flynas navigates a quarter of headwinds with disciplined capacity management and firm pricing

Higher unit revenues and proactive capacity management softened the impact of higher fuel prices in the second quarter

2Q and 1H 2026 Highlights

- Revenue grew 3% YoY to ⃁ 2.2 billion in 2Q 2026 and 6% to ⃁ 4.2 billion in 1H 2026, supported by higher unit revenues.
- RASK rose 22% YoY in 2Q 2026, reflecting a favorable fare environment that flynas captured through disciplined pricing to recover much of the higher fuel cost.
- EBITDA of ⃁ 205 million in 2Q 2026, with a 9.2% margin.
- Net loss of ⃁ 241 million in 2Q 2026, on higher fuel costs and reduced capacity.
- ASK was proactively reduced 15% YoY in 2Q to protect margins through the disruption, with restoration toward prior-year levels beginning in early July, ahead of the summer peak.
- Fleet of 67 aircraft; 98%[1] new generation, average age 4.5 years with three A320neo delivered since 2Q 2025 and wet-lease capacity rationalized in response to the regional conflict and reduced capacity needs.
- Cash of ⃁ 3.7 billion, net debt broadly stable YoY, and net debt-to-adjusted EBITDA[2] at 1.7x – strong liquidity providing the financial flexibility to navigate a difficult period.

Riyadh, 5 August 2026 – flynas delivered a resilient performance in the second quarter and first half of 2026, navigating a challenging operating environment with disciplined capacity management, firm pricing, and continued strategic execution.

The regional conflict that began in late February continued to weigh on the operating environment during the second quarter, driving fuel prices higher and keeping part of the international network suspended. In response, flynas acted decisively, proactively reducing

[1] New-generation (A320neo) aircraft as a percentage of the narrow-body fleet, excluding wet-leased aircraft.
[2] For last-twelve-months (LTM) metrics, the adjustment applies only where the window includes 2Q 2025. At 30 June 2026, the window (3Q 2025-2Q 2026) excludes it, so no adjustment applies to LTM EBITDA for 2026; label is kept for consistency. See Glossary.

capacity to protect profitability. From the start of July, flynas began restoring capacity toward prior-year levels, ahead of the summer peak.

Strategic execution continued in parallel. In 2Q 2026, flynas prepared the launch of its sixth Saudi domestic base at Al-Qassim, which commenced operations on 1 July, and made good progress with the flynas Syria Air Operator Certificate.

Revenue increased 3% year-on-year to ⃁ 2.2 billion in the second quarter and 6% to ⃁ 4.2 billion in the first half, supported mainly by higher unit revenues. RASK rose 22% year-on-year in the second quarter, as a favorable fare environment, disciplined pricing and reduced capacity lifted unit revenue, enabling revenue to grow despite 15% lower ASK.

EBITDA was ⃁ 205 million in the second quarter, with the margin at 9.2%, and ⃁ 761 million in the first half, with the margin at 18.0%. The company recorded a net loss of ⃁ 241 million in the quarter and ⃁ 123 million in the half, as the more-than-doubling of jet fuel prices and the proactive reduction in capacity outweighed the improvement in unit revenue.

The balance sheet remained a source of strength. Cash and equivalents stood at ⃁ 3.7 billion, and net debt held broadly stable year-on-year. Net debt-to-adjusted EBITDA[3] of 1.7x, versus 1.4x a year earlier, reflects lower last-twelve-months EBITDA rather than any increase in borrowing. flynas remained free cash flow positive, with ⃁ 530 million of adjusted free cash flow[4] in the first half, including ⃁ 129 million in the second quarter.

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

"The second quarter presented one of the most challenging operating environments we have faced, as the regional conflict drove fuel prices substantially higher and kept part of our network suspended. We responded with discipline, proactively managing capacity to protect profitability. The story of the quarter is one of structural resilience – an external shock absorbed by the underlying strength of the business.

Even in this volatile environment, we continued to execute our strategy. We started preparations for further A320neo deliveries in the second half of the year, rationalized our temporary wet-lease capacity, and progressed flynas Syria, while working on the launch of our sixth Saudi domestic base at Al-Qassim, which opened on schedule on 1 July. We managed pricing and capacity to recover a large part of the higher fuel cost, and ended the period with a strong balance sheet and positive free cash flow.

Our low-cost model has again shown its resilience. The scale, cost discipline, and operational flexibility we have built over recent years helped us absorb a substantial disruption while continuing to invest in growth. By July, we had begun restoring capacity toward prior-year levels, ahead of the summer peak.

[3] For last-twelve-months (LTM) metrics, the adjustment applies only where the window includes 2Q 2025. At 30 June 2026, the window (3Q 2025-2Q 2026) excludes it, so no adjustment applies to LTM EBITDA for 2026; label is kept for consistency. See Glossary.
[4] Net cash from operating activities less net cash used in investing activities, excluding the one-off ESOP payments (2Q 2025 and 2Q 2026) and IPO-related fees (2Q 2025). See Glossary.

Our strategy remains on track, and our equity story is unchanged: a low-cost model with leading regional scale, a modern and fuel-efficient fleet backed by an order book of 280 aircraft, a growing domestic and international network, a strong balance sheet, and the structural growth of Saudi aviation under Vision 2030. With these in place, flynas is well positioned to keep restoring capacity as conditions normalize and to strengthen its position as the region's leading low-cost carrier."

Ramzi Zaroubi, Chief Financial Officer of flynas, added:

"The second quarter was defined by higher fuel costs and the proactive reduction in capacity. Despite this, revenue increased as active management of pricing and capacity supported the top line even as volumes declined.

Profitability was affected by higher jet fuel prices and by the effect of spreading a largely fixed cost base over reduced capacity. EBITDA margin was 9.2% for the quarter. Although disciplined pricing supported unit revenues, the scale of the fuel increase, together with lower volumes, weighed on margins.

We maintained a strong financial position, ending the first half with ⃁ 3.7 billion in cash, and net debt broadly stable year-on-year. Net debt-to-adjusted EBITDA of 1.7x reflects lower last-twelve-months earnings, not additional leverage. Our liquidity and balance sheet give us the flexibility to manage near-term volatility while continuing to invest in fleet and network growth.

Over the medium term, as conditions normalize, we remain focused on restoring margins and generating cash, supported by the prudent capital allocation that guides us throughout the cycle."

Strategy Update

flynas' strategy centers on expanding its fleet and network to meet rising demand for affordable air travel, particularly across short- and medium-haul markets. This expansion is supported by disciplined cost control and operational flexibility, the core features of the low-cost carrier model that enable the airline to respond effectively to dynamic market conditions.

The strategy is anchored on three key priorities:

- Scaling operations through measured capacity growth and fleet additions
- Maintaining cost efficiency through standardization and streamlined operations
- Capturing growth opportunities across key markets, including those arising from infrastructure investment, tourism flows, and religious travel

In 2Q 2026, flynas continued to execute against these priorities while managing through a challenging operating environment. The fleet numbered 67 aircraft at period-end. Over the past twelve months, the addition of three A320neo aircraft raised the share of new-generation, fuel-efficient aircraft, while the company rationalized temporary wet-lease capacity. Capital allocation remained focused on fleet growth, operational reliability, and long-term cost efficiency, alongside a gradual move toward a higher share of owned aircraft. Investment in digital systems and operational tools continued to support scalability. In parallel, flynas has initiated a refresh of its medium-term strategy, aimed at updating its strategic priorities and financial framework, with further detail to be provided in due course.

Saudi Base Expansion

flynas continued to expand its network of domestic bases across the Kingdom during the first half of 2026, adding two new bases and bringing its total to six.

In 1Q 2026, flynas operationalized its fifth Saudi domestic base at Abha International Airport, in collaboration with Cluster2 Company and the Aseer Development Authority. Launched on 29 March with an initial fleet of two aircraft, the base supports direct domestic and international flights from the Aseer region.

Building on this, in 2Q 2026 flynas opened its sixth Saudi domestic base at Prince Naif bin Abdulaziz International Airport in the Qassim region, starting operations on 1 July 2026, initially serving five routes – two domestic and three international.

Together, the two launches deepen flynas' coverage of the Kingdom and strengthen direct regional and international connectivity, in line with the company's growth strategy.

Network Development

Despite the proactive reduction in overall capacity during the quarter, flynas continued to develop its network selectively. The company began operating from a second airport in Amman, providing a lower-cost base, and introduced point-to-point services on underserved corridors from multiple bases, in line with its focus on stimulating new demand. Services on routes affected by the earlier suspensions were progressively restored as conditions allowed.

Syria AOC Progress

Work on establishing flynas Syria as a new low-cost carrier platform continued during the quarter, with further progress on the Air Operator Certificate. The initiative is intended to selectively expand the company's network footprint and position flynas to serve structurally underserved markets, supported by the proven low-cost operating model and scalable platform.

Operating and Financial Review

Key Operating and Financial Indicators

	2Q 2026	2Q 2025	YoY	1H 2026	1H 2025	YoY
Key Operating Indicators - flynas LCC						
Passenger traffic (mn PAX)	2.6	3.6	-27%	6.6	7.2	-9%
Supply (mn ASK)	5,431	6,358	-15%	12,976	12,690	+2%
Load factor (%)	71.2%	79.6%	-8.4 ppts	76.7%	82.1%	-5.4 ppts
RASK (halalas)	29.9	24.5	+22%	27.6	26.1	+6%
Adjusted CASK[5] (halalas)	34.5	23.4	+48%	28.7	24.3	+18%
Fleet (aircraft; end of period)	67	71	-4 a/c	67	71	-4 a/c
Fleet (aircraft; period average)	69	65	+4 a/c	71	63	+8 a/c
Key Financial Indicators – flynas						
Total revenue (⃁ mn)	2,213	2,144	+3%	4,218	3,972	+6%
Adjusted EBITDA[5] (⃁ mn)	205	766	-73%	761	1,382	-45%
Adjusted EBITDA margin[5] (%)	9.2%	35.7%	-26.5 ppts	18.0%	34.8%	-16.7 ppts
Adjusted net profit / (loss)[5] (⃁ mn)	(241)	220	NM	(123)	368	NM
Adjusted net margin[5] (%)	-10.9%	10.3%	-21.2 ppts	-2.9%	9.3%	-12.2 ppts
Adjusted ROIC[6] (%)	4.3%	11.0%	-6.7 ppts	4.4%	11.1%	-6.7 ppts
Cash & equivalents (⃁ mn)	3,700	4,530	-18%	3,700	4,530	-18%
Net debt/Adj. EBITDA[7] (x)	1.7	1.4	+0.3x	1.7	1.4	+0.3x

While higher fuel costs and the proactive reduction in capacity were the defining characteristics of the second quarter, they were partly offset by higher unit revenues. flynas maintained a strong liquidity position and remained free cash flow positive through the quarter.

In 2Q 2026, ASK production declined 15% year-on-year, as flynas proactively managed capacity. Passenger traffic decreased 27% year-on-year to 2.6 million, declining more steeply than capacity as the regional disruption weighed on travel demand. Load factor declined 8.4 percentage points to 71.2%, a reduction contained by the capacity actions. For 1H 2026, ASK production increased 2% year-on-year, as the 19% first-quarter expansion more than offset the second-quarter pressure. Passenger traffic for the first half of 2026 declined 9% to 6.6 million, with load factor of 76.7%, down 5.4 percentage points year-on-year.

[5] Adjusted figures exclude the one-off ESOP charge and IPO-related listing fees recognized in 2Q 2025. No comparable one-off items arose in 2026, so reported and adjusted figures are identical for all 2026 periods. See Glossary.
[6] Adjusted ROIC uses LTM adjusted NOPAT, with no adjustment for the window ending 30 June 2026 (which excludes 2Q 2025). Invested capital uses 2025 net equity time-weighted daily, to capture the IPO equity increase. See Glossary.
[7] For last-twelve-months (LTM) metrics, the adjustment applies only where the window includes 2Q 2025. At 30 June 2026, the window (3Q 2025-2Q 2026) excludes it, so no adjustment applies to LTM EBITDA. See Glossary.

RASK increased 22% year-on-year to 29.9 halalas in 2Q 2026, as flynas actively managed fares to recover part of the higher jet fuel cost and the revenue impact of capacity reduction. This was supported by reduced industry capacity and a firmer fare environment, with carriers raising fares in response to higher jet fuel costs. For 1H 2026, RASK rose 6% to 27.6 halalas, as the improvement in second-quarter unit revenue more than offset the softer unit revenue recorded earlier in the year.

Adjusted Cost per available seat-kilometer (CASK) increased 48% year-on-year to 34.5 halalas in 2Q 2026, driven by higher jet fuel prices and the effect of spreading a largely fixed cost base over reduced capacity. The prior-year comparison was also affected by the absence of the sale-and-leaseback gain recognized in 2Q 2025. For 1H 2026, adjusted CASK rose 18% to 28.7 halalas for the same reasons.

As of 30 June 2026, flynas' fleet totaled 67 aircraft[8], down from 71 at the end of 2Q 2025, primarily reflecting the rationalization of the temporary wet-lease capacity in response to lower capacity requirements, together with the return of older-generation A320 aircraft at lease end. The ongoing modernization of the fleet, through the continued addition of A320neo aircraft, raised the share of new-generation, fuel-efficient aircraft in the narrow-body fleet to 98%[9] by the end of 2Q 2026. The period-average fleet rose year-on-year to 69 aircraft in the second quarter and 71 aircraft in the first half of 2026. The fleet remains largely narrow-body, with an average age of 4.5 years[10], supporting fuel efficiency and operational reliability.

Total revenue rose 3% year-on-year to ⃁ 2,213 million in 2Q 2026 and 6% to ⃁ 4,218 million in 1H 2026. Adjusted EBITDA was ⃁ 205 million in the second quarter, with a margin of 9.2%, and ⃁ 761 million in the first half, with a margin of 18.0%. flynas recorded an adjusted net loss of ⃁ 241 million in the quarter and ⃁ 123 million in the half, as higher fuel costs and the reduction in capacity outweighed the recovery achieved through higher unit revenues. These results were in line with the directional indicators the company had provided for the second quarter.

As of 30 June 2026, flynas held ⃁ 3.7 billion in cash and equivalents, maintaining a strong liquidity position through a volatile operating environment. Net debt-to-adjusted EBITDA stood at 1.7x, compared with 1.4x a year earlier, with the increase driven entirely by lower EBITDA, while net debt was broadly stable year-on-year.

[8] Including 3 owned, 61 dry-leased and 3 wet-leased aircraft.
[9] New-generation (A320neo) aircraft as a percentage of the narrow-body fleet, excluding wet-leased aircraft.
[10] Total average fleet age (as of EoP) of owned and dry-leased aircraft (including narrow- and wide-body aircraft).

Income Statement

⃁ million	2Q 2026	2Q 2025	YoY	1H 2026	1H 2025	YoY
Revenue	**2,213**	**2,144**	**+3%**	**4,218**	**3,972**	**+6%**
Cost of revenue	(2,187)	(1,693)	+29%	(3,845)	(3,106)	+24%
Gross profit	**26**	**451**	**-94%**	**373**	**866**	**-57%**
SG&A expenses[11]	(134)	(103)	+30%	(252)	(212)	+19%
IPO-related expenses[12]	0	(1,083)	NM	0	(1,083)	NM
Sale-and-leaseback gain	0	30	NM	0	30	NM
Provisions and other income / (expense)	(2)	20	NM	(11)	9	NM
Operating profit / (loss)	**(110)**	**(684)**	**-84%**	**110**	**(391)**	**NM**
Adjusted Operating profit / (loss)[13]	**(110)**	**398**	**NM**	**110**	**692**	**-84%**
EBITDA	**205**	**(317)**	**NM**	**761**	**299**	**2.5x**
Adjusted EBITDA[13]	**205**	**766**	**-73%**	**761**	**1,382**	**-45%**
Finance costs and Zakat	(131)	(178)	-27%	(233)	(324)	-28%
Net profit / (loss)	**(241)**	**(863)**	**-72%**	**(123)**	**(715)**	**-83%**
Adjusted Net profit / (loss)[13]	**(241)**	**220**	**NM**	**(123)**	**368**	**NM**
Gross profit margin	1.2%	21.1%	-19.9 ppts	8.9%	21.8%	-12.9 ppts
EBITDA margin	9.2%	-14.8%	+24.0 ppts	18.0%	7.5%	+10.5 ppts
Adjusted EBITDA margin[13]	9.2%	35.7%	-26.5 ppts	18.0%	34.8%	-16.7 ppts
Net margin	-10.9%	-40.2%	+29.4 ppts	-2.9%	-18.0%	+15.1 ppts
Adjusted Net margin[13]	-10.9%	10.3%	-21.2 ppts	-2.9%	9.3%	-12.2 ppts

In 2Q 2026, total revenue increased 3% year-on-year to ⃁ 2,213 million, supported by higher unit revenues, which more than compensated for the impact of reduced scheduled capacity. For 1H 2026, revenue rose 6% year-on-year to ⃁ 4,218 million, largely driven by growth in the first quarter.

Cost of revenue increased 29% year-on-year to ⃁ 2,187 million in 2Q 2026, driven primarily by higher fuel costs. Gross profit declined 94% year-on-year to ⃁ 26 million, with gross margin at 1.2%, as the higher fuel bill and the effect of reduced capacity outweighed the improvement in revenue. For 1H 2026, cost of revenue rose 24% to ⃁ 3,845 million, and gross profit declined 57% to ⃁ 373 million, with gross margin at 8.9%.

Recurring SG&A expenses increased 30% year-on-year to ⃁ 134 million in 2Q 2026. The increase was driven by higher collection charges within selling and marketing, which moved with the channel mix, and by higher professional fees within general and

[11] Includes recurring SG&A expenses.
[12] Includes employee share option plan expense (⃁ 982 million) and IPO-related fees (⃁ 101 million).
[13] Adjusted figures exclude the one-off ESOP charge and IPO-related listing fees recognized in 2Q 2025. No comparable one-off items arose in 2026, so reported and adjusted figures are identical for all 2026 periods. See Glossary.

administrative expenses, largely related to the ongoing refresh of the company's strategy. For 1H 2026, recurring SG&A expenses rose 19% to ⃁ 252 million.

The prior-year period included ⃁ 1,083 million of one-off IPO-related expenses, which are excluded from adjusted figures. As these did not recur, reported and adjusted results for the 2026 period are identical.

The prior-year period also included a ⃁ 30 million sale-and-leaseback gain, with no equivalent in 2026.

Provisions and other items represented a net charge of ⃁ 2 million in 2Q 2026, compared with income of ⃁ 20 million in 2Q 2025, which had included a ⃁ 21 million recovery of previously provisioned receivables. For 1H 2026, provisions and other items amounted to a net expense of ⃁ 11 million.

Adjusted EBITDA declined 73% year-on-year to ⃁ 205 million in 2Q 2026, with the margin narrowing to 9.2%. The decline was driven by the impact of the regional conflict – higher fuel costs and the effect of reduced capacity, together with the absence of the prior-year sale-and-leaseback gain adding further pressure. For 1H 2026, adjusted EBITDA decreased 45% to ⃁ 761 million, with the margin at 18.0% for the same reasons.

flynas recorded an adjusted net loss of ⃁ 241 million in 2Q 2026, compared with an adjusted net profit of ⃁ 220 million in 2Q 2025. For 1H 2026, the adjusted net loss amounted to ⃁ 123 million, compared with an adjusted net profit of ⃁ 368 million in 1H 2025.

Revenue Segments

⃁ million	2Q 2026	2Q 2025	YoY	1H 2026	1H 2025	YoY
LCC	1,626	1,581	+3%	3,586	3,357	+7%
Hajj	547	518	+6%	547	527	+4%
General Aviation	40	45	-11%	85	88	-3%
Total Revenue	**2,213**	**2,144**	**+3%**	**4,218**	**3,972**	**+6%**
LCC share	*73%*	*74%*	*-0.3 ppts*	*85%*	*85%*	*+0.5 ppts*
Hajj share	*25%*	*24%*	*+0.6 ppts*	*13%*	*13%*	*-0.3 ppts*
General Aviation share	*2%*	*2%*	*-0.3 ppts*	*2%*	*2%*	*-0.2 ppts*

flynas reports revenue through three distinct operating segments: flynas LCC (Low-Cost Carrier), flynas Hajj, and flynas General Aviation. These segments represent the core of the company's service offerings and form the basis for internal performance assessment.

- The LCC segment represents the company's core scheduled passenger operations, conducted under a low-cost model and serving both domestic and international routes as per a pre-published schedule.
- The Hajj segment comprises primarily non-scheduled flight operations catering to religious pilgrims traveling to the Kingdom. Operations are concentrated during peak seasonal periods and are typically supported by short-term wet-lease arrangements for wide-body aircraft, given the cyclical nature of the segment.
- The General Aviation segment delivers a range of services to aircraft management clients, including crew provisioning, maintenance support, and charter operations.

In 2Q 2026, total revenue increased 3% year-on-year to ⃁ 2,213 million, mainly driven by the growth in the LCC segment and full Hajj season falling in 2Q 2026. For 1H 2026, total revenue rose 6% to ⃁ 4,218 million.

LCC revenue rose 3% year-on-year to ⃁ 1,626 million in 2Q 2026, as higher unit revenues offset the reduction in scheduled capacity. The segment accounted for 73% of total revenue, compared with 74% a year earlier. For 1H 2026, LCC revenue increased 7% to ⃁ 3,586 million, representing 85% of total revenue.

Hajj revenue increased 6% year-on-year to ⃁ 547 million in 2Q 2026, primarily reflecting a seasonal shift, with the Hajj season falling within the second quarter of 2026, whereas in 2025 it had extended partly into the third quarter. For 1H 2026, Hajj revenue rose 4% to ⃁ 547 million, representing 13% of total revenue.

General Aviation revenue declined 11% year-on-year to ⃁ 40 million in 2Q 2026, on lower utilization and demand across charter and aircraft management services. For 1H 2026, General Aviation revenue decreased 3% to ⃁ 85 million, representing 2% of total revenue.

Cost Trends

⃁ million	2Q 2026	2Q 2025	YoY	1H 2026	1H 2025	YoY
Fuel	(838)	(450)	+86%	(1,271)	(835)	+52%
Handling, landing, navigation	(307)	(341)	-10%	(690)	(652)	+6%
Staff	(257)	(218)	+18%	(517)	(448)	+15%
Maintenance	(131)	(76)	+74%	(243)	(159)	+53%
Depreciation	(313)	(366)	-14%	(649)	(687)	-6%
Rental	(279)	(215)	+30%	(378)	(237)	+59%
Distribution	(37)	(40)	-7%	(63)	(69)	-9%
Other	(24)	13	NM	(34)	(19)	+78%
Total Cost of revenues	**(2,187)**	**(1,693)**	**+29%**	**(3,845)**	**(3,106)**	**+24%**
Selling & marketing	(75)	(62)	+22%	(147)	(131)	+12%
General & administrative	(58)	(41)	+42%	(106)	(81)	+31%
Sale-and-leaseback gain	0	30	NM	0	30	NM
Provisions and other income / (expense)	(2)	20	NM	(11)	9	NM
Total Recurring expenses	**(2,323)**	**(1,746)**	**+33%**	**(4,108)**	**(3,280)**	**+25%**

Total recurring expenses increased 33% year-on-year to ⃁ 2,323 million in 2Q 2026, driven primarily by higher fuel costs. For 1H 2026, total recurring expenses rose 25% to ⃁ 4,108 million.

Cost of revenue increased 29% to ⃁ 2,187 million in 2Q 2026. Fuel remained the largest cost component at ⃁ 838 million, up 86% year-on-year, as jet fuel prices more than doubled following the onset of the regional conflict, partly offset by a reduction in fuel burn on lower capacity. Staff costs rose 18% to ⃁ 257 million, driven by higher operational headcount in line with the larger average fleet, together with training costs and crew onboarding to ensure readiness for the second-half aircraft deliveries. Maintenance costs increased 74% to ⃁ 131 million, mainly driven by scheduled maintenance activities and higher shipping cost related to engine returns. Rental expenses rose 30% to ⃁ 279 million, reflecting two factors. First, the three short-term wet-leases were recognized within rental in 2Q 2026, whereas the wet-leased aircraft in 2Q 2025 had been capitalized given their longer lease terms. Second, 2Q 2026 carried the full cost of the Hajj-related wide-body wet-leases, while in 2Q 2025 part of that cost had fallen in the third quarter given the shift in timing of Hajj season. Handling, landing and navigation charges declined 10% to ⃁ 307 million on reduced flight activity. Depreciation decreased 14% to ⃁ 313 million, driven by lower right-of-use depreciation following the exit of previously capitalized wet-leased aircraft.

Cost of revenue increased 24% to ⃁ 3,845 million in 1H 2026, with fuel up 52% to ⃁ 1,271 million, staff up 15% to ⃁ 517 million, maintenance up 53% to ⃁ 243 million, and rental up 59% to ⃁ 378 million, partly offset by lower depreciation and distribution costs.

Selling and marketing expenses rose 22% year-on-year to ⃁ 75 million in 2Q 2026, driven by changes in the sales channel mix. For 1H 2026, selling and marketing expenses increased 12% to ⃁ 147 million.

General and administrative expenses increased 42% year-on-year to ⃁ 58 million in 2Q 2026, driven by higher professional fees largely related to the company's strategy refresh currently underway. For 1H 2026, general and administrative expenses rose 31% to ⃁ 106 million.

Finance Cost Trends

⃁ million	2Q 2026	2Q 2025	YoY	1H 2026	1H 2025	YoY
Finance income	49	31	+60%	102	53	+91%
Gain on derivatives, net	0	0	NM	31	0	NM
Interest on lease liabilities and aircraft provisions	(146)	(151)	-3%	(293)	(296)	-1%
Interest on loans	(19)	(35)	-47%	(40)	(42)	-5%
Bank guarantees	(6)	(10)	-41%	(14)	(18)	-25%
Other	(0)	(1)	-65%	(2)	(2)	+27%
Finance costs, net	**(122)**	**(167)**	**-27%**	**(216)**	**(304)**	**-29%**

Net finance costs decreased 27% year-on-year to ⃁ 122 million in 2Q 2026, driven by higher finance income and lower interest on loans and bank guarantees. For 1H 2026, net finance costs declined 29% to ⃁ 216 million.

Finance income increased 60% year-on-year to ⃁ 49 million in 2Q 2026, supported by higher average cash balances during the quarter. For 1H 2026, finance income nearly doubled to ⃁ 102 million.

No net gains on derivative financial instruments were recorded in 2Q 2026, as the remaining fuel hedging position was closed in early April. The remaining gain is being recognized as a reduction in fuel cost over the remainder of 2026, amounting to ⃁ 15 million in total, of which ⃁ 5 million was booked in 2Q 2026. The ⃁ 31 million net derivative gain reported for 1H 2026 was recorded in the first quarter.

Interest on lease liabilities and aircraft-related provisions decreased 3% year-on-year to ⃁ 146 million in 2Q 2026, following the exit of capitalized wet-leased aircraft during 2Q 2025. For 1H 2026, it declined 1% to ⃁ 293 million.

Interest on loans decreased 47% year-on-year to ⃁ 19 million in 2Q 2026, on lower average borrowings at lower rates during the period, and bank guarantee costs declined 41% to ⃁ 6 million. For 1H 2026, interest on loans decreased 5% to ⃁ 40 million, and bank guarantee costs fell 25% to ⃁ 14 million.

Balance Sheet and Debt Highlights

⃁ million	2Q 2026	4Q 2025	YtD
Current assets	4,431	4,916	-10%
Non-current assets	11,943	12,307	-3%
Total Assets	**16,374**	**17,223**	**-5%**
Total Equity	**3,439**	**3,550**	**-3%**
Current liabilities	4,058	4,106	-1%
Non-current liabilities	8,877	9,568	-7%
Total Liabilities	**12,934**	**13,673**	**-5%**
Bank debt	1,219	1,484	-18%
Lease liabilities	5,687	5,990	-5%
Total debt	**6,906**	**7,474**	**-8%**
Cash and bank deposits	3,756	4,199	-11%
Net debt	**3,150**	**3,275**	**-4%**
Net debt/Adj.[14] EBITDA	1.7	1.3	**+0.4x**

As of 30 June 2026, total assets stood at ⃁ 16.4 billion, down 5% since year-end 2025. The decrease was primarily driven by a 10% reduction in current assets to ⃁ 4.4 billion, mainly on lower cash . Non-current assets declined 3% to ⃁ 11.9 billion, as pre-delivery payments and other capital expenditure were more than offset by depreciation and disposals.

Total liabilities decreased 5% to ⃁ 12.9 billion, driven by repayments of borrowings and lease obligations. Bank debt declined 18% to ⃁ 1.2 billion, and lease liabilities fell 5% to ⃁ 5.7 billion.

Cash and bank deposits ended the period at ⃁ 3.8 billion, down 11% since year-end 2025. Total debt declined 8% to ⃁ 6.9 billion. Net debt-to-adjusted EBITDA stood at 1.7x, compared with 1.3x at year-end 2025 (1.4x a year earlier), with the increase driven by lower last-twelve-months adjusted EBITDA.

As of 30 June 2026, total equity stood at ⃁ 3.4 billion, down 3% from year-end 2025, on the net loss recorded in the first half of the year.

[14] For last-twelve-months (LTM) metrics, the adjustment applies only where the window includes 2Q 2025. At 30 June 2026, the window (3Q 2025-2Q 2026) excludes it, so no adjustment applies to LTM EBITDA. See Glossary.

Cash Flow Highlights

⃁ million	1H 2026	1H 2025	YoY
Loss before Zakat	**(105)**	**(695)**	**-85%**
Non-cash adjustments[15]	892	1,962	-55%
Working capital changes	(265)	(741)	-64%
Interest & employee end-of-service benefits	81	53	+53%
Settlement of derivative financial asset	59	0	NM
Net cash, operating activities	**661**	**580**	**+14%**
Capex	(246)	(979)	-75%
Proceeds from sales of aircraft	0	359	NM
Net cash, investing activities	**(246)**	**(621)**	**-60%**
Net cash, financing activities	**(859)**	**2,870**	**NM**
Net changes in cash & equiv.	(443)	2,830	NM
Ending cash & equivalents	**3,700**	**4,530**	**-18%**
Adjusted[16] Free cash flow	**530**	**782**	**-32%**

In 1H 2026, net cash from operating activities was ⃁ 661 million, up 14% year-on-year against a low prior-year base that had carried a larger ESOP payment.

Net cash used in investing activities decreased 60% year-on-year to ⃁ 246 million in 1H 2026, on lower aircraft-related capital expenditure. The prior-year period included ⃁ 359 million of proceeds from the sale and leaseback of aircraft, with no comparable transactions in 2026.

Net cash used in financing activities was ⃁ 859 million in 1H 2026, compared with a ⃁ 2,870 million inflow in 1H 2025. The prior-year inflow had included IPO proceeds and new borrowings, while the current-period outflow reflected loan and lease repayments.

Net changes in cash and equivalents amounted to an outflow of ⃁ 443 million in 1H 2026. Ending cash and equivalents stood at ⃁ 3,700 million as of 30 June 2026, down 18% year-on-year, a solid liquidity position that supports the company in the current environment.

Adjusted free cash flow amounted to ⃁ 530 million in 1H 2026, down 32% from ⃁ 782 million a year earlier, on lower operating cash generation, partly offset by lower capital expenditure.

[15] Includes ESOP in the amount of ⃁ 982 million in 1H 2025.

[16] Net cash from operating activities less net cash used in investing activities, excluding the one-off ESOP payments (2Q 2025 and 2Q 2026) and IPO-related fees (2Q 2025). See Glossary.

Current Trading and Outlook

Trading through July showed a progressive recovery of the network following the first-half disruption.

After the outbreak of the regional conflict on 28 February 2026, flynas suspended flights to the UAE, Qatar, Bahrain, Kuwait, Iraq and Syria. Following the ceasefire in April, the airline progressively restored services during the second quarter. By July, flynas had resumed operations to the UAE, Qatar, Bahrain and Syria, although frequencies to certain destinations had not yet returned to pre-conflict levels, while services to Kuwait and Iraq remained suspended. Consistent with the outlook provided in the first quarter, the airline began restoring capacity toward prior-year levels in July, with unit revenues continuing to improve year-on-year.

In mid-July, security-related disruptions led to temporary airport closures and flight cancellations at certain Saudi airports. The company is monitoring developments in close coordination with the relevant authorities, with the safety of its guests and crew remaining its highest priority.

Given the continued volatility in the regional operating environment, flynas is maintaining the suspension of its full-year 2026 guidance. In line with the approach taken for the second quarter, the company is providing directional indicators for 3Q 2026 to support investor understanding of near-term performance. These assume no material further escalation of regional disruption, and a jet fuel price of ~$145 per barrel for the quarter.

For 3Q 2026, the company expects:

- Revenue growth of low-to-high single digits year-on-year
- EBITDA margin in the mid-teens to mid-20s

The company's strategic execution remains on track. Scheduled aircraft deliveries continue, with six aircraft due in the second half of 2026, with the first delivery brought forward to July.

After the quarter-end, on 22 July 2026, flynas exercised purchase options and rights under its existing Airbus purchase agreements, converting 25 aircraft to firm order, five A330neo and twenty A321neo. Firm orders now stand at 235 aircraft within a total order book of 280, the balance held as options. The exercise was made under the existing terms of the agreements. This step reflects the company’s confidence in its long-term growth strategy and its commitment to fleet expansion and modernization in line with Saudi Vision 2030 and the National Aviation Strategy.

The company intends to provide further detail on its medium-term strategy and financial framework, including updated fleet ownership targets, as part of the ongoing review of the company's strategy and as visibility on regional conditions improves.

Earnings Call

The company is holding an earnings call to discuss 2Q and 1H 2026 financial results with analysts and investors on Wednesday, 5 August 2026, at 3:30 pm Riyadh time (1:30 pm London, 4:30 pm Dubai, 8:30 am New York).

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 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.

AOC (Air Operator Certificate): A certificate issued by a national aviation authority that authorizes an airline to conduct commercial flight operations. It confirms that the operator meets the required standards for safety, airworthiness, and operational procedures.

AOG (Aircraft-on-Ground): Refers to an aircraft that is temporarily grounded due to technical or maintenance issues.

Total Revenue: Total income earned from all operating segments, including flynas LCC, flynas Hajj, and flynas General Aviation.

Adjusted Operating Profit: Operating profit before one-off, non-operating items – the employee share option plan (ESOP) charge and IPO-related fees, recognized in 2Q 2025. No such items arose in 2026, so adjusted and reported operating profit are identical for all 2026 periods.

Adjusted Operating Profit = Reported Operating Profit + ESOP charge + IPO-related fees (recognized in 2Q 2025)

Net Operating Profit After Tax (NOPAT): Operating profit less Zakat for the period.

NOPAT = Operating Profit - Zakat

Adjusted Net Operating Profit After Tax (NOPAT): NOPAT before one-off, non-operating items – the employee share option plan (ESOP) charge and IPO-related fees, recognized in 2Q 2025. No such items arose in 2026, so no adjustment applies to NOPAT for 2026.

Adjusted NOPAT = NOPAT + ESOP charge + IPO-related fees (recognized in 2Q 2025)

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 before one-off, non-operating items – the employee share option plan (ESOP) charge and IPO-related fees, recognized in 2Q 2025. No such items arose in 2026, so no adjustment applies to EBITDA for 2026. Provides a normalized view of underlying operational profitability.

Adjusted EBITDA = EBITDA + ESOP charge + IPO-related fees (recognized in 2Q 2025)

Adjusted Net Profit: Net profit before one-off, non-operating items — the employee share option plan (ESOP) charge and IPO-related fees, recognized in 2Q 2025. No such items arose in 2026, so adjusted and reported net profit are identical for all 2026 periods.

Adjusted Net Profit = Reported Net Profit + ESOP charge + IPO-related fees (recognized in 2Q 2025)

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.

Net Debt = Loans + Lease liabilities - Cash & equivalents - Bank deposits

Net Debt to Adjusted EBITDA: Leverage measure: net debt over last-twelve-months (LTM) adjusted EBITDA. The EBITDA adjustment applies only where the LTM window includes 2Q 2025 (ESOP charge, IPO-related fees). The window ending 30 June 2026 excludes it, so no adjustment applies to LTM EBITDA for 2Q 2026.

Net Debt to Adjusted EBITDA = Net Debt / LTM Adjusted EBITDA

Invested Capital: Total debt plus net equity, measured at period-end. For 2Q and 1H 2025, net equity is time-weighted on a daily basis, to account for the mid-period equity increase from the IPO.

LTM Adjusted NOPAT: Adjusted NOPAT summed over the trailing twelve months. The adjustment applies only where the twelve-month window includes 2Q 2025, when the employee share option plan (ESOP) charge and IPO-related fees were recognized. No such items arose in 2026, so no adjustment applies to LTM NOPAT for 2026.

Adjusted Return on Invested Capital (ROIC): Measures how effectively the company uses invested capital to generate adjusted net operating profit after tax (NOPAT).

Adjusted ROIC = LTM Adjusted NOPAT / Average invested capital

Adjusted Free Cash Flow: Net cash from operating activities less net cash used in investing activities, excluding the employee share option plan (ESOP) payments made in 2Q 2025 and 2Q 2026, and IPO-related fees recognized in 2Q 2025. It represents the cash generated by the business after reinvestment.

Sale-and-Leaseback Gain: Profit earned from selling an owned aircraft and then leasing it back.

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

About flynas

flynas (Tadawul: 4264) is a leading Saudi low-cost carrier headquartered in Riyadh, operating since 2007. The airline provides affordable and reliable air travel across the Kingdom and the region, supporting improved mobility and access to air transport as passenger demand continues to grow.

In FY 2025, flynas carried 15.8 million passengers and generated total revenue of ⃁ 7.8 billion, a 4% year-on-year increase. The airline reported adjusted EBITDA of ⃁ 2.5 billion and ended the year with a fleet of 71 aircraft, serving 80 destinations across Saudi Arabia, the GCC, and other international markets.

flynas operates a disciplined low-cost model supported by a standardized fleet, digital capabilities, and an expanding ancillary revenue base. The airline continues to scale capacity while preserving cost efficiency and financial flexibility to capture growth opportunities across its core short- and medium-haul markets.

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