from financing entities, Lease liabilities, Current maturities and short-term credit and Loans from the controlling shareholder divided by EBITDA
**Cash - Cash and cash equivalents and Short-term deposits

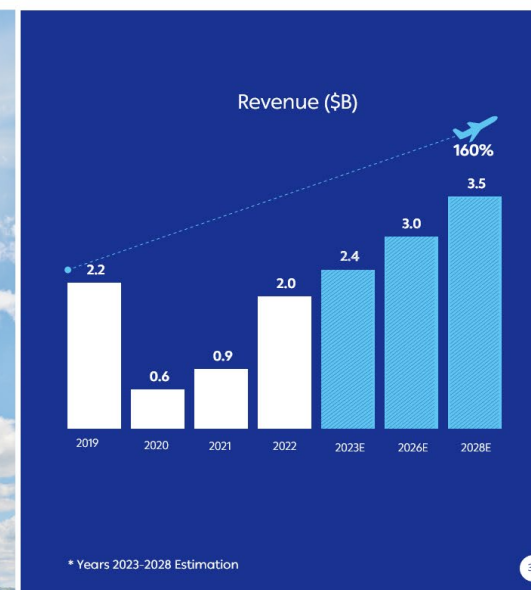
35

Profitability Targets 2028



EL AL

Revenue (\$B)



* Years 2023-2028 Estimation

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Rising Above & Beyond - Financial Targets.
Presented in August 2023

* A global shortage related to supply chain is expected to delay the full execution of the strategic plan Beyond 2028

Rising Above & Beyond Strategic plan

Fleet expansion & Renewal

- Growth in number of Passengers:**

BG Airport is expected to reach 30M+ passengers in the next few years. EL AL target: reach 24% market share.

- Expansion needs:**

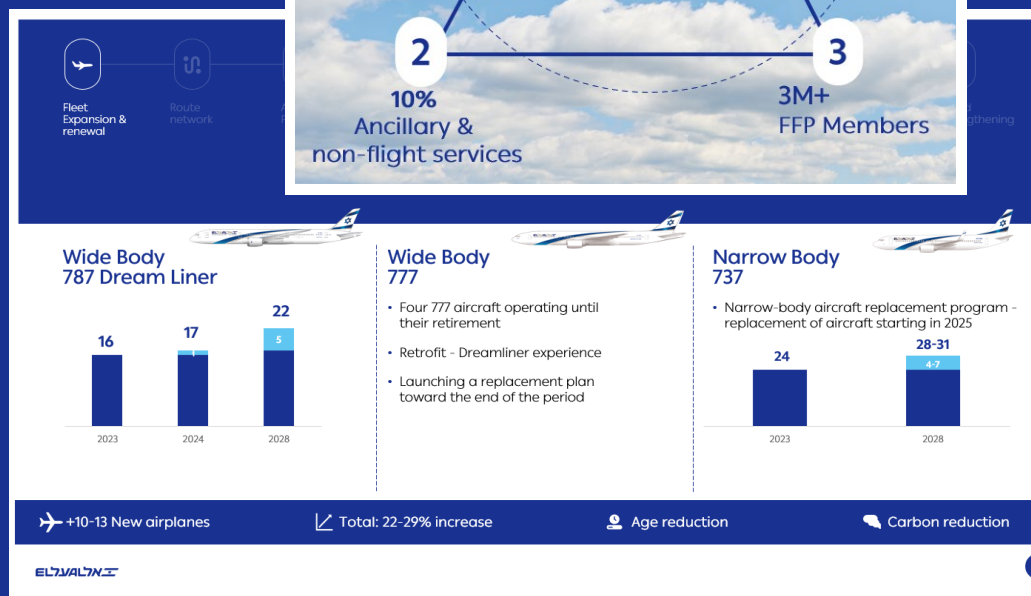
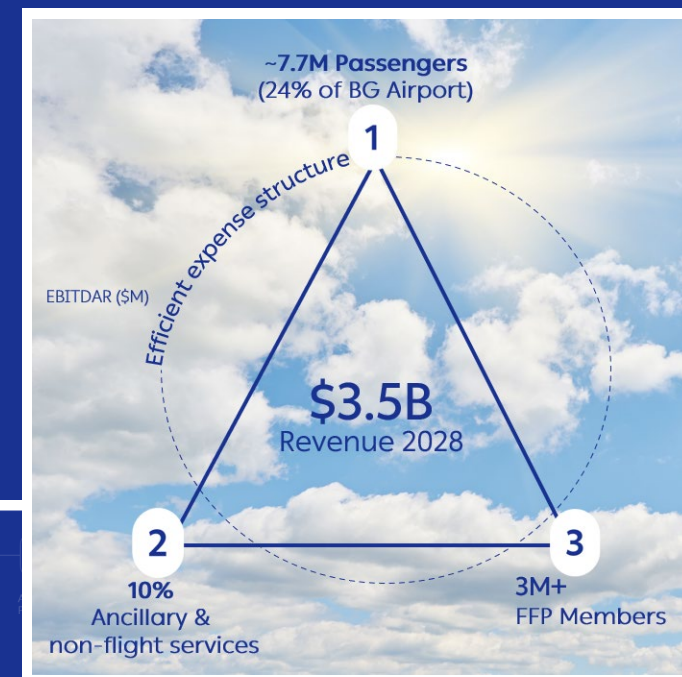
Increase capacity through new aircraft acquisition

- Quality improvement:**

Enhance customer experience, improve fuel efficiency, streamline maintenance, lower carbon emissions

- Seasonal flexibility:**

Aircraft replacement enables flexible capacity



2024 Fleet expansion & Renewal steps

Agreement with Boeing for the purchase of 3 **Dreamliner 787** aircraft during 2029-30 with an option for 6 additional 787 aircraft

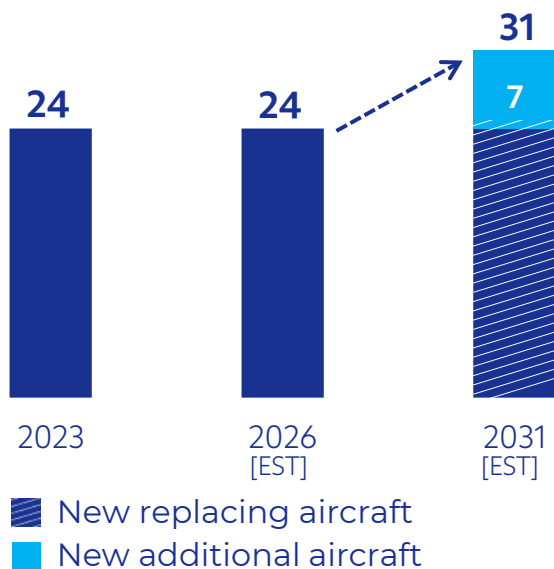
650-730M\$*

Agreement with Boeing for the purchase of **20 737 MAX** for deliveries starting in 2028 with an option for 11 additional 737 MAX aircraft

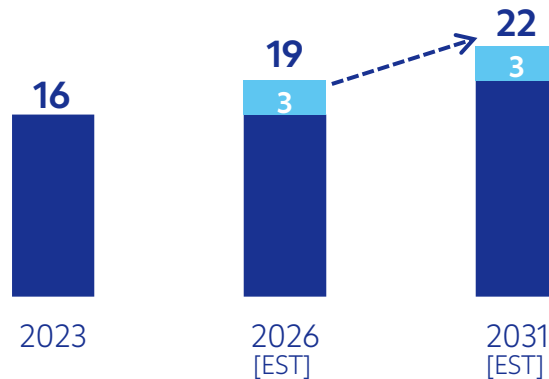
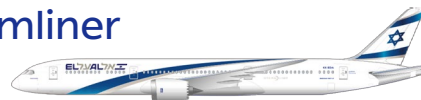
1.5B-2.5B\$

Fleet expansion & renewal

Narrow Body 737



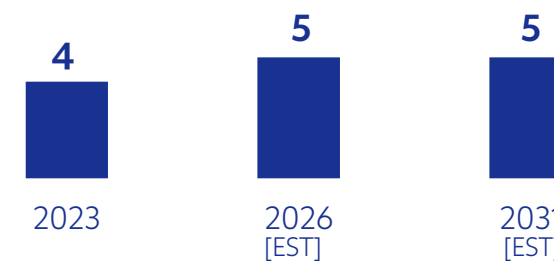
Wide Body 787 Dreamliner



Wide Body 777



Retrofit - Dreamliner experience



Meeting 24% market share



Fuel efficiency



Age reduction

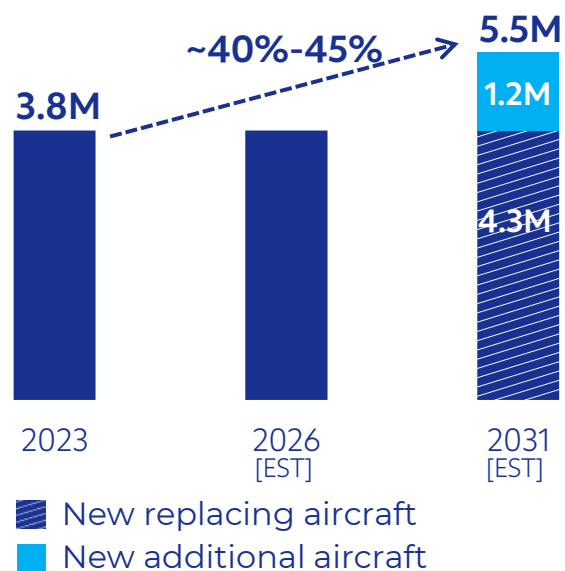


Carbon reduction

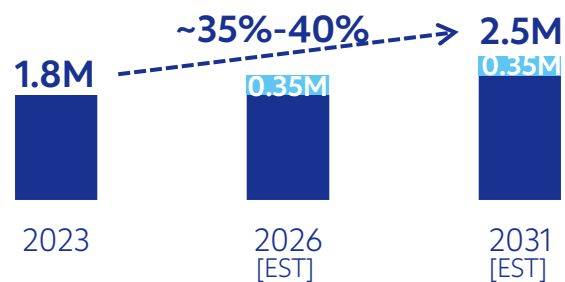
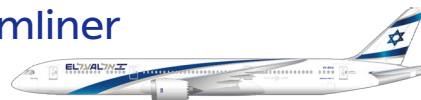
Seats number increase

From 6.2M seats to 8.8M seats

Narrow Body 737



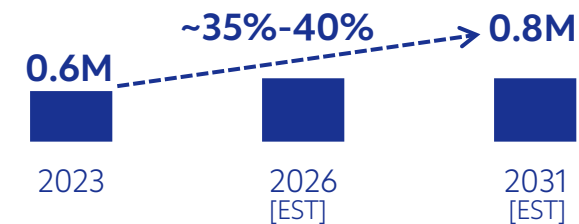
Wide Body 787 Dreamliner



Wide Body 777



Retrofit - Dreamliner experience



Fuel efficiency



Age reduction



Carbon reduction

Strong free cash flow post fleet renewal

	Y2023	Y2023 Adj	Post fleet renewal
EBITDA	503.3	503.3	634.8
CAPEX	(53.0)	(53.0)	(70.2)
Free cash flow (Before debt-service)	450.3	450.3	564.6
Loans fund payment	(206.0)	(180.6)	(165.0)
Lease fund payment	(115.7)	(98.9)	(115.0)
Interest, Net	(85.5)	(78.7)	(89.2)
Free cash flow (After debt-service)	43.2	92.2	195.4

- The projected EBITDA is based on the average range (19%) of the EBITDAR as a percentage of the revenue rate from the turnover, as published in the June 2023 report and according to the Company's strategic plan, minus rental expenses (which are not within the scope of IFRS 16).
- Adjusted free cash flow for 2023, excluding principal and interest repayments made in that year for loans and leases whose contractual repayment was in previous years but were actually paid in 2023 due to deferrals reached by the COVID-19 crisis. It should be noted that after 2024, an insignificant balance will remain due to these deferrals.



Thank you