

A large red Air Greenland A330-300 aircraft is parked on a snowy tarmac. Passengers are boarding the plane using stairs. In the background, a small town is visible on a snowy hillside under a clear sky.

Interim report H1 2025

Air Greenland Group



air greenland group

Interim report H1 2025



Interim report 2025 Air Greenland A/S

January 1, 2025 - June 30, 2025

Air Greenland A/S
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Grønland



Management statement

We have today, approved the interim report as of June 30, 2025, for Air Greenland A/S. The company's auditor has not conducted an audit or review of the interim H1 2025 report.

The interim report has been prepared in accordance with the danish financial statements act. We consider the chosen accounting policies that are unchanged from 2024 to be appropriate, the interim report provides a true and fair view of the Group's assets and liabilities, financial position, results, and cash flows.

Nuuk, 3 September 2025

EXECUTIVE MANAGEMENT

Jacob Nitter Sørensen
Chief Executive Officer

BOARD OF DIRECTORS

Malik Hegelund Olsen
Chairman of the Board

Bodil Marie Damgaard

Mogens Motzfeldt-Haahr

Steen Jensen
Vice Chairman

Charlotte Pedersen

Heidi Schermer

Ella Grødem

Rob Gurney

Suluk Lyberth



..... **Mogens Jensen**
Group CFO

Executive summary

Interim report and outlook for the year

The consolidated interim financial statements of the Air Greenland Group for the period from 1st of January to 30th of June 2025 have been prepared in accordance with reporting class D of the Danish Financial Statements Act, as implemented in Greenland. The accounting policies applied remain unchanged from 2024.

The interim report comprises the consolidated financial statements for Air Greenland and its subsidiaries, collectively referred to as "the Group".

According to the Group's income statement, the net loss for the period 1st of January to 30th of June 2025 amounted to DKK 65.6 million. Equity as of 30th of June 2025 amounted to DKK 726.3 million.

Operational Review

The first half of 2025 presented numerous challenges for Air Greenland.

A major transition occurred with the opening of the new airport in Nuuk in late November 2024, which triggered substantial internal and external operational changes.

The cabin factor was lower than the previous year; however, number of international passengers

increased compared to the same period last year - a positive development.

The airline's operations were significantly affected by both poor runway conditions and adverse weather, leading to an unusually high number of flight cancellations. In first half of 2025, a total of 59 flights with Jet were cancelled compared to just 3 flights in first half of 2024.

Total regularity Fixed wing in first half of 2025 was 72.0% compared to 83.9% first half of 2024. Ontime performance for fixed wing flights in first half of 2025 was 46.6% compared to 71.1% % in first half of 2024. Key reasons for the cancelled flights and delays are:

- Historically poor weather in general
- Airport facilities including icy runways
- Delay from Security in Nuuk Airport
- Delay in access to fuel in Nuuk Airport
- Long lead times on spare parts

Direct irregularity cost has been DKK 70.9 million in first half of 2025 compared to DKK 36.5 million in first half of 2024.



Domestic fixed wing flights and change in infrastructure

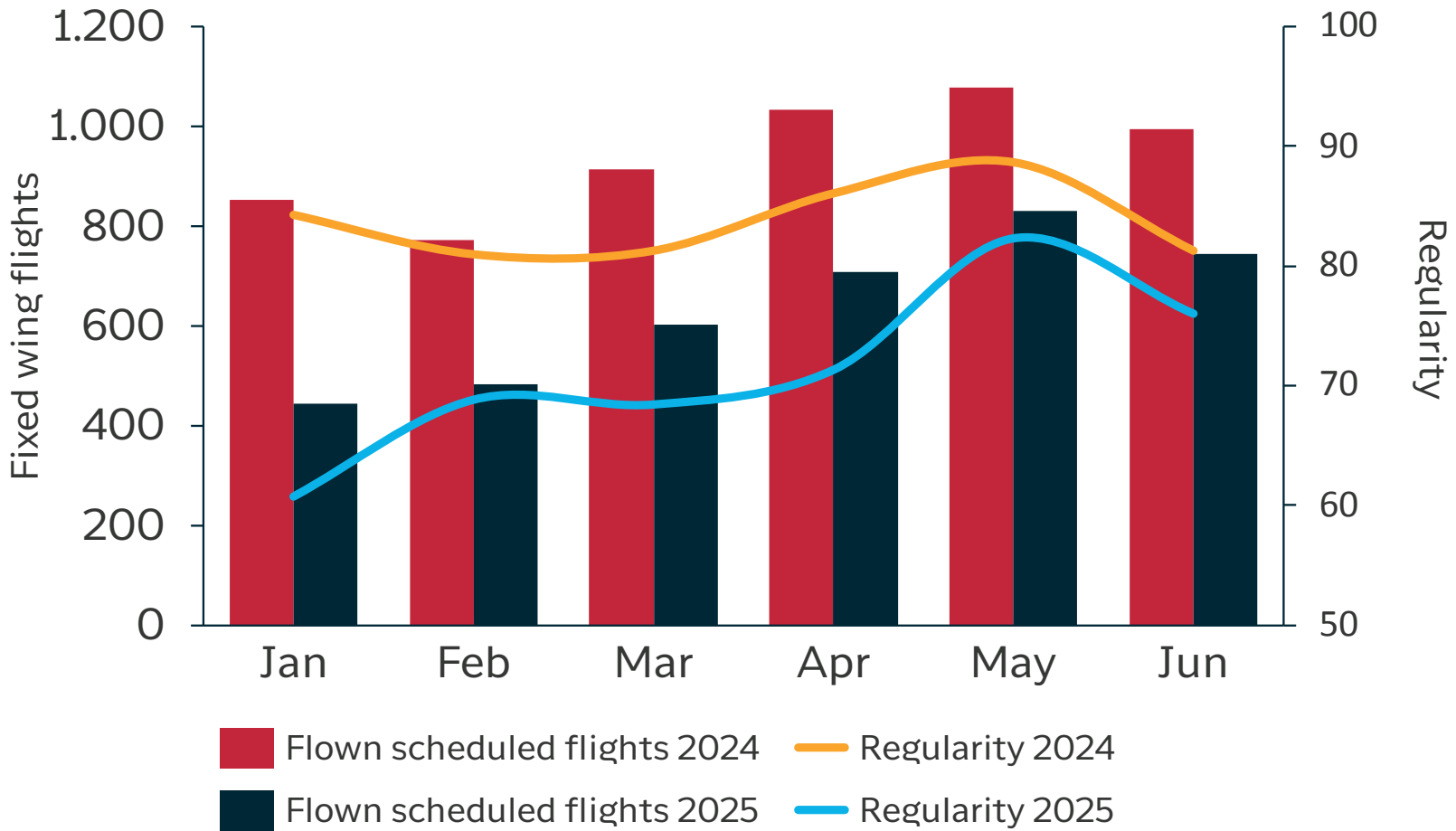
The change of hub from Kangerlussuaq to Nuuk has caused several changes in the domestic traffic with connection to international flights with material financial impact.

Passenger and feeder flights between Nuuk and Kangerlussuaq are not needed, which has reduced feeder traffic passengers in average 53%. Past years’ positive contribution from the international traffic to feeder traffic to Nuuk are as a consequence no longer available.

Furthermore, the remaining passengers are in average now flying 54% longer, which mainly is caused by passengers from Northern Greenland having longer flights to Nuuk than to Kangerlussuaq previously.

The longer flying distance have not in full been reflected in the prices, which materially reduces the profitability in the domestic market, notwithstanding minor price adjustments.

Regularity fixed wing flights



The demand in domestic flights without connection to international flights has performed unchanged compared to last year.

Financial Performance

The Group reported a pre-tax loss of DKK 87.4 million for the first half of 2025 – an increased loss of DKK 66.3 million compared to the same period in 2024 (2024: DKK -21.1 million).

Revenue increased by 3.2% to DKK 885.3 million, primarily driven by higher passenger traffic.

Total costs, including depreciation, rose by DKK 89.5 million (+10.3%), mainly due to increased production and rising costs associated with flight operations and weather-related delays. Personnel expenses increased by DKK 12.8 million.

The Group employed an average of 711 full-time employees during the period, compared to 704 in the same period last year.

Equity as per 30th of June 2025 are DKK 726.3 million, corresponding to a solvency ratio of 34.3%. The balance sheet total increased from DKK 2,357.4 million to DKK 2,492.6 million, primarily due to increase in fixed asset and shortterm bank debt.

No dividend was distributed in 2025.

Liquidity

Cash flow from operation are DKK +169.7 million and close to last year’s DKK +180.9 million as the lower profit are being reduced by increased working capital.

Cash flow from investments are DKK -109.5 million and are mainly in buildings related to new infrastructure.

Cash flow from financing are DKK +12.4 million, as new debt at DKK 50.0 million are added and DKK 37.6 million are paid.

As of end June 2025, the Group’s cash holdings



amounted to DKK 164.6 million – an increase of DKK 72.6 million compared to year-end 2024. In early 2024, the Group secured a loan facility of DKK 275 million and DKK 225.0 million are now drawn on the facility.

Capital Resources

The Group continues to meet its financial obligations, and its capital base remains robust.

Outlook for 2025

The company’s outlook for 2025 has been revised, and the result is now expected to be a loss of DKK 30,0 million before tax, provided that external factors do not further affect the result. Costs are clearly too high, and a lot are caused by the disruption in the operation. Furthermore, the flight schedule will be adjusted to ensure optimal capacity utilization.

Subsequent Events

No events have occurred after the balance sheet date that would materially affect the Group’s financial position.

Financial reporting

Air Greenland Group



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Interim report H1 2025 report

Income statement for January 1 to June 30, 2025

(in 1,000 DKK)	The Group		
	1H 2025	1H 2024	2024
Net revenue	885.341	857.893	1.901.111
Other external expenses	(607.055)	(536.378)	(1.164.330)
Staff Expenses	(281.321)	(268.549)	(524.796)
Depreciation and Impairments	(73.219)	(67.216)	(142.766)
Profit Before Financial Items	(76.254)	(14.250)	69.220
Income from Equity Investments in Associates	-	-	2.046
Other financial income	52	1.943	4.801
Financial expenses	(11.218)	(8.832)	(15.278)
Profit before tax	(87.420)	(21.139)	60.788
Income tax	21.855	5.285	(16.509)
Net Profit for the Period	(65.565)	(15.854)	44.279



Balance sheet as of June 30, 2025



	The Group		
(in 1,000 DKK)	30. june 2025	30.june 2024	2024
Software	16.076	5.098	14.727
Goodwill	-	6	-
Intangible fixed assets	16.076	5.104	14.727
Buildings	494.429	342.849	319.635
Aircraft equipment incl, essential aircraft components	1.279.791	1.370.345	1.326.877
Other aircraft components	74.792	68.153	68.899
Other equipment, vehicles and inventory	110.460	75.082	101.819
Prepayments and construction in progress	76.794	37.128	194.352
Tangible fixed assets	2.036.266	1.893.557	2.011.582
Investments in associates	34.794	21.558	24.582
Other securities and equity holdings	-	40	-
Other receivables	7.251	3.953	3.837
Deferred tax assets	37	45	37
Fiancial fixed assets	42.082	25.596	28.456
Fixed assets	2.094.424	1.924.257	2.054.765
Inventories	72.071	68.768	68.515
Trade receivables	143.883	129.494	148.241
Receivables with associated companies	-	-	12
Other receivables	13.344	28.518	32.395
Prepayments	4.269	1.953	9.710
Receivables	161.496	159.965	190.358
Cash and cash equivalents	164.629	204.454	92.021
Total current assets	398.196	433.187	350.894
Total assets	2.492.620	2.357.444	2.405.659

Balance sheet as of June 30, 2025

(In 1.000 DKK)	The Group		
	June 30. 2025	June 30. 2024	2024
Share capital	24.000	24.000	24.000
Profit carried over	702.308	708.539	778.960
Equity	726.308	732.539	802.960
Deferred tax liabilities	129.887	133.264	155.439
Provisions	129.887	133.264	155.439
Debt issued through bonds	607.615	874.555	836.704
Long-term debt liabilities	607.615	874.555	836.704
Short-term share of long-term debt obligations	267.735	75.674	76.230
Credit institutions	225.000	-	175.000
Supplier debts	131.794	108.673	83.882
Payables to associated companies	-	-	-
Corporation tax	6.163	30	1.008
Other payables	90.823	106.603	125.623
Accruals and deferred income	307.295	326.105	148.812
Current liabilities	1.028.810	617.085	610.555
Debt obligations	1.636.424	1.491.640	1.447.259
Total equity and liabilities	2.492.619	2.357.443	2.405.659



Statement of changes in equity as of June 30, 2025

Group

(In 1.000 DKK)

	Share capital	Reserve for net revaluation of equity holdings to the book value method	Retained earnings	Reserve for hedging transactions	Total equity
Equity as of January 01.2024	24.000	4.936	720.072	(1.970)	747.033
Fair value adjustment of derivative financial instruments				14.505	14.505
Net profit/loss for the year		2.046	42.233		44.279
Exchange rate adjustment of related to foreign affiliates		978			978
Tax on equity		(213)		(3.626)	(3.839)
Other Adjustments		(968)	968		-
Equity as of december 31,2024	24.000	6.779	763.273	8.909	802.961
Fair value adjustment of derivative financial instruments				(14.784)	(14.784)
Net profit for the year		-	(65.565)		(65.565)
Exchange rate adjustment of related to foreign affiliates		-			-
Tax on equity				3.696	3.696
Other adjustments					-
Equity 30.06.2025	24.000	6.779	697.708	(2.179)	726.308



Cash flow statement as of 30 June

(In 1.000 DKK)	The Group		
	1H 2025	1H 2024	2024
Operating profit	(76.254)	(14.250)	69.220
Depreciation and amortisation	73.219	67.216	142.766
Disposal of tangible assets	-	(555)	(19.822)
Change in working capital	183.855	135.395	(67.720)
	180.820	187.806	124.443
Interest income received	52	1.943	4.801
Interest expenses paid	(11.218)	(8.832)	(15.278)
Income tax paid	-	-	(540)
Cash flow from operating activities	169.654	180.917	113.426
Investment in intangible assets	(1.464)	(513)	(10.275)
Investment in tangible assets	(97.788)	(135.938)	(339.257)
Disposal of tangible assets	-	555	30.260
Investment in other financial assets	(10.212)	(7.801)	(7.801)
Disposal of financial assets	9	-	278
Cash flow from investing activities	(109.455)	(143.697)	(326.796)
Proceeds from borrowings from credit institutions	50.000	-	175.000
Repayment of long-term debt	(37.585)	(37.492)	(74.340)
Cash flow from financing activities	12.415	(37.492)	100.660
Change in cash and cash equivalents	72.614	(272)	(112.709)
Cash and cash equivalents 1 January	92.016	204.725	204.725
Cash and cash equivalents	164.629	204.453	92.016

