

29 AUGUST 2025

FY25 Result Market Briefing



australia
group



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Our presenters



Dave Emerson
Chief Executive Officer



Race Strauss
Chief Financial Officer

Our ambition is to be Australia's most loved airline – by our people, our guests and our owners

....with a winning team that generates strong loyalty from guests and delivers outstanding results,
with an unwavering commitment to safety

A simple, focused
business



Experiences our
guests love



Operational
excellence



Exceptional
financial performance



Virgin Australia overview and investment thesis

- We are the second largest airline group operating in the structurally attractive 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) – the 'World's Best Regional Airline'¹
- 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. [AirlineRatings.com](https://www.airlineratings.com) 'World's Best Airlines Awards' (2025).

FY25 Result overview



FY25 Result overview

Key financial metrics in Prospectus have been met or exceeded

\$331m

Pro forma underlying NPAT

In line with Prospectus
Up \$72m, 27.8% on FY24

\$479m

Statutory NPAT

Down \$67m, 12.3% on FY24

\$650m

Pro forma underlying EBIT¹

Up 0.9% on Prospectus
Up \$148m, 29.6% on FY24

11.2%

Pro forma underlying EBIT Margin^{1,2}

Up 0.1 ppts on Prospectus
Up 1.8 ppts on FY24

\$5,810m

Revenue

Up 0.1% on Prospectus
Up \$456m, 8.5% on FY24 Underlying Revenue³

1.1x

Adjusted Net Debt to Pro forma underlying EBITDA¹

At low end of target range of 1-2x of Underlying EBITDA

- Delivered on Prospectus forecast
- Focused Value strategy embedded
- Continued underlying earnings growth across both Airline and Velocity segments
- Strong underlying revenue growth across the business
- Commencement of long-haul flying with Qatar Airways
- Transformation targets achieved, with >\$450m gross benefits realised in FY25
- Conservative balance sheet maintained, with debt at low end of target range

NOTE: The Pro forma underlying results represent the Group's reported Underlying results including Pro forma adjustments, for comparability to Underlying pro forma FY25 Forecast and FY24, per the Prospectus.

For non-IFRS measures reconciliations to Statutory financial information refer to Appendix A in the unaudited Preliminary Final Report for FY25.

1. Pro forma underlying EBIT and Pro forma underlying EBITDA excludes IPO and other transaction costs, restructuring costs and other significant items.

2. Pro forma underlying EBIT Margin is Pro forma underlying EBIT/Pro forma underlying Revenue.

3. Underlying results exclude the impact of significant items.

Airline segment overview

Earnings growth through Transformation and operational improvement

\$535m

Underlying EBIT¹

Up \$143m on FY24

9.6%

Underlying EBIT Margin^{1, 2}

Up from 7.6% or 2.0 ppts on FY24

4.2%

ASK growth

FY25 ASK of 33,725m vs 32,374m in FY24

84.9%

Load factor

Up from 83.0% or up 1.9 ppts on FY24

4.0%

RASK growth

FY25 RASK of 16.5c vs 15.9 cents in FY24

76.8%

On time performance

Up from 69.6% or up 7.2 ppts on FY24

27

Strategic Net Promoter Score

Up 4 on FY24

- Continued earnings progression
- Disciplined capacity growth
- Delivery of Transformation driving Underlying EBIT margin expansion
 - Ancillary revenue up 18% on FY24
 - Improved passenger mix through SME and Corporate share gains
- RASK increase driven by strong load factors, growth in ancillary revenue and improved passenger mix
- Highest on-time performance for a mainline Australian domestic airline in FY25
- Ongoing growth in Customer Strategic Net Promoter Score (NPS)

1. Underlying EBIT excludes IPO and other transaction costs, restructuring costs and other significant items.

2. Underlying EBIT Margin is Underlying EBIT/Underlying Revenue.

Velocity segment overview

Double digit revenue growth delivers record results

\$127m

Underlying EBIT¹

Up \$12m on FY24

28.3%

Underlying EBIT Margin^{1, 2}

Up from 28.2% or 0.1 ppts on FY24

\$450m

Underlying Revenue

Up \$41m, 10.0% on FY24

14%

External Billings growth

vs FY24

900,000+

New Members

vs FY24

12%

Growth in Active Members

vs FY24 Active Members

80+

Partners

- Double digit revenue growth
- Growth in partners and new financial services products
- Virgin Australia Business Flyer expansion
- International redemptions increased with our partner airlines led by Qatar Airways
- Continued investment in new member growth reflected in stable margin

1. Underlying EBIT excludes IPO and other transaction costs, restructuring costs and other significant items.

2. Underlying EBIT Margin is Underlying EBIT/Underlying Revenue.

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



FY25 Financial information



FY25 Group Pro forma underlying result delivered in line with Prospectus

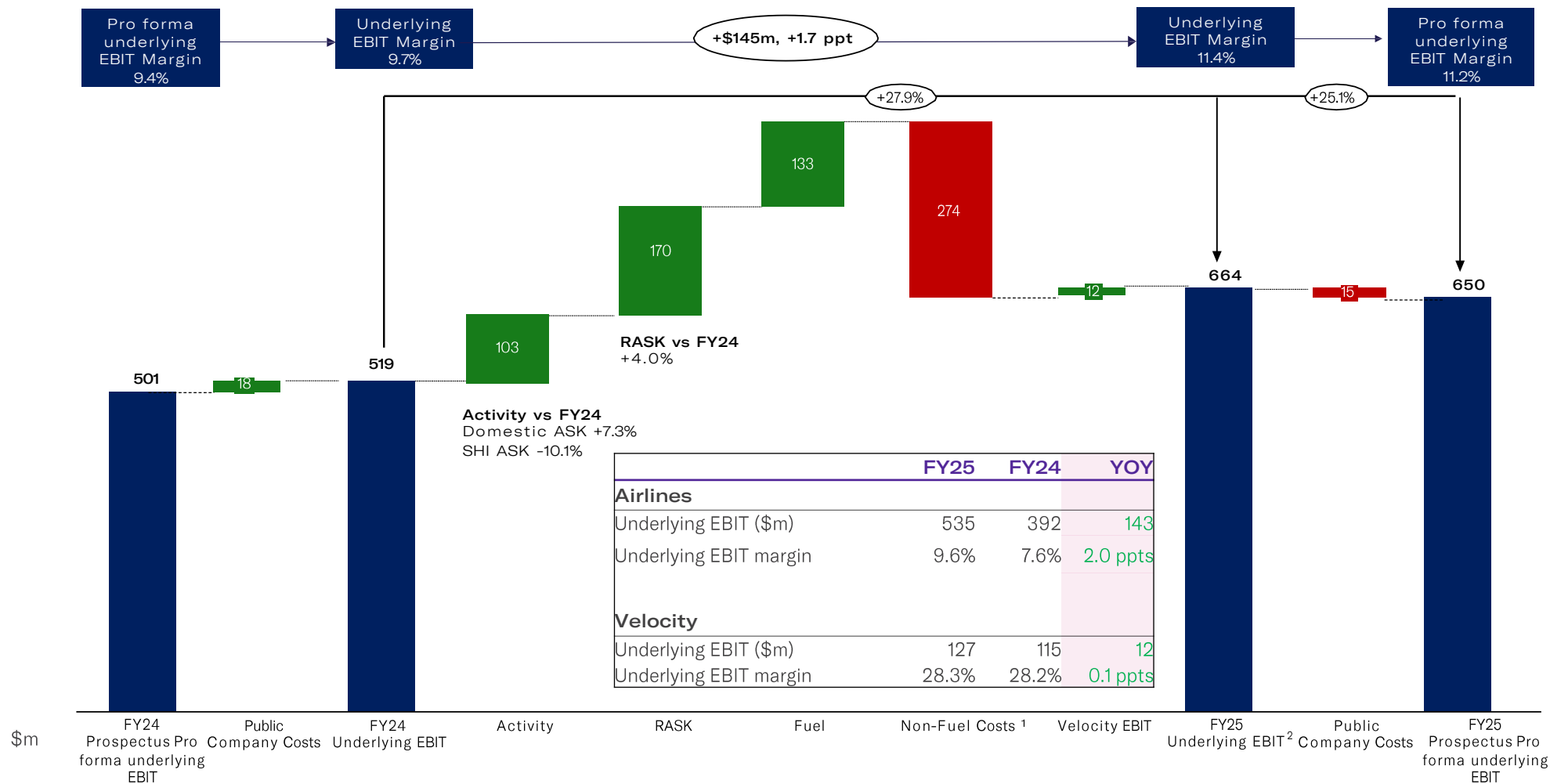
	Pro forma		Change		FY25 Pro forma vs FY25 Prospectus
	FY25	FY24	YOY		
Income statement ¹ (\$m)					
Underlying Revenue and income	5,809.7	5,353.4	456.3	8.5%	0.1%
Expenditure	(4,745.6)	(4,523.7)	(221.9)	(4.9%)	0.0%
Underlying EBITDA	1,064.0	829.7	234.3	28.2%	0.5%
Depreciation and amortisation	(414.5)	(328.3)	(86.2)	(26.3%)	0.2%
Underlying EBIT	649.6	501.4	148.2	29.6%	0.9%
Net finance costs	(176.7)	(131.4)	(45.3)	(34.5%)	(2.3%)
Underlying net profit/(loss) before tax	472.9	370.0	102.9	27.8%	0.4%
Income tax benefit/(expense)	(141.9)	(111.0)	(30.9)	(27.8%)	(1.3%)
Underlying net profit/(loss)	331.0	259.0	72.0	27.8%	0.0%
Key Financial Metrics					
Underlying EBITDA margin	18.3%	15.5%		2.8 ppts	0.1 ppts
Underlying EBIT margin	11.2%	9.4%		1.8 ppts	0.1 ppts
Underlying net profit margin	5.7%	4.8%		0.9 ppts	0.0 ppts

- Delivered in line with Prospectus
- Continued earnings growth
- Capacity discipline delivering strong RASK performance and revenue Transformation benefits
- Full delivery of cost Transformation, together with fuel, more than offsetting inflationary headwinds
- Benefit of strong FX closing rate, boosting non-cash significant items

NOTE: The Pro forma underlying results represent the Group's reported Underlying results including Pro forma adjustments, for comparability to Underlying pro forma FY25 Forecast and FY24, per the Prospectus. Numbers may not add due to rounding.

1. Reconciliation of the FY25 Group Statutory to Group Underlying Income Statement on page 24 and FY25 Group Underlying to Group Pro forma underlying Income Statement on page 25. Underlying operating expenses include \$14.8m in Pro forma adjustments in FY25 (FY24: \$18.0m).

Underlying EBIT drivers FY25



NOTE: Numbers may not add due to rounding.

1. Non-fuel costs includes direct costs, overhead, depreciation and amortisation, FX and eliminations.

2. Gross Transformation benefits >\$450m included above.

Underlying operating expenses

	FY25	FY24	Change YOY
Underlying operating expenses¹ (\$m)			
Aircraft variable leases	84.6	91.2	7.3%
Direct operating variable	1,883.8	1,708.1	(10.3%)
Fuel and oil	1,091.4	1,196.2	8.8%
Labour and staff related	1,286.5	1,169.6	(10.0%)
Other	384.5	340.6	(12.9%)
Total operating expenses ¹	4,730.8	4,505.8	(5.0%)
Depreciation and amortisation	414.5	328.3	(26.3%)
Total expenses	5,145.4	4,834.0	(6.4%)
Operating Metrics			
Passengers carried (m)	20.7	19.2	7.8%
ASK (m)	33,725	32,374	4.2%
CASK ex Fuel (cents per ASK)	11.71	10.99	(6.6%)

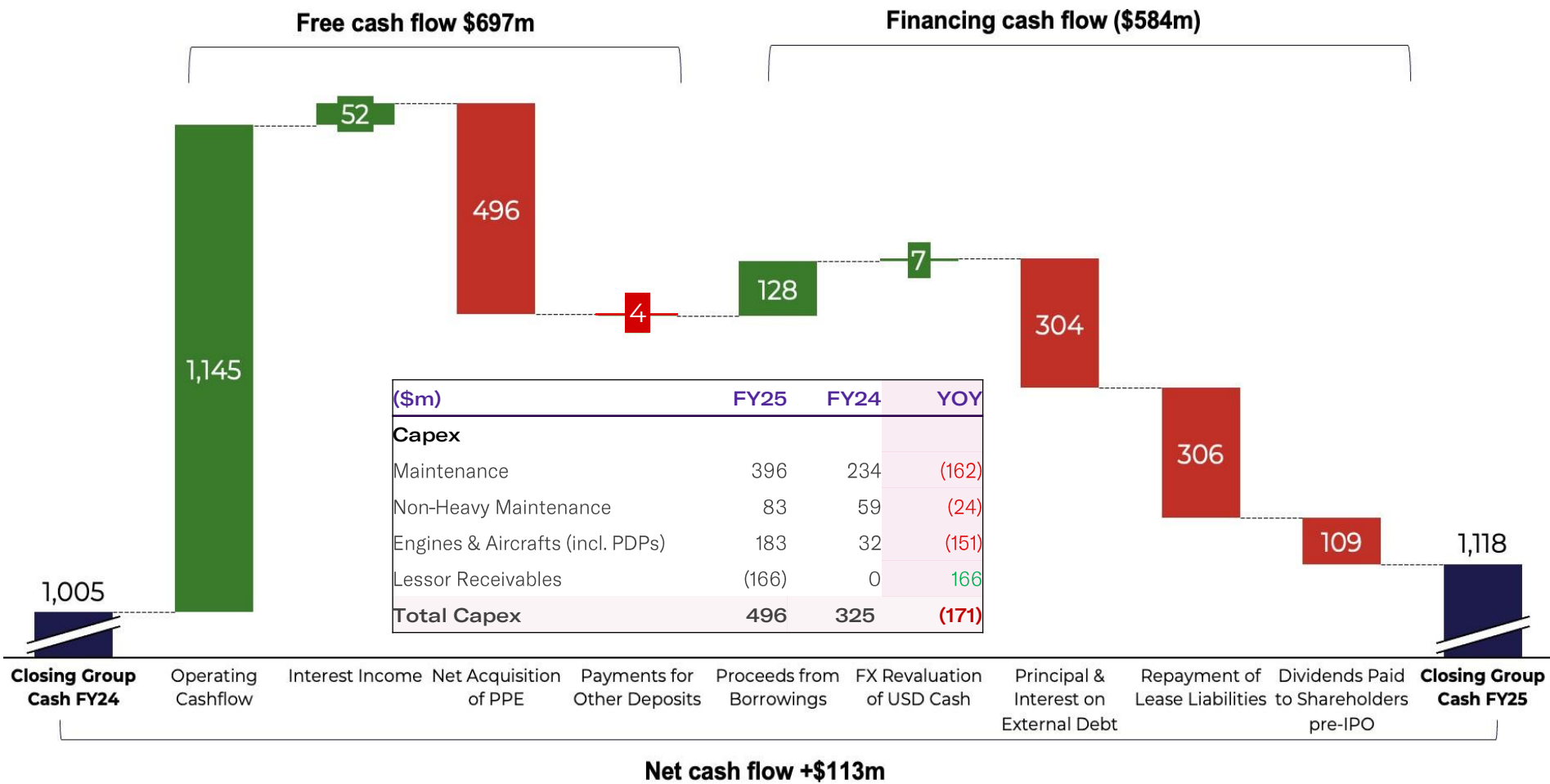
- Airport above inflationary increase due to post COVID construction across most airports
- Fuel rate benefits due to participation from the hedging program, with an all-in fuel cost of \$167/bbl; Remainder FY26 is 88% hedged for anticipated USD Brent Crude Oil price exposure²
- Negotiated 9 EBAs in FY24 and FY25, with above inflationary increases in year one of most agreements, net of productivity gains
- Invested in short-term labour capability to deliver Transformation
- Delays in Boeing 737-8 (Max)s deliveries necessitating lease extensions leading to incremental maintenance events
- Global delays in aircraft deliveries creating a demand supply imbalance increasing spare parts and maintenance costs

NOTE: Numbers may not add due to rounding.

1. Reconciliation of the FY25 Group Statutory to Group Underlying Income Statement on page 24 and FY25 Group Underlying to Group Pro forma underlying Income Statement on page 25. Underlying operating expenses include \$14.8m in Pro forma adjustments in FY25 (FY24: \$18.0m).

2. Hedge position as at 6 August 2025.

Cash flow



- \$1.1b of operating cash flow
- \$496m of net capital expenditure relates primarily to capitalised maintenance events and pre delivery payments (PDPs) on future aircraft deliveries, in line with Prospectus
- \$109m dividends paid to pre-IPO shareholders

Group net debt and liquidity

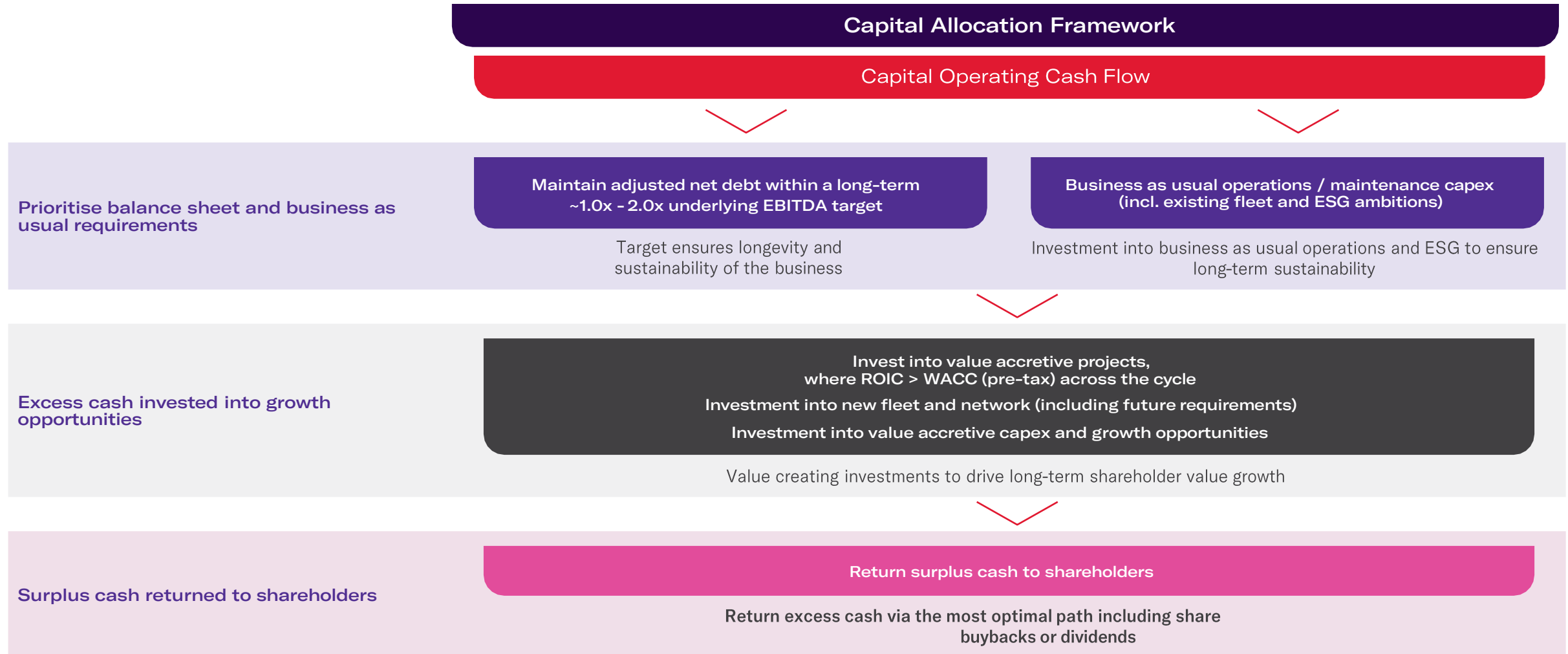
	30 June 2025	30 June 2024	Change YOY
Balance sheet item	\$m	\$m	\$m
Debt			
Secured aircraft finance facilities	730	799	69
Secured loan	435	432	(3)
Unsecured loan	146	146	0
Total debt	1,311	1,377	66
Leases			
Aircraft	829	809	(20)
Property	148	142	(6)
Other	7	12	5
Total leases	984	963	(21)
Total interest-bearing liabilities	2,295	2,340	45
Cash			
Cash and cash equivalents	1,035	876	159
Term deposits at bank	83	129	(46)
Total cash, cash equivalents and term deposits¹	1,118	1,005	113
Total net cash/(debt)	(1,177)	(1,335)	158
Undrawn debt facility	500	0	500
Adjusted Net debt to Pro forma underlying EBITDA	1.1x	1.6x	(0.5x)

- Stable debt levels. In June, the Group entered a \$500m revolving cash facility available for general corporate purposes. As at 30 June 2025 nil was drawn
- Unsecured loan due to be repaid to QIC (\$146m) and replaced with a drawdown under the new revolving cash facility in August 2025
- Stable leases with only five aircraft delivered in FY25
- Net debt of \$1.2b and 1.1x Net Debt to Pro forma underlying EBITDA is at lower end of target range
- Liquidity of \$1.4b at 30 June 2025²

1. \$918m of unrestricted cash, cash equivalents and term deposits.

2. \$918m of unrestricted cash, cash equivalents and term deposits, and a \$500m undrawn debt facility.

Capital Allocation framework



Fleet profile and order book

Virgin Australia narrowbody fleet profile¹

AOC	Aircraft	June 2024A	Additions	Exits	June 2025A	Additions	Exits	June 2026F
VA Airlines ²	737-800	75	4	0	79	0	6	73
	737-700	9	0	0	9	0	0	9
	737-8 (MAX)	7	1	0	8	13	0	21
VARA	F100	3	0	0	3	0	3	0
	A320	7	0	2	5	0	2	3 ⁵
	E190-E2	0	0	0	0	4	0	4
Total (excl. wet lease)		101	5	2	104	17	11	110
A320 leased aircraft held for return								(3) ⁵
Total (excl. wet lease & leased aircraft held for return)								107
Domestic wet lease lines ³		12			11			8
Total (incl. Domestic wet lease & excl. leased aircraft held for return)		113			115			115
Average fleet age ⁴		12.6 years			13.4 years			11.2 years

1. As at 30 June 2025. Reflects contractual positions and does not include wide body aircraft for the wet lease arrangement with Qatar Airways. Prospectus reflected operational and spare aircraft only, the difference being two Fokker 100 aircraft. 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 A320 leased aircraft held for return.

5. These aircraft will continue to be leased but will no longer be operated and will be held for return.

- Simplified fleet of Boeing 737 aircraft for RPT flying
- June 2025 average fleet age⁴ is 13.4 years and 12.6 years for Boeing 737 fleet
- Boeing 737-8 (Max) aircraft: Six delivered in FY24, costs fully annualised in FY25; One delivery in FY25, with a further 13 expected in FY26
- Two ex-REX aircraft added to the fleet in FY25
- Delays in Boeing 737 deliveries managed through continuation of wet lease lines
- VARA – Fokker F100s to be phased out and replaced by Embraer E190-E2 aircraft, Airbus A320s to be replaced by Boeing 737 aircraft
- Over the long term, the fleet is expected to grow in line with longer term RPT demand growth of ~3% annually
- Ability to respond to changes in demand with flexibility in the fleet and wet lease options
- After net proceeds from pre-committed sale and leaseback of aircraft, net capex is expected to be ~\$900m in FY26 vs \$496m in FY25, driven by the increase in fleet deliveries and scheduled maintenance. This is expected to primarily be funded through operating free cash flow along with a modest increase in net debt (inclusive of capitalised lease liabilities)

FY26 Outlook



FY26 Outlook

FY26 Outlook from Prospectus reaffirmed with updates on fleet and fuel hedging¹

- Recent U.S. Administration tariff announcements have created volatility and impact to Virgin Australia's cost base – primarily through fluctuations in fuel prices and foreign exchange rates, as well as potential cost increases for products and services used
- Virgin Australia does, however, expect to see continued growth in both revenue and underlying profit for FY26 from continued growth in demand, the impact of the Transformation Program and growth in Velocity
- Specifically, for FY26, Virgin Australia expects the following:

For Airlines segment:

- Demand for air travel to grow broadly in line with GDP growth
- Fleet and ASK growth are expected to align with demand growth, including the addition of 12¹ new Boeing 737-8 (Max) aircraft and four new Embraer E190-E2 aircraft expected to be delivered by June 2026, noting that the majority of new aircraft will be used to replace existing aircraft
- Ongoing impact of the Transformation Program to support RASK growth (and expect RASK growth of 3-5% in 1HFY26 versus 1HFY25)
- Fuel costs managed through hedging program – and in place against adverse movements in fuel prices until December 2025¹
- Growth in labour and staff-related unit costs compared to FY25 expected to be modestly above inflation
- Airport and maintenance costs expected to grow at above inflation

For Velocity segment:

- Double digit growth in external billings, driven by continued membership growth and increased attachment of financial services products
- At the Group level – Underlying EBIT margin is expected to continue to improve, supported by the impact of the Transformation Program initiatives which are expected to deliver a gross benefit of approximately \$400m in FY26
- Significant Items of expenditure in FY26 which are related to the Transformation Program are expected to be less than \$70m
- Gross capital expenditure (including maintenance of existing fleet, purchase of additional aircraft and engines, and non-aircraft related capital expenditure) is expected to be approximately \$1.1b in FY26. After net proceeds from pre-committed sale and leaseback of aircraft, net capital expenditure is expected to be approximately \$900m in FY26, driven by the increase in fleet deliveries and scheduled maintenance. This will primarily be funded through operating free cash flow along with a modest increase in net debt (inclusive of capitalised lease liabilities)

1. Updated in FY26 Outlook - Supplementary commentary on page 21.

FY26 Outlook – Supplementary commentary



In addition, the following supplementary commentary relates to the FY26 Outlook

- Demand has remained strong and market capacity increases in 1HFY26 have been broadly in line with expectations
- Virgin Australia currently expects its own domestic capacity for 1HFY26 as follows:

	1Q FY26	2Q FY26	1HFY26
Virgin Domestic Capacity Growth ¹	+5%	+3%	+4%

- The Group is expected to take delivery of one extra Boeing 737-8 (Max) aircraft in June 2026, brought forward from July 2026, bringing the addition of a total of 13 new Boeing 737-8 (Max) aircraft (instead of 12 as per the Prospectus) and which will result in a net increase of three new aircraft to the fleet, excluding wet lease aircraft and aircraft held for return, in FY26
- USD Brent Crude Oil price exposure for the remainder of 1HFY26 is 93% hedged and 2HFY26 is 85% hedged²
Remainder FY26 refining margin exposure is 62% hedged and AUD:USD operating exposures are 97% hedged²
The hedging portfolio consists of a mix of forward and option contracts which allow participation to favourable market moves should they occur
- COVID credits of \$93m are currently held on balance sheet and will be used or will expire by 30 June 2026. Any credits that expire will result in a non-cash benefit that will not be included in Underlying EBIT
- As outlined in the Prospectus, the financial impact of certain share-based payments (Management Equity Plan, VA Take-Off Grant and One-Off Equity Grant) will result in a one-off non-cash expense of \$38.7m in FY26, and an estimated impact of \$20.7m in FY27 and \$0.6m in FY28 based on final valuations and the current number of participants. These costs will not be included in Underlying EBIT
- We are not expecting any material adverse impact at the Group level from the proposed changes announced by the RBA on credit card surcharge and interchange fees in FY26. Longer-term impacts to be determined
- Aircraft lease liabilities on the balance sheet denominated in USD as of 30 June 2025 of \$0.8b are based on an AUD:USD exchange rate of AUD 0.6581, movements in the FX rate will not be included in Underlying EBIT

1. ASKs compared to corresponding period in prior year.
2. Hedge position as at 6 August 2025.

Appendix



Embedding sustainability at the core of our business

Protecting our Natural World

Climate Change

- Target 22% reduction in net Scope 1 and Scope 2 greenhouse gas (GHG) emissions intensity by 2030, from a FY19 base year¹
- Commitment to target net zero emissions by 2050

Waste

- Organic waste separation in lounges by 2026
- Remove single-use plastics by 2027²
- 85% general waste diverted from landfill by 2030³
- Zero general waste to landfill by 2032

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. It is not intended to apply to the new LHI flights commencing from June 2025, as these were not a foreseen scope of the business' operations at the time the target was made. To account for these new flights, Virgin Australia will monitor the GHG emissions over the first year of operations, and in FY26 intends to re-baseline in accordance with the Greenhouse Gas Protocol's globally accepted GHG accounting standards and guidance process and, if necessary, renew or amend the target.

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.

FY25 Group Statutory to Group Underlying reconciliation

	FY25		
Income Statement (\$m)	Statutory	Significant Items	Underlying
Revenue and income	5,809.7		5,809.7
Operating expenses			
Aircraft variable leases	(84.6)		(84.6)
Direct operating variable	(1,889.6)	5.8	(1,883.8)
Depreciation and amortisation	(424.1)	9.6	(414.5)
Fuel and oil	(1,091.4)		(1,091.4)
Labour and staff related	(1,380.1)	93.6	(1,286.5)
Other	(515.4)	130.9	(384.5)
Total expenditure line for statutory and underlying	(5,385.2)	239.9 ¹	(5,145.3)
Profit before net finance costs and tax (EBIT)	424.5	239.9	664.4
EBIT Margin	7.3%		11.4%
Net finance costs	(171.7)		(171.7)
Net profit before tax	252.8	239.9	492.7
Income tax benefit/ (expense)	225.7	(67.5)	158.2
Net profit	478.5	172.4	650.9

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

FY25 Group Underlying to Group Pro forma underlying reconciliation

Income Statement (\$m)	FY25				Change	
	Underlying	Pro forma Adjust	Pro forma underlying	Pro forma Prospectus	Pro forma underlying vs Pro forma Prospectus	
Revenue and income	5,809.7		5,809.7	5,804.2	5.5	0.1%
Operating expenses						
Aircraft variable leases	(84.6)		(84.6)	(84.6)	0.0	0.0%
Direct operating variable	(1,883.8)		(1,883.8)	(1,861.3)	(22.5)	(1.2%)
Fuel and oil	(1,091.4)		(1,091.4)	(1,097.1)	5.7	0.5%
Labour and staff related	(1,286.5)	(11.4)	(1,297.9)	(1,300.9)	3.0	0.2%
Other	(384.5)	(3.4)	(387.9)	(401.1)	13.2	3.3%
Total operating expenses	(4,730.8)	(14.8)	(4,745.6)	(4,745.0)	(0.6)	0.0%
EBITDA	1,078.9	(14.8)	1,064.0	1,059.2	4.8	0.5%
EBITDA Margin	18.6%		18.3%	18.2%	0.1 ppts	n/a
Depreciation and amortisation	(414.5)		(414.5)	(415.5)	1.0	0.2%
EBIT	664.4	(14.8)	649.6	643.7	5.9	0.9%
EBIT Margin	11.4%		11.2%	11.1%	0.1 ppts	n/a
Net finance costs	(171.7)	(5.0)	(176.7)	(172.7)	(4.0)	(2.3%)
Net profit before tax	492.7	(19.8)	472.9	471.0	1.9	0.4%
Income tax benefit/ (expense)	158.2	(300.1)	(141.9)	(140.0)	(1.9)	(1.3%)
Net profit	650.9	(319.9)	331.0	331.0	0.0	0.0%

NOTE: Pro forma underlying results represent the Group's reported Underlying results including Pro forma adjustments, for comparability to Underlying pro forma FY25 Forecast and FY24, per the Prospectus. Numbers may not add due to rounding.

Reconciliation of EBIT and Significant Items

(\$m)	FY25	FY24
Statutory EBIT	424.5	682.7
Significant Items		
Expiry of future flight credits	-	(277.9)
IPO and transaction costs	115.9	3.3
Restructuring and transformation costs	55.5	57.9
IT Transformation projects	54.5	35.8
Impairment of assets and accelerated depreciation	8.5	14.8
Foreign exchange revaluation	2.5	(2.7)
Other	3.0	5.5
Total Significant items	239.9	(163.3)
Underlying EBIT	664.4	519.4
Pro forma adjustments ¹	14.8	18.0
Pro forma underlying EBIT	649.6	501.4

1. Pro forma adjustments relate to incremental public company costs, transaction related remuneration.

Airlines segment overview

	FY25	FY24	Change YOY	
Key Financial Metrics				
Underlying Revenue and income (\$m)	5,576	5,146	430	8.4%
Underlying EBIT (\$m)	535	392	143	36.4%
Underlying EBIT margin (%)	9.6%	7.6%	2.0 ppts	-
Operating Metrics				
Passengers carried (m)	20.7	19.2	1.5	7.8%
ASK (m)	33,725	32,374	1,351	4.2%
Load factor (%)	84.9%	83.0%	1.9 ppts	-
RASK (cents per ASK)	16.53	15.90	0.6	4.0%
CASK (cents per ASK)	14.95	14.68	(0.3)	(1.8%)
CASK ex Fuel (cents per ASK)	11.71	10.99	(0.7)	(6.6%)

Velocity segment overview

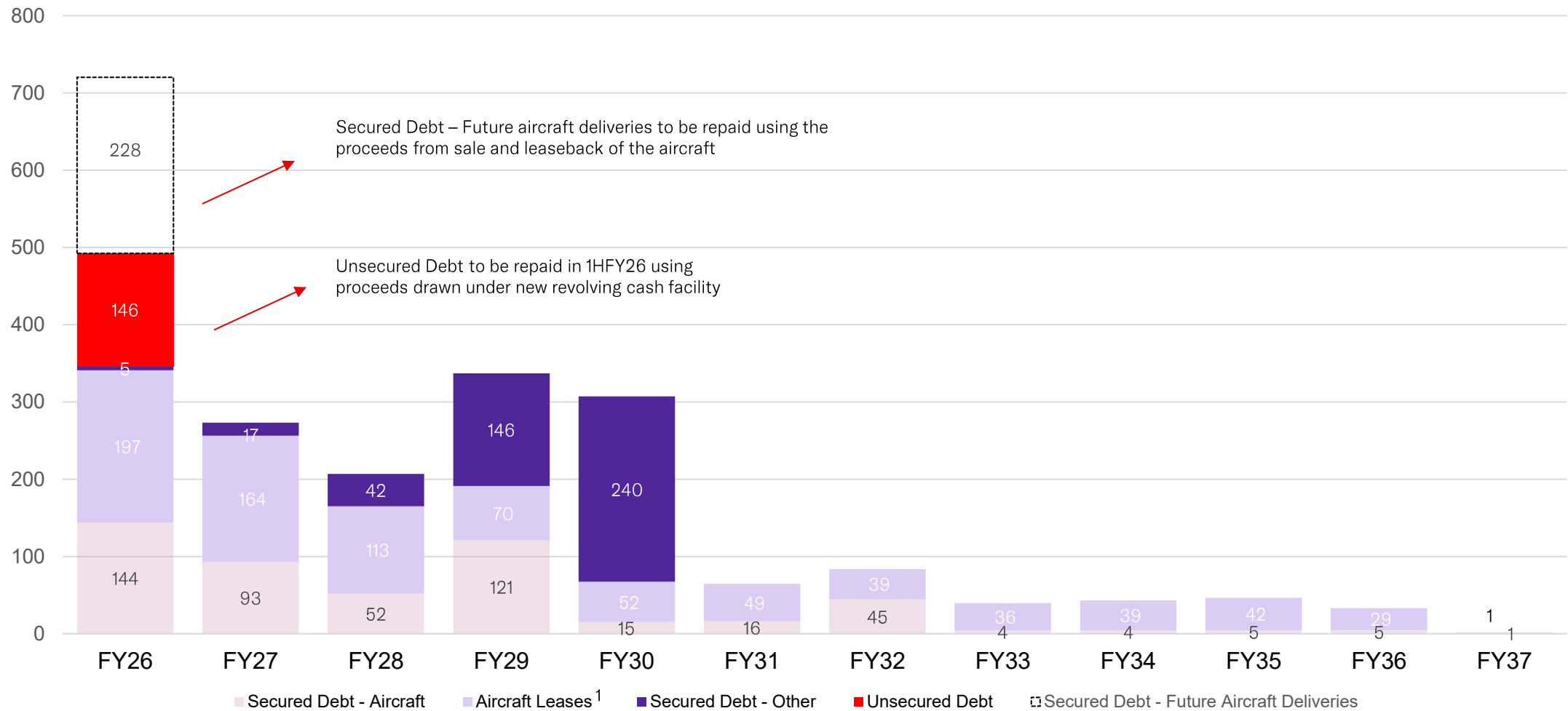
	FY25	FY24	Change YOY	
Key Financial Metrics				
Underlying Revenue and income (\$m)	450	409	41	10.0%
Underlying EBIT (\$m)	127	115	12	10.5%
Underlying EBIT margin (%)	28.3	28.2	0.1 ppts	-
Operating Metrics				
Points earned (b)	56.8	50.4	6.5	12.8%
Points redeemed (b)	39.7	36.1	3.7	10.2%

Balance Sheet

	30 June 2025	30 June 2024
Balance sheet item	\$m	\$m
Property, plant and equipment	2,713	2,442
Intangible assets	42	47
Fixed assets	2,755	2,488
Inventories	29	29
Operating receivables	484	317
Operating payables	(582)	(532)
Unearned revenue and income	(1,663)	(1,514)
Provisions	(1,025)	(778)
Derivative financial instruments	(6)	14
Net working capital	(2,764)	(2,463)
Cash and cash equivalents	1,118	1,005
Financing liabilities	(2,296)	(2,340)
Net cash/debt	(1,178)	(1,335)
Deferred tax asset	343	0
Current tax liability	(103)	0
Other financial assets	132	131
Other	372	131
Net liabilities	(815)	(1,179)

Group debt maturity profile

as at 30 June 2025 (\$m)



1. Excludes property and other leases, \$155m of repayments due from FY26 through to FY47.

Adjusted 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. This measure is referred to as ‘adjusted’ on the basis that it may be calculated differently to how other companies calculate net debt (for example, it includes term deposits at bank).

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) – ASKs is available seat kilometres and is 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.

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 the cost of variable lease costs.

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.

LHI – Long haul international, meaning long distance international flights often connecting different continents and typically operated using wide-body aircraft.

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.

Pro forma underlying – Financial Metrics prepared in line with the methodology outlined in the Virgin Australia Prospectus and have been derived from the Statutory Financial Information before Significant Items, and incorporate the pro forma adjustments as per the Prospectus such as public company costs, transaction related remuneration, financing and tax.

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 measures to monitor and report on the financial performance of the business on an ongoing basis. 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 – Passenger ticket revenue divided by RPKs.



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Authorised for release by the Virgin Australia
Disclosure Committee on 29 August 2025

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