Virgin australia group

28 August 2026

FY26 Results

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Results overview

Key messages

Strategy is working

Earnings growth and margin expansion in challenging year

Earnings quality continues to improve

Stronger commercial and operational outcomes through transformation

Investing to strengthen long-term competitive position

Targeted investments in Velocity, fleet, AI and people

FY26 results demonstrate our strategy is delivering sustainable earnings growth
Application of Capital Allocation Framework enables FY26 dividend of 7.6 cents per share (fully franked)

Performance measured against value creation pillars

A simple, focused business

- Value carrier with targeted customer segment focus
- Operates in highly attractive[1] Australian market
- Stability and future growth from Velocity

Experiences our guests love

- NPS momentum continues
- Corporate and SME market share growth
- Fleet transitioning to new and efficient MAX aircraft

Operational excellence

- OTP of 77.1% (up 30bps) with >80% in June quarter
- Load factor 84.9%
- Completion rate of 98.7% - the highest of major Australian airlines[2]

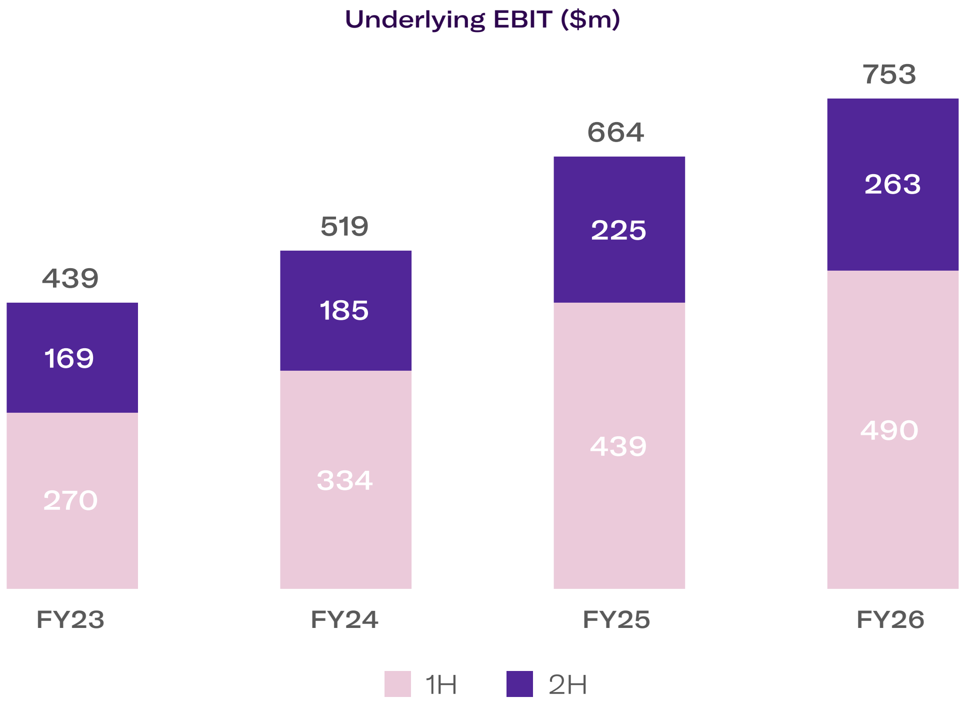
Exceptional financial performance[3]

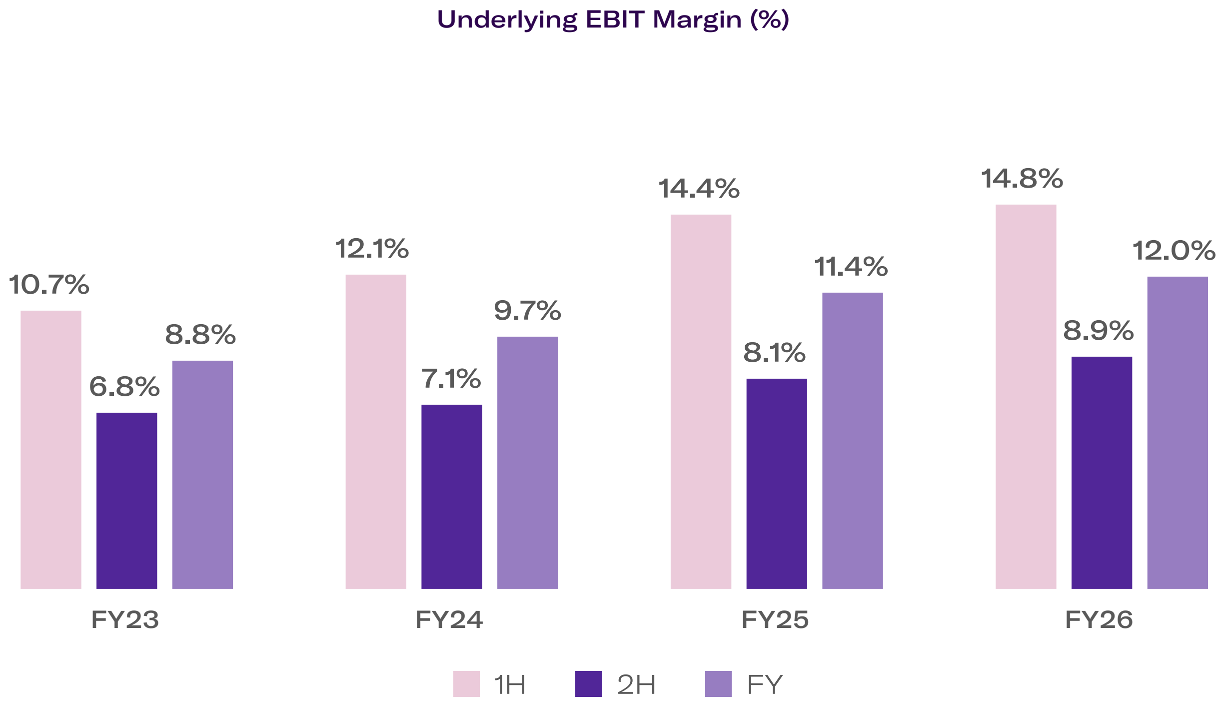
- Fuel hedging protecting earnings
- Strong balance sheet with leverage <1.0x underlying EBITDA
- EBIT margins up 60bps on FY25

1. Attractive due to vast geography, long distances between capital cities and limited fast transport alternatives.
2. Includes Virgin Australia, Qantas and Jetstar.
3. Measured on an underlying basis which excludes the impact of Significant Items.

Earnings history

Underlying EBIT has increased more than 70% over the past three years with margins improving 320bps, supported by the Transformation Program





FY26 Results[1] overview

Strategic decisions provided resilience and delivered strong earnings growth in FY26

$753m
EBIT
up 13.4% on FY25

12.0%
EBIT Margin
up 60bps on FY25

$404m
NPAT
up 21.9% on FY25

$501m
Statutory NPAT
up 4.7% on FY25

50.9c
Diluted EPS
up 12.9% on FY25

$6,278m
Revenue
up 8.1% on FY25

20.1%
ROIC
up 140bps on FY25

0.9x
Net Debt to EBITDA
Below target range of 1-2x

- Strong customer demand, continued delivery of benefits from Transformation Program and effective hedging program helped offset above inflation cost headwinds
- **Revenue** increased 8.1% to $6.3b
- **EBIT** increased 13.4% to $753m, with EBIT margin increasing 60bps to 12.0%
- **NPAT** reflects the growth in EBIT, moderate increase in net finance costs and a 30% effective tax rate
- **Statutory NPAT** includes the reduction in Significant Items and lower benefit from deferred tax asset recognition
- **Fully franked dividend** of 7.6cps declared with leverage below target range of 1-2x net debt/ underlying EBITDA
- **ROIC** improved to 20.1% on higher EBIT with increasing fleet investment consistent with Capital Allocation Framework

1. All amounts are underlying unless stated otherwise. Underlying results exclude the impact of Significant Items.

Airline segment[1] overview

Strong market demand as customers continue to prioritise travel

$616m
EBIT
up 15.2% on FY25

10.2%
EBIT Margin
up 60bps on FY25

5.9%
RASK growth
vs FY25

5.1%
CASK growth
vs FY25

1.8%
ASK growth
vs FY25

77.1%
On time performance (OTP)
up 30bps on FY25

30
Strategic Net Promoter Score (NPS)
up 3 on FY25

98.7%
Completion rate
up 30bps on FY25

- **FY26 RASK** – strong growth of +5.9% reflecting underlying demand and delivery of commercial transformation
- **June quarter RASK** – growth of 6.4%, consistent with guidance
- **Capacity** – disciplined investment with 1.8% ASK growth. Domestic capacity growth was 2.9% in FY26 and flat in the June quarter
- **EBIT margin** – expanded to 10.2% with transformation offsetting significant cost inflation (CASK increased 5.1%)
- **NPS** – continued positive momentum with improvement to 30
- **Operations** – both OTP and completion rate improved 30bps with highest results in June quarter

1. EBIT and EBIT margin are represented on an underlying basis which excludes the impact of Significant Items.

Velocity segment[1] overview

Strong external billings and member growth

$143m
EBIT
up 12% on FY25

29.4%
EBIT Margin
up 110bps on FY25

$487m
Revenue
up 8.1% on FY25

12.4%
External Billings growth
vs FY25

800k+
New Members
vs FY25

9.0%
Growth in Active Members
vs FY25 Active Members

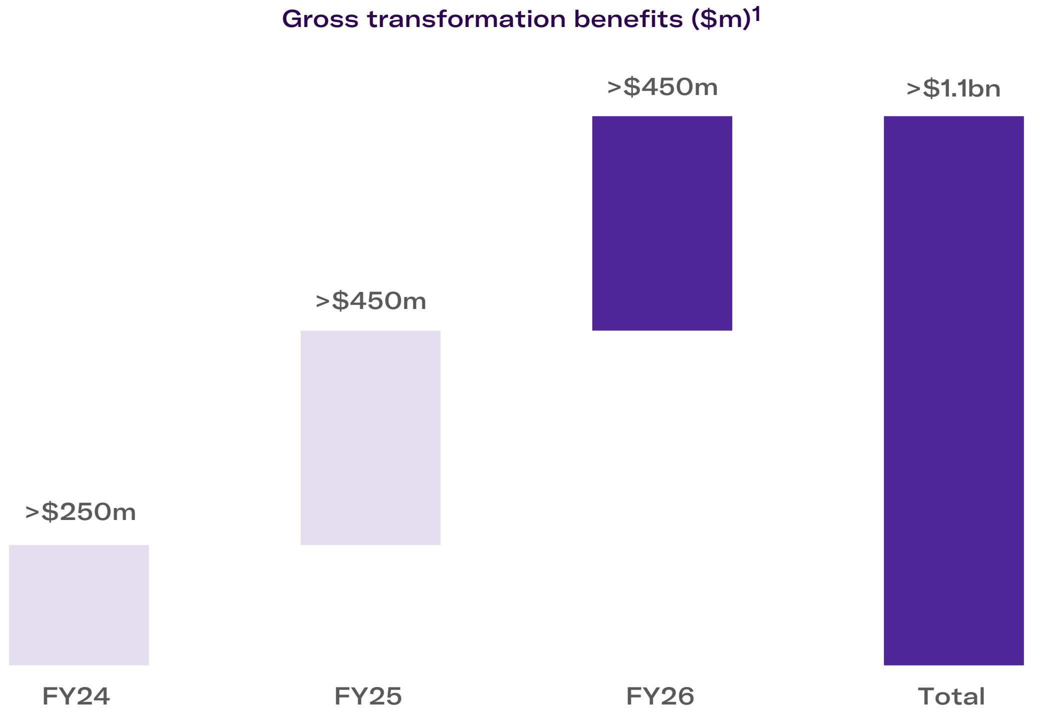
80+
Partners

- **Underlying Revenue** – growth of 8.1% with strong external billings growth of 12.4%
- **Active members** – continue to grow (up 9%), with increased billings from the financial services portfolio
- **Member engagement** – remained strong through increased points earning from new partnerships and annualised impact of relaunched Financial Services products
- **EBIT margin** – benefit from lower redemption levels with temporary impact from Middle East conflict reducing number of available long-haul flights
- **RBA** – interchange fee changes to commence 1 October 2026, Velocity to accelerate investment in growth opportunities, driving a targeted low double digit underlying EBIT growth in FY28 and FY29

1. Revenue, EBIT and EBIT margin are represented on an underlying basis which excludes the impact of Significant Items.

Transformation

Delivered more than $1.1 billion in gross transformation over past three years with more to come



- Over $450m in gross transformation benefits delivered in FY26
- Transformation Program essential to enable Virgin Australia to fight industry-wide cost escalation and deliver margin accretion. Initiatives include:
- **Commercial (~50% of total):** revenue management optimisation, increasing direct sales, B2B[2] market share growth
- **Operational (~40% of total):** seat densification, VARA fleet renewal, integrated planning, fuel efficiency
- **Velocity (~10% of total):** data personalisation

Future benefits from existing and new initiatives enabled by investment in AI
Targeting additional >$350m in gross benefits in FY27

1. Gross transformation benefits are defined as annual recurring EBIT benefits before one time implementation cost and impact of inflation and competition. Costs classified as Significant Items are decreasing.
2. Business to business.

FY26 Financial information

Group underlying results

Continued EBIT margin expansion

	Underlying		Change	
	FY26	FY25		YOY
Underlying Income Statement[1] ($m)				
Revenue and income	6,277.9	5,809.7	468.2	8.1 %
Operating expenditure	(5,038.2)	(4,730.8)	(307.4)	(6.5)%
EBITDA	1,239.7	1,078.9	160.8	14.9 %
Depreciation and amortisation	(486.5)	(414.5)	(72.0)	(17.4)%
EBIT	753.2	664.4	88.8	13.4 %
Net finance costs	(174.3)	(171.7)	(2.6)	(1.5)%
Net profit before tax	578.9	492.7	86.2	17.5 %
Income tax expense	(175.3)	(161.5)	(13.8)	(8.5)%
Net profit after tax	403.6	331.2	72.4	21.9 %
Key Financial Metrics				
Underlying EBITDA margin	19.7 %	18.6 %		110bps
Underlying EBIT margin	12.0 %	11.4 %		60bps
Diluted underlying EPS (cents)	50.9	45.1	5.8	12.9 %

- Strong underlying result and customer demand, with transformation continuing to deliver EBIT growth and margin expansion
- Disciplined capacity management
- **Depreciation** – increased 17.4% from investment in newer, more efficient fleet, driving operational benefits
- **Net finance costs** – moderate increase with higher interest expense on leases (fleet renewal) partly offset by increased interest income
- **Income tax expense** – 30% effective tax rate with all tax losses now fully utilised
- **EPS** – growth of 12.9% reflects dilutionary effect of shares from the IPO

1. Reconciliation of the FY26 Group Statutory to Group Underlying Income Statement on page 26.

Underlying EBIT drivers

	FY26	FY25	YOY
Airlines			
Underlying EBIT($m)	616	535	81
Underlying EBIT margin	10.2 %	9.6 %	60bps
Velocity			
Underlying EBIT($m)	143	127	16
Underlying EBIT margin	29.4 %	28.3 %	110bps

Activity vs FY25

Domestic ASK	+2.9%
SHI ASK	(4.5)%
Total ASK	1.8%

RASK vs FY25
+5.9%

Major items	
Airports	($121m)
D&A	($73m)
Labour	($68m)
Maintenance	$58m

NOTE: Numbers may not add due to rounding.
1. Non-fuel costs includes direct costs, overheads, depreciation and amortisation and FX.
2. Gross Transformation benefits >$450m included above.

Underlying operating expenses

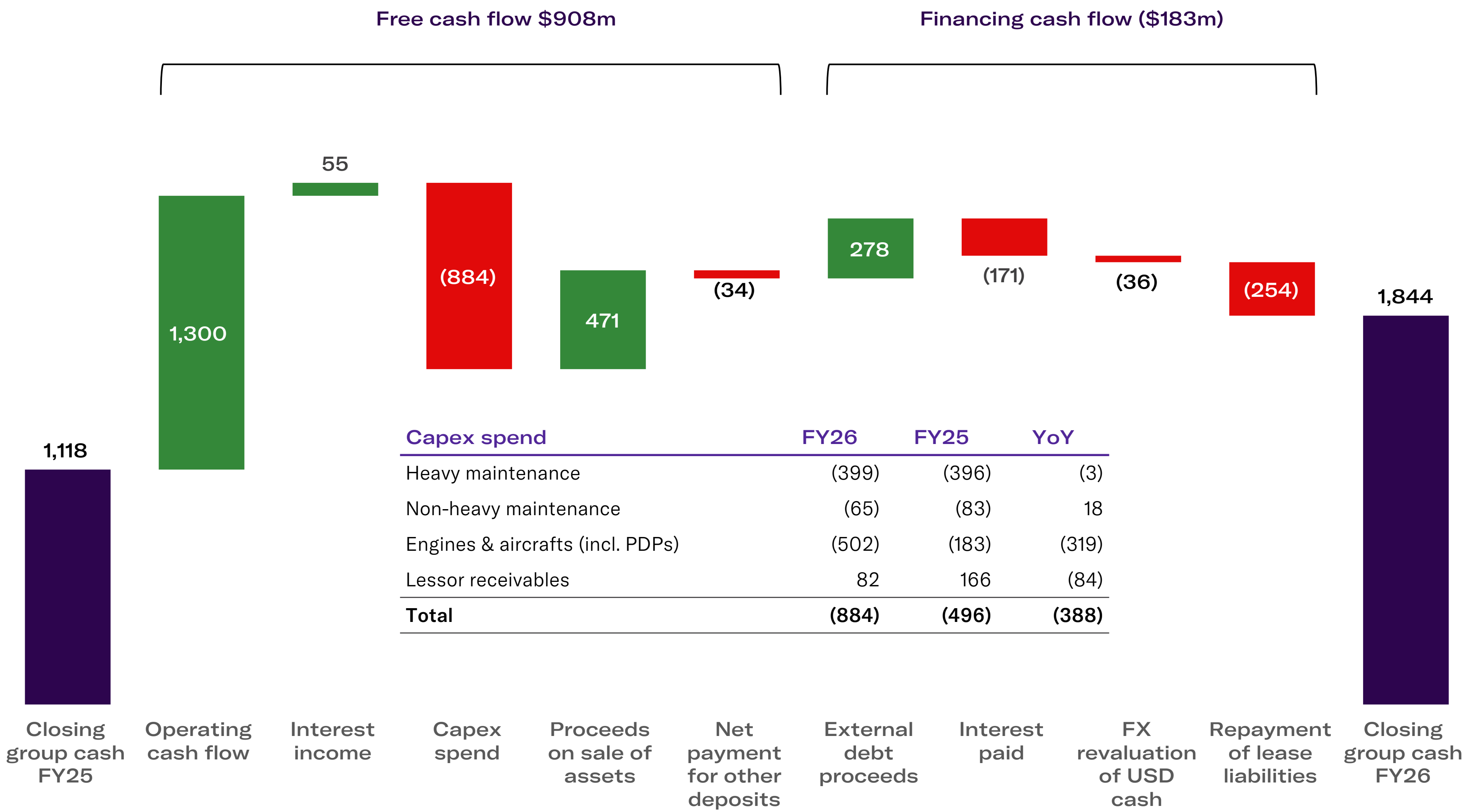
Transformation partly offsetting industry wide headwinds

	FY26	FY25	Change YOY
Underlying operating expenses ($m)			
Labour and staff related	1,393.8	1,286.5	(8.3)%
Airport charges, navigation and station operations	1,238.3	1,072.9	(15.4)%
Fuel and oil	1,090.8	1,091.4	0.1 %
Commissions, other marketing and reservations	448.7	417.1	(7.6)%
Contract and other maintenance	379.6	393.8	3.6 %
Communications and technology	159.5	138.3	(15.3)%
Aircraft variable leases	68.2	84.6	19.4 %
Other	259.3	246.2	(5.3)%
Total operating expenses	5,038.2	4,730.8	(6.5)%
Depreciation and amortisation	486.5	414.5	(17.4)%
Total expenses	5,524.7	5,145.3	(7.4)%
Operating Metrics			
Passengers carried (m)[1]	21.3	20.7	3.2 %
ASK (m)	34,318	33,725	1.8 %
CASK (cents per ASK)	(15.7)	(15.0)	(5.1)%
CASK ex Fuel (cents per ASK)	(12.5)	(11.7)	(7.0)%

- **Labour costs** (up 8.3%) – increase reflects transformation investment, growth of the business and inclusion of public company costs
- **Airport charges** (up 15.4%) – continued capital investment by monopoly critical infrastructure, driving up costs
- **Fuel costs** (down 0.1%) – improved burn rate from MAX aircraft and benefit of effective hedging program offset increased refining margins. All in fuel price of $168/bbl
- **Maintenance** (down 3.6%) – benefit from second half lease extensions which lowers heavy maintenance provision, more than offsetting high unit rates
- **Variable leases costs** (down 19.4%) – conversion of wet lease routes to direct flying

1. Percentage increase based on actual passenger numbers.

Cash flow



Capex spend	FY26	FY25	YoY
Heavy maintenance	(399)	(396)	(3)
Non-heavy maintenance	(65)	(83)	18
Engines & aircrafts (incl. PDPs)	(502)	(183)	(319)
Lessor receivables	82	166	(84)
Total	**(884)**	**(496)**	**(388)**

- Strong operating cash flow of $1,300m inclusive of $159m income tax payments
- Capex spend reflects increase in fleet renewal including debt financed aircraft purchases and is consistent with guidance
- Asset proceeds includes sale and leaseback (SLB) for six Boeing 737-8 (MAX) aircraft
- Additional liquidity provided from loan drawdown during the year
- Total cash increase $725m

Group net debt and liquidity

Balance sheet remains conservative with leverage under target range

Balance sheet item	30 June 2026 $m	30 June 2025 $m	Change YOY $m
Interest bearing liabilities			
Secured aircraft finance facilities	663.5	730.1	66.6
Secured loans	925.3	435.1	(490.2)
Unsecured loan	–	146.2	146.2
Total interest-bearing liabilities	**1,588.8**	**1,311.4**	**(277.4)**
Lease liabilities			
Aircraft leases	1,284.3	829.2	(455.1)
Property leases	122.6	147.8	25.2
Other leases	1.9	7.3	5.4
Total leases	**1,408.8**	**984.3**	**(424.5)**
Total debt	**2,997.6**	**2,295.7**	**(701.9)**
Cash			
Cash and cash equivalents	1,375.4	1,035.2	340.2
Term deposits at bank	468.1	83.0	385.1
Total cash, cash equivalents and term deposits	**1,843.5**	**1,118.2**	**725.3**
Total net cash/(debt)	**(1,154.1)**	**(1,177.5)**	**23.4**
Undrawn corporate debt facility	–	500.0	(500.0)
Net Debt to Underlying EBITDA	0.9 x	1.1 x	0.2x

- Prudent application of Capital Allocation Framework and strong cash generation resulted in leverage of 0.9x which is below target range of 1-2x net debt to underlying EBITDA
- Total debt increase reflects fleet investment and precautionary drawdown of revolving debt facility to provide additional liquidity
- Interest-bearing liabilities includes debt financed purchase of four new aircraft, while aircraft leases reflects 13 new leased aircraft delivered
- Proceeds from sale and leaseback of aircraft used to reduce secured aircraft facilities
- Liquidity of $1.6b at 30 June 2026[1]

1. Represents unrestricted cash, cash equivalents and term deposits of $1,557.0m.

Fleet profile and order book

Transition to more efficient and younger fleet

		Virgin Australia narrowbody fleet profile[1]				
AOC	**Aircraft**	**2025**	**Change**	**June 2026**	**Change**	**2027F**
VA Airlines[2]	Boeing 737-800	79	(5)	74	(5)	69
	Boeing 737-700	9	–	9	–	9
	Boeing 737-8 (MAX)	8	13	21	5	26
VARA	Fokker F100	3	(3)	–	–	–
	Airbus A320	5	(2)	3	(3)	–
	Embraer E190-E2	–	4	4	2	6
Total (excl. wet lease)		104	7	111	(1)	110
A320 leased aircraft held for return				(3)		
Total (excl. wet lease & leased aircraft held for return)				108		110
Domestic wet lease lines[3]		11		8		6
Total (incl. Domestic wet lease & excl. leased aircraft held for return)		115		116		116
Average fleet age[4]		13.4 years		11.5 years		11.2 years
Owned Fleet		32 %		31 %		39 %
Leased Fleet		68 %		69 %		61 %

1. As at 30 June 2026. Reflects contractual positions and does not include wide body aircraft for the wet lease arrangement with Qatar Airways. Contracted fleet position aligns with the accounting treatment for recognition of aircraft leases to the financial statements.
2. VA Airlines AOC are held by Virgin Australia Airlines Pty Ltd and Virgin Australia International Airlines Pty Ltd.
3. Wet lease lines include Fokker F70, Fokker F100, Embraer E1 and Saab 340 aircraft.
4. Calculation excludes wet lease aircraft and Airbus A320 leased aircraft held for return.
5. Assumes 4x Boeing 737-800 are converted from leased to owned.

- Significant investment in new, efficient aircraft continues with 17 deliveries during FY26 enabling fleet simplification to Boeing 737s and Embraer E190s
- VARA fleet renewal on track with Fokker F100s sold and Airbus A320s no longer in operation
- Increasing owned aircraft mix to 39% with debt funded purchase of seven aircraft (5x Boeing 737-8 (MAX) and 2x Embraer E190-E2) in FY27 – delivers improved financial returns[5]
- Young average fleet age of 11.5 years, expected to drop further as fleet replacement continues
- Boeing 737-8 (MAX) to account for 25% of 737 fleet by June 2027 which is expected to provide maintenance and fuel savings

Capital Allocation Framework

Declaration of inaugural dividend is application of framework in action

Capital Allocation Framework

Group Operating Cash Flow

Prioritise balance sheet and business as usual requirements

Maintain net debt within a long-term ~1.0x - 2.0x underlying EBITDA target

Target ensures longevity and sustainability of the business

Business as usual operations / maintenance capex (incl. existing fleet and ESG ambitions)

Investment into business as usual operations and ESG to ensure long-term sustainability

Excess cash invested into growth opportunities

Invest into value-accretive projects, where ROIC > WACC (pre-tax) across the cycle
Investment into new fleet and network (including future requirements)
Invest into value-accretive capex and growth opportunities

Value creating investments to drive long-term shareholder value growth

Surplus cash returned to shareholders

Return surplus cash to shareholders

Return excess cash via the most optimal path including share buy-backs or dividends

Inaugural dividend as a re-listed company - 7.6 cents per share declared fully franked

FY27 Outlook

FY27 Outlook

Demand and forward bookings remain strong with consumers continuing to prioritise travel
Based on forward fuel curve[1], 1HFY27 underlying EBIT expected to be broadly in line with 1HFY26

Key assumptions

- **Capacity:** will continue to be managed with discipline, with domestic capacity to reduce by 3% in 1HFY27[2]
- **RASK:** expected to grow 6-8% in 1HFY27 reflecting strong demand, transformation and disciplined capacity management
- **Costs:** benefits from the Transformation Program and lower maintenance costs expected to partly offset headwinds in airport and labour costs, resulting in CASK (ex fuel) growth for 1HFY27 being less than RASK growth
- **Fuel:** expected cost of ~$700m in 1HFY27 based on the forward curve[1] and 3.2m barrels consumed – hedging for remainder of 1HFY27[1] is 96% (Brent) and 20% (refining margins)
- **Velocity:** continued strong underlying momentum in active member growth and external billings, offset by one-off impact of RBA interchange fee reset and ramp up of investment in 3-year Velocity transformation program, resulting in FY27 underlying EBIT being broadly in line with FY26. This investment is targeted to deliver low double digit underlying EBIT growth for FY28 and FY29

Other

- **Capex:** expected to be ~$0.9bn to $1.0bn for FY27 with 7x new aircraft to be purchased (5x 737-8 and 2x E190-E2) with leverage expected to remain towards the low end of the 1-2x target range
- **Significant Items:** excluded from FY27 underlying EBIT ~$40m (transformation costs of ~$20m, IPO-related share based payments of ~$20m) and any foreign-exchange movements in aircraft lease liabilities

1. As of 25 August 2026.
2. As measured by domestic ASKs compared to 1HFY26.

We have a clear plan to deliver continued earnings and margin growth

Segment Growth
- Domestic market growth
- SHI and VARA growth
- Synergies from expanded airline partnerships

Revenue Initiatives
- Increase share of high value customers
- Capture greater willingness to pay
- Upsell ancillary products

Cost Initiatives
- Deliver operational excellence
- Enable fleet transformation
- Optimise cost of sales, cost to serve and overheads

Velocity Initiatives
- Drive deeper loyalty to Virgin Australia Airlines
- Grow active members and deepen engagement through data personalisation /analytics
- Expand partner coalition (incl. financial services)

Key Transformation Levers

Appendix

Virgin australia group

Virgin Australia overview and investment thesis

- We are the second largest airline group operating in the highly attractive[1] Australian aviation market
- Our business has been reinvigorated through a comprehensive strategy reset, refocusing our target customer segment supported by a refreshed, focused customer value proposition, and becoming a simpler, resilient and more focused airline with a disciplined approach
- We have a stated ambition of being Australia's most loved airline – by our people, our guests and our owners
- We see continued significant room for growth for Velocity Frequent Flyer – our award-winning loyalty program, and growth opportunities for Virgin Australia Regional Airlines (VARA)
- We have world class international airline partners, which is strengthened by Qatar Airways Group's equity investment and integrated alliance with Virgin Australia
- We have a conservative balance sheet, with financial discipline applied throughout the business
- We are in the midst of a significant Transformation Program that is expected to continue to drive EBIT margin growth through revenue, cost and Velocity initiatives
- We have a clear plan to deliver continued earnings and margin growth

1. Attractive due to vast geography, long distances between capital cities and limited fast transport alternatives.

Velocity FY27 and beyond

Investment in FY27 expected to drive long-term EBIT growth

Investing to unlock attractive growth opportunity for value-led Velocity offering in Australian loyalty landscape

FY27

Flat EBIT expected in FY27; gains to be tempered by one-off RBA reset and substantial investment in long- term growth

- One-off reset of FS billings, driven by RBA surcharge and interchange regulatory changes
- Offset by volume growth in new deeper FS partnership and strong growth expected from Lifestyle Partners
- Ramping up investments for 3-year Tx program, reaching maturity in FY29

FY27-FY29

Investing to unlock attractive growth opportunity for value-led Velocity offering in Australian loyalty landscape

1. Strong underlying momentum in active member growth and external billings
2. Material new program partnerships including deeper, strategic FS partnerships
3. Building the technology, data and personalisation capabilities to accelerate member engagement across earn categories
4. Selectively growing in adjacent value pools with strong brand fit and growth potential (e.g. Velocity Store, VA Holidays)

Embedding sustainability at the core of our business

virgin australia group

Protecting our Natural World

Climate Change

- Commitment to target net zero by 2050
- Updated emissions baseline from FY19 to FY24 to reflect the current structure of the business, improved measurement methodology, and the regulatory environment in which it now reports
- Updated FY30 target[1] to a 27% reduction in net Scope 1 emissions intensity from an FY24 base year, reflecting the current regulatory settings (Safeguard Mechanism) - 6.5% achieved by the end of FY26
- Published first mandatory Sustainability Report in accordance with AASB S2

Waste

- Targeted plans to reduce single use plastics[2] and general waste[3]

Caring for our People, Guests and Communities

Safety and wellbeing

- Trusted, safe operations. Safety is first and above all else
- On track with safety targets and maintaining industry best practice

Engaging and developing our people

- Inclusive, diverse and collaborative organisation
- Our people and customers are at the core
- Virgin Flair is visible and celebrated
- Motivated and empowered teams with momentum to innovate

Maintaining Customer Trust

Cybersecurity and Privacy

- Building a resilient, collaborative, compliant, security-minded culture
- Building a strong culture of privacy
- Responsible use of data
- Maintaining customer trust

1. This target applies to all Virgin Australia domestic and SHI flights. The LHI services operated under wet lease arrangements with Qatar Airways that commenced from June 2025 are excluded from this target. The FY19 baseline was adjusted when the targets were set to reflect the post-administration operation and flight paths – it excludes Tiger Airways Australia, LHI operations/routes, domestic freighters, and Alliance Airlines operations.
2. This target includes all items banned by state governments, as well as problematic and unnecessary single-use plastics. It excludes items required for medical or health and safety reasons.
3. General waste excludes quarantine, aeronautical, liquid and hazardous waste.

FY26 Group Statutory to Group Underlying reconciliation

Income Statement ($m)	FY26 Statutory	FY26 Significant Items	FY26 Underlying	FY25 Statutory	FY25 Significant Items	FY25 Underlying
Revenue and income	6,352.9	(75.0)	6,277.9	5,809.7	–	5,809.7
Operating expenses						
Labour and staff related	(1,473.7)	79.9	(1,393.8)	(1,380.1)	93.6	(1,286.5)
Fuel and oil	(1,090.8)	–	(1,090.8)	(1,091.4)	–	(1,091.4)
Airport charges, navigation and station operations	(1,238.4)	0.1	(1,238.3)	(1,072.9)	–	(1,072.9)
Commissions, other marketing and reservations	(448.5)	(0.2)	(448.7)	(419.0)	1.9	(417.1)
Contract and other maintenance	(381.6)	2.0	(379.6)	(397.7)	3.9	(393.8)
Communications and technology	(171.0)	11.5	(159.5)	(154.4)	16.0	(138.4)
Aircraft variable leases	(68.2)	–	(68.2)	(84.6)	–	(84.6)
Depreciation & amortisation	(492.2)	5.7	(486.5)	(424.1)	9.6	(414.5)
Other	(211.2)	(48.1)	(259.3)	(361.0)	114.9	(246.1)
Total expenditure	(5,575.6)	50.9	(5,524.7)	(5,385.2)	239.9	(5,145.3)
Profit before net finance costs and tax (EBIT)	777.3	(24.1)	753.2	424.5	239.9	664.4
EBIT Margin	12.2 %		12.0 %	7.3 %	–	11.4 %
Net finance costs	(174.3)	–	(174.3)	(171.7)	–	(171.7)
Net profit before tax	603.0	(24.1)	578.9	252.8	239.9	492.7
Income tax benefit/ (expense)	(101.8)	(73.5)	(175.3)	225.7	(387.2)	(161.5)
Net profit after tax	501.2	(97.6)	403.6	478.5	(147.3)	331.2

1. Refer to page 26 for a reconciliation of EBIT and significant items.

Reconciliation of EBIT and Significant Items

($m)	FY26	FY25
Statutory profit before net finance costs and tax (EBIT)	777.3	424.5
Significant Items		
Expiry of COVID-19 Credits	(75.0)	–
IPO related share-based payments	40.8	16.0
Restructuring and transformation costs	18.0	55.5
IT transformation projects	29.6	54.5
Impairment of assets and accelerated depreciation	5.7	8.5
Foreign exchange revaluation	(41.3)	2.5
IPO and transaction costs	(5.0)	99.9
Other	3.1	3.0
Total Significant Items	(24.1)	239.9
Underlying EBIT	753.2	664.4

Airlines segment overview

	FY26	FY25	Change	
Key Financial Metrics				
Underlying revenue and income ($m)	6,023.9	5,576.1	447.8	8.0 %
Underlying EBIT ($m)	615.9	534.7	81.2	15.2 %
Underlying EBIT margin (%)	10.2 %	9.6 %	60bps	n/a
Operating metrics				
Passengers carried (m)[1]	21.3	20.7	0.7	3.2 %
Available Seat Kilometres (m)	34,318	33,725	593	1.8 %
Load factor (%)	84.9 %	84.9 %	— ppts	—
Revenue per Available Seat Kilometre (RASK, cents per ASK)	17.5	16.5	1.0	5.9 %
Cost per Available Seat Kilometre (CASK, cents per ASK)	(15.7)	(15.0)	(0.8)	(5.1)%
Cost per Available Seat Kilometre ex Fuel (CASK ex fuel, cents per ASK)	(12.5)	(11.7)	(0.8)	(7.0)%

1. Percentage increase based on actual passenger numbers.

Velocity segment overview

	FY26	FY25	Change	
Key Financial Metrics				
Underlying revenue and income ($m)	486.6	450.0	36.6	8.1 %
Underlying EBIT ($m)	142.9	127.3	15.6	12.3 %
Underlying EBIT margin (%)	29.4 %	28.3 %	110bps	3.9 %
Operating metrics				
Velocity Points earned (b)[1]	57.2	54.1	3.1	5.7 %
Velocity Points redeemed (b)[1]	38.6	36.9	1.7	4.6 %

1. Excludes points from family pooling

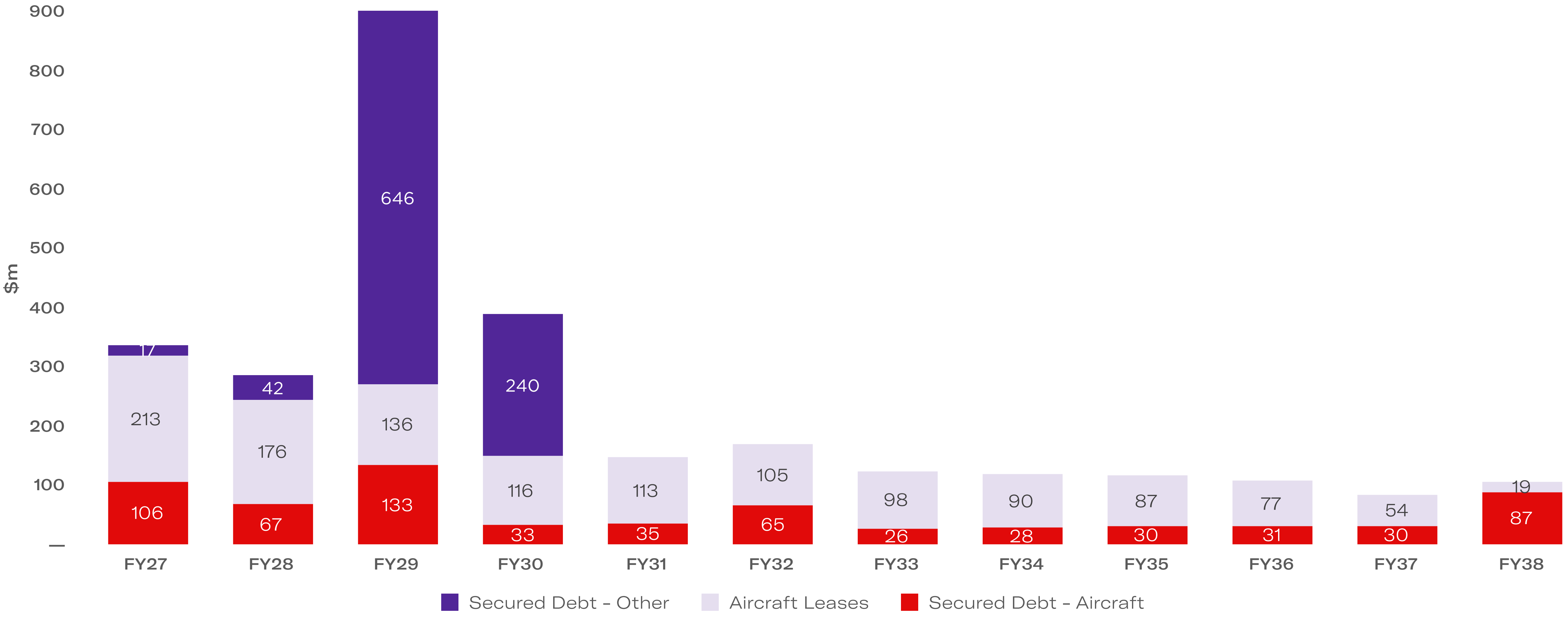
Balance Sheet

Balance sheet item	30 June 2026 $m	30 June 2025 $m	Change $m
Cash, cash equivalents and term deposits	1,843.5	1,118.2	725.3
Property, plant and equipment	3,376.0	2,712.6	663.4
Other assets	1,021.5	1,041.3	(19.8)
Total assets	**6,241.0**	**4,872.1**	**1,368.9**
Unearned revenue and income	(1,660.3)	(1,663.4)	3.1
Lease liabilities	(1,408.8)	(984.3)	(424.5)
Interest-bearing liabilities	(1,588.8)	(1,311.4)	(277.4)
Other liabilities	(1,810.3)	(1,727.6)	(82.7)
Total liabilities	**(6,468.2)**	**(5,686.7)**	**(781.5)**
Net liabilities	**(227.2)**	**(814.6)**	**587.4**

1. Other liabilities includes provisions and payables

Group debt maturity profile

as at 30 June 2026 ($m)



1. Excludes property and other leases, $125m of repayments due from FY27 through to FY47.

Glossary

AOC – Air Operator's Certificate.

Ancillary revenue – Revenue generated in association with airline passenger revenue. It includes revenue from services such as baggage and change fees, fees for additional legroom, seat allocation, cabin upgrades, booking fees, in-flight food and beverage sales, lounge access, in-flight wi-fi internet access and third party ancillary sales (including travel insurance, hotels, parking and other partner sales).

Available Seat Kilometres (ASK) – Measured as the number of seats multiplied by the distance flown in kilometres for RPT services in the Airlines segment. This is a measure of the Airlines segment RPT capacity, excluding VARA, which does not use ASK as an operating metric.

Cost per Available Seat Kilometre (CASK) – Measure of the cost to operate each seat for every kilometre. It is calculated as the Airlines segment underlying revenue and income less underlying EBIT (adjusted for costs recharged to Qatar Airways), divided by ASKs.

CASK (excl. fuel) – Is an alternative measure of the cost to operate each seat for every kilometre, excluding the variability of fuel costs. It is calculated as the Airlines segment underlying revenue and income less underlying EBIT (adjusted for costs recharged to Qatar Airways), less fuel costs, divided by ASKs.

Charter services – Contracted air services primarily where a commercial or government customer hires a whole aircraft (or a block of seats) for their specific needs. For charter services, customers specify the routes, times and capacity required and these services are not generally open to the public. The Australian domestic charter industry predominantly comprises services provided to resources and energy companies, and government entities for the transport of their employees to and from work sites.

EBIT – Profit before net finance costs and tax.

EBIT margin - represents EBIT divided by underlying revenue and income and is expressed as a percentage

EBITDA – Profit before net finance costs, tax, depreciation and amortisation. EBITDA excludes the cost of leases recognised on-balance sheet in accordance with AASB 16 Leases (for which depreciation and interest expense is incurred) but includes variable lease costs.

EPS – Earnings per share.

External billings – refers to sales the Velocity Frequent Flyer loyalty program generates from third parties.

FX – Foreign Exchange.

Load factor – Percentage of ASKs occupied by passengers (RPKs) for RPT services in VA Airlines (i.e. excluding VARA). This is a measure of the utilisation of available seats.

Net Debt – Total interest bearing liabilities and lease liabilities, net of total of cash and cash equivalents (including short-term deposits). Management uses this measure to understand its overall credit position.

Net working capital – Total balance of current trade and other receivables and inventory less the total balance of current trade and other payables, unearned revenue and provisions. The net working capital of Virgin Australia is typically negative due to unearned revenue generated by both the Airlines (ticket sales in advance of carriage) and Velocity (deferral of a portion of each point's value when issued). Management uses this measure to provide insight into its short-term liquidity. This measure may be calculated differently to how other companies calculate net working capital (for example, it does not include all current assets and all current liabilities).

NPAT – Net profit after tax.

On time performance (OTP) – On time performance (OTP) is a VA Airlines metric (i.e. excluding VARA), measured as domestic flights that departed on time as a percentage of all departures operated on any domestic sector. A flight departure is considered on time if it departed the gate within 15 minutes after the scheduled departure time shown in the airline's schedule.

Passengers carried – Passengers carried is the total number of passengers flown by VA Airlines (i.e. excluding VARA) on RPT services on Australian domestic and short-haul international routes.

Points earned – Number of Velocity Frequent Flyer Points issued to members.

Points redeemed – Number of Velocity Frequent Flyer Points redeemed by members for available rewards.

Glossary

PPTS – Percentage Points.

Revenue per Available Seat Kilometre (RASK) – Airlines segment underlying revenue and income, excluding recharge revenue from Qatar Airways, divided by ASKs.

Revenue Passenger Kilometres (RPKs) – Number of seats occupied by passengers multiplied by the distance flown in kilometres for RPT services in the Airlines segment. RPKs is a measure used in calculating yield and load factor. RPKs are a key indicator of demand.

RPT – Regular public transport, meaning scheduled passenger transport services operated for the public on fixed routes and timetables (in contrast to charter services).

SHI – Short haul international, meaning short international flights usually between neighbouring or nearby countries and typically operated using narrow-body aircraft.

Significant Items – Income received and expenses incurred that are considered transformational in nature or are outside of Virgin Australia's normal operating activities together with foreign exchange revaluation gains or losses on USD denominated aircraft lease liabilities. Due to the nature of these items, management believes it is useful to exclude them when measuring Virgin Australia's underlying operating performance.

SME – Small to medium enterprise.

Strategic Net Promoter Score (NPS) – Based on a monthly market survey commissioned by Virgin Australia and conducted by a third party. Approximately 1,000 Australian travellers are asked to rate their likelihood to recommend each domestic airline they have flown with in the prior 12 months.

Underlying – Virgin Australia uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS). These measures are referred to as 'non-IFRS financial information' under ASIC Regulatory Guide 230 'Disclosing non-IFRS financial information'. Non-IFRS financial measures are intended to supplement the financial information calculated in accordance with AAS or IFRS and not as a substitute for that information. These non-IFRS measures do not have a prescribed definition under AAS or IFRS and the method that Virgin Australia uses to calculate them may be different to methods adopted by other companies to calculate similarly titled measures. Management uses these non-IFRS financial measures to evaluate the performance and profitability of the overall business, to make operational and investment decisions and for comparison with its business plan and operating budgets and the allocation of resources. Underlying results exclude the impact of Significant items.

Velocity or Velocity Frequent Flyer – Virgin Australia's loyalty program.

Wet lease – A leasing arrangement where an airline (the lessor) provides an aircraft along with crew, maintenance and insurance services to another airline (the lessee), for consideration. Under a wet lease the aircraft operates under the lessor's Air Operator Certificate (AOC), and the lessor retains operational control of the flight.

Yield – Airline segment RPT passenger ticket revenue divided by RPKs.

Authorised for release by the Virgin Australia Disclosure Committee on 28 August 2026

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