

**AIR FRANCE-KLM GROUP**

# Consolidated Financial Statements

**January 1<sup>st</sup>, 2025 – December 31<sup>st</sup>, 2025**

Prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Commission for use in the European Union

## CONTENTS

---

### **CONSOLIDATED FINANCIAL STATEMENTS**

|   |    |
|---|----|
| CONSOLIDATED INCOME STATEMENT                             | 3  |
| CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES  | 4  |
| CONSOLIDATED BALANCE SHEET                                | 8  |
| CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY | 10 |
| CONSOLIDATED STATEMENT OF CASH FLOWS                      | 12 |

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

---

14

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

| Period from January 1 to 31 December<br>(in € millions)                 | Notes | 2025            | 2024            |
|---|-------|-----------------|-----------------|
| <b>Revenues from ordinary activities</b>                                | 6.1   | <b>33,007</b>   | <b>31,459</b>   |
| External expenses   | 7     | (19,393)        | (19,095)        |
| Salaries and related costs  | 8     | (9,888)         | (9,461)         |
| Taxes other than income taxes   |       | (180)           | (176)           |
| Other current operating income and expenses                             | 9     | <b>1,512</b>    | 1,517           |
| Amortization, depreciation and provisions                               | 10    | (3,054)         | (2,643)         |
| <b>Operating expenses</b>   |       | <b>(31,003)</b> | <b>(29,858)</b> |
| <b>Income from current operations</b>                                   |       | <b>2,004</b>    | <b>1,601</b>    |
| Sales of aircraft equipment   | 11    | <b>43</b>       | 37              |
| Other non-current income and expenses                                   | 11    | (45)            | (172)           |
| <b>Income from operating activities</b>                                 | 6.1   | <b>2,002</b>    | <b>1,466</b>    |
| Interest expenses   | 12    | (627)           | (631)           |
| Income from cash and cash equivalents                                   | 12    | <b>196</b>      | 303             |
| <b>Net cost of financial debt</b>                                       | 12    | (431)           | (328)           |
| Other financial income and expenses                                     | 12    | <b>292</b>      | (546)           |
| <b>Income before tax of consolidated companies</b>                      |       | <b>1,863</b>    | <b>592</b>      |
| Income taxes  | 13.1  | (123)           | (84)            |
| <b>Net income of consolidated companies</b>                             |       | <b>1,740</b>    | <b>508</b>      |
| Share of profits (losses) of associates                                 | 20    | <b>14</b>       | (19)            |
| <b>Net income for the period</b>  |       | <b>1,754</b>    | <b>489</b>      |
| Net income – Non-controlling interests                                  |       | <b>161</b>      | 172             |
| Net income – Group part   |       | <b>1,593</b>    | 317             |
| <b>Earnings per share – Equity holders of Air France-KLM (in euros)</b> |       |                 |                 |
| • basic   | 14    | <b>5.83</b>     | 0.93            |
| • diluted   | 14    | <b>5.50</b>     | 0.93            |

The accompanying notes are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

Period from January 1 to December 31

(in € millions)

|  | Notes | 2025         | 2024        |
|--|-------|--------------|-------------|
| <b>Net income</b>  |       | <b>1,754</b> | <b>489</b>  |
| Effective portion of changes in fair value hedge and cost of hedging recognized directly in other comprehensive income | 28.5  | <b>153</b>   | (103)       |
| Change in fair value and cost of hedging transferred to profit or loss   | 28.5  | <b>116</b>   | 2           |
| Exchange difference resulting from the translation   |       | <b>(30)</b>  | 15          |
| Deferred tax on items of comprehensive income that will be reclassified to profit or loss                              | 13.2  | <b>(73)</b>  | 21          |
| Items of the recognized income and expenses of equity shares, net of tax   | 20    | <b>23</b>    | 4           |
| <b>Total of other comprehensive income that will be reclassified to profit or loss</b>                                 |       | <b>189</b>   | <b>(61)</b> |
| Remeasurements of defined benefit pension plans  |       | <b>80</b>    | 100         |
| Fair value of equity instruments revalued through OCI  | 22    | <b>(3)</b>   | 1           |
| Deferred tax on items of comprehensive income that will not be reclassified to profit or loss                          | 13.2  | <b>12</b>    | 1           |
| Items revalued through OCI of equity shares, after tax   | 20    | <b>12</b>    | —           |
| <b>Total of other comprehensive income that will not be reclassified to profit or loss</b>                             |       | <b>101</b>   | <b>102</b>  |
| <b>Total of other comprehensive income, after tax</b>  |       | <b>290</b>   | <b>41</b>   |
| <b>RECOGNIZED INCOME AND EXPENSES</b>  |       | <b>2,044</b> | <b>530</b>  |
| • Equity holders of Air France-KLM   |       | <b>1,883</b> | 358         |
| • Non-controlling interests  |       | <b>161</b>   | 172         |

The accompanying notes are an integral part of these consolidated financial statements.

# CONSOLIDATED BALANCE SHEET

## ASSETS

| (in € millions)                         | Notes | December 31,<br>2025 | December 31,<br>2024 |
|---|-------|----------------------|----------------------|
| Goodwill                                | 15    | <b>223</b>           | 226                  |
| Intangible assets                       | 16    | <b>1,199</b>         | 1,150                |
| Flight equipment                        | 17    | <b>13,651</b>        | 12,347               |
| Other property, plant and equipment     | 17    | <b>1,679</b>         | 1,533                |
| Right-of-use assets                     | 19    | <b>9,452</b>         | 7,592                |
| Investments in equity associates        | 20    | <b>246</b>           | 216                  |
| Pension assets                          | 29    | <b>57</b>            | 66                   |
| Other non-current financial assets      | 22    | <b>1,267</b>         | 1,369                |
| Non-current derivative financial assets | 35    | <b>118</b>           | 195                  |
| Deferred tax assets                     | 13.4  | <b>713</b>           | 662                  |
| Other non-current assets                | 25    | <b>278</b>           | 214                  |
| <b>Total non-current assets</b>         |       | <b>28,883</b>        | <b>25,570</b>        |
| Other current financial assets          | 22    | <b>1,360</b>         | 1,190                |
| Current derivative financial assets     | 35    | <b>33</b>            | 249                  |
| Inventories                             | 23    | <b>992</b>           | 959                  |
| Trade receivables                       | 24    | <b>2,216</b>         | 2,051                |
| Other current assets                    | 25    | <b>1,224</b>         | 1,260                |
| Cash and cash equivalents               | 26    | <b>4,714</b>         | 4,829                |
| Assets held for sale                    | 27    | <b>23</b>            | 47                   |
| <b>Total current assets</b>             |       | <b>10,562</b>        | <b>10,585</b>        |
| <b>TOTAL ASSETS</b>                     |       | <b>39,445</b>        | <b>36,155</b>        |

The accompanying notes are an integral part of these consolidated financial statements.

## Consolidated balance sheet (continuation)

### LIABILITIES AND EQUITY

| (in € millions)  | Notes | December 31,<br>2025 | December 31,<br>2024 |
|--|-------|----------------------|----------------------|
| Issued capital   | 28.1  | <b>263</b>           | 263                  |
| Additional paid-in capital   | 28.1  | <b>7,560</b>         | 7,560                |
| Treasury shares  | 28.2  | (27)                 | (27)                 |
| Perpetual  | 28.3  | <b>1,281</b>         | 1,078                |
| Reserves and retained earnings   | 28.4  | (8,779)              | (10,638)             |
| <b>Equity attributable to equity holders of Air France-KLM</b>                                     |       | <b>298</b>           | (1,764)              |
| Perpetual  | 28.3  | <b>2,026</b>         | 2,530                |
| Reserves and retained earnings   | 28.4  | <b>40</b>            | 33                   |
| <b>Equity attributable to non-controlling interests</b>  | 28.6  | <b>2,066</b>         | <b>2,563</b>         |
| <b>EQUITY</b>  |       | <b>2,364</b>         | <b>799</b>           |
| Pension provisions   | 29    | <b>1,654</b>         | 1,686                |
| Non-current return obligation liabilities and provisions for leased aircrafts and other provisions | 30    | <b>4,818</b>         | 4,493                |
| Non-current financial liabilities  | 31    | <b>7,265</b>         | 7,254                |
| Non-current lease debt   | 19    | <b>5,487</b>         | 4,714                |
| Non-current derivative financial liabilities   | 35    | <b>199</b>           | 32                   |
| Deferred tax liabilities   | 13.4  | —                    | 2                    |
| Other non-current liabilities  | 34    | <b>545</b>           | 904                  |
| <b>Total non-current liabilities</b>   |       | <b>19,968</b>        | <b>19,085</b>        |
| Current return obligation liabilities and provisions for leased aircrafts and other provisions     | 30    | <b>1,142</b>         | 1,181                |
| Current financial liabilities  | 31    | <b>1,803</b>         | 1,692                |
| Current lease debt   | 19    | <b>958</b>           | 982                  |
| Current derivative financial liabilities   | 35    | <b>255</b>           | 137                  |
| Trade payables   |       | <b>2,723</b>         | 2,608                |
| Deferred revenue on ticket sales   |       | <b>4,264</b>         | 4,097                |
| Frequent flyer programs  | 33    | <b>921</b>           | 906                  |
| Other current liabilities  | 34    | <b>5,047</b>         | 4,668                |
| <b>Total current liabilities</b>   |       | <b>17,113</b>        | <b>16,271</b>        |
| <b>TOTAL LIABILITIES</b>   |       | <b>37,081</b>        | <b>35,356</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>39,445</b>        | <b>36,155</b>        |

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

|   |                    | Equity attributable to equity holders of Air France-KLM |                |                            |                 |                 |                                |              | Equity attributable to non-controlling interests |                                |              | Total<br>Equity |
|---|--------------------|---|----------------|----------------------------|-----------------|-----------------|--------------------------------|--------------|--|--------------------------------|--------------|-----------------|
|   |                    | Number of shares  | Issued capital | Additional paid-in capital | Treasury shares | Perpetual bonds | Reserves and retained earnings | Sub-Total    | Perpetual bonds                                  | Reserves and retained earnings | Sub-Total    |                 |
| (in € millions)   |                    |   |                |                            |                 |                 |                                |              |  |                                |              |                 |
| December 31, 2023                                       | 262,769,869        | 263   | 7,560          | (25)                       | 1,076           | (10,925)        | (2,051)                        | 2,524        | 27   | 2,551                          | 500          |                 |
| Other comprehensive income                              | –                  | –   | –              | –                          | –               | 41              | 41                             | –            | –  | –                              | 41           |                 |
| Net result for the period                               | –                  | –   | –              | –                          | –               | 317             | 317                            | –            | 172  | 172                            | 489          |                 |
| <b>Total of income and expenses recognized</b>          | <b>–</b>           | <b>–</b>  | <b>–</b>       | <b>–</b>                   | <b>–</b>        | <b>358</b>      | <b>358</b>                     | <b>–</b>     | <b>172</b>                                       | <b>172</b>                     | <b>530</b>   |                 |
| Share-based payment                                     | –                  | –   | –              | –                          | –               | 3               | 3                              | –            | –  | –                              | 3            |                 |
| Dividends paid  | –                  | –   | –              | –                          | –               | –               | –                              | –            | (1)  | (1)                            | (1)          |                 |
| Coupons on perpetual                                    | –                  | –   | –              | –                          | 2               | (73)            | (71)                           | 6            | (166)  | (160)                          | (231)        |                 |
| Other   | –                  | –   | –              | (2)                        | –               | (1)             | (3)                            | –            | 1  | 1                              | (2)          |                 |
| <b>December 31, 2024</b>                                | <b>262,769,869</b> | <b>263</b>  | <b>7,560</b>   | <b>(27)</b>                | <b>1,078</b>    | <b>(10,638)</b> | <b>(1,764)</b>                 | <b>2,530</b> | <b>33</b>  | <b>2,563</b>                   | <b>799</b>   |                 |
|   |                    |   |                |                            |                 |                 |                                |              |  |                                |              |                 |
|   |                    | Equity attributable to equity holders of Air France-KLM |                |                            |                 |                 |                                |              | Equity attributable to non-controlling interests |                                |              | Total<br>Equity |
|   |                    | Number of shares  | Issued capital | Additional paid-in capital | Treasury shares | Perpetual bonds | Reserves and retained earnings | Sub-Total    | Perpetual bonds                                  | Reserves and retained earnings | Sub-Total    |                 |
| (in € millions)   |                    |   |                |                            |                 |                 |                                |              |  |                                |              |                 |
| <b>December 31, 2024</b>                                | <b>262,769,869</b> | <b>263</b>  | <b>7,560</b>   | <b>(27)</b>                | <b>1,078</b>    | <b>(10,638)</b> | <b>(1,764)</b>                 | <b>2,530</b> | <b>33</b>  | <b>2,563</b>                   | <b>799</b>   |                 |
| Other comprehensive income                              | –                  | –   | –              | –                          | –               | 290             | 290                            | –            | –  | –                              | 290          |                 |
| Net result for the period                               | –                  | –   | –              | –                          | –               | 1,593           | 1,593                          | –            | 161  | 161                            | 1,754        |                 |
| <b>Total of income and expenses recognized</b>          | <b>–</b>           | <b>–</b>  | <b>–</b>       | <b>–</b>                   | <b>–</b>        | <b>1,883</b>    | <b>1,883</b>                   | <b>–</b>     | <b>161</b>                                       | <b>161</b>                     | <b>2,044</b> |                 |
| Purchase of treasury shares                             | –                  | –   | –              | (1)                        | –               | –               | (1)                            | –            | –  | –                              | (1)          |                 |
| Share-based payment                                     | –                  | –   | –              | 1                          | –               | 1               | 2                              | –            | –  | –                              | 2            |                 |
| Purchase of minority interest without change of control | –                  | –   | –              | –                          | –               | (5)             | (5)                            | –            | –  | –                              | (5)          |                 |
| Dividends paid  | –                  | –   | –              | –                          | –               | –               | –                              | –            | (1)  | (1)                            | (1)          |                 |
| Perpetual   | –                  | –   | –              | –                          | 195             | (6)             | 189                            | (497)        | –  | (497)                          | (308)        |                 |
| Coupons on perpetual                                    | –                  | –   | –              | –                          | 8               | (89)            | (81)                           | (7)          | (153)  | (160)                          | (241)        |                 |
| Tax on coupons on perpetual                             | –                  | –   | –              | –                          | –               | 75              | 75                             | –            | –  | –                              | 75           |                 |
| <b>December 31, 2025</b>                                | <b>262,769,869</b> | <b>263</b>  | <b>7,560</b>   | <b>(27)</b>                | <b>1,281</b>    | <b>(8,779)</b>  | <b>298</b>                     | <b>2,026</b> | <b>40</b>  | <b>2,066</b>                   | <b>2,364</b> |                 |

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

Period from January 1 to December 31

| (in € millions)   | Notes | 2025           | 2024           |
|---|-------|----------------|----------------|
| Net income  |       | <b>1,754</b>   | 489            |
| Amortization, depreciation and operating provisions   | 10    | <b>3,054</b>   | 2,643          |
| Financial provisions  | 12    | <b>288</b>     | 291            |
| Cost of net debt  |       | <b>431</b>     | 328            |
| Loss (gain) on disposals of tangible and intangible assets  |       | <b>(43)</b>    | (42)           |
| Loss (gain) on disposals of subsidiaries and associates   |       | —              | (2)            |
| Derivatives – non monetary result   |       | <b>7</b>       | 9              |
| Unrealized foreign exchange gains and losses  |       | <b>(668)</b>   | 201            |
| Share of (profits) losses of associates   | 20    | <b>(14)</b>    | 19             |
| Deferred taxes  | 13    | <b>(80)</b>    | 53             |
| Impairment  | 37.1  | <b>(1)</b>     | —              |
| Other non-monetary items  | 37.1  | <b>54</b>      | (14)           |
| <b>Cash flow from operating activities before change in working capital</b>                             |       | <b>4,782</b>   | <b>3,975</b>   |
| <b>Increase (Decrease) in working capital</b>   | 37.2  | <b>273</b>     | <b>(479)</b>   |
| <b>CASH-FLOW FROM OPERATING ACTIVITIES</b>  |       | <b>5,055</b>   | <b>3,496</b>   |
| Acquisition of subsidiaries, of shares in non-controlled entities                                       |       | <b>(50)</b>    | (92)           |
| Purchase of property plant and equipment and intangible assets  | 18    | <b>(4,449)</b> | (3,728)        |
| Proceeds on disposal of subsidiaries, of shares in non-controlled entities                              |       | <b>24</b>      | 32             |
| Proceeds on disposal of property plant and equipment and intangible assets                              | 11    | <b>1,391</b>   | 678            |
| Interest received   |       | <b>170</b>     | 285            |
| Dividends received  |       | <b>9</b>       | 5              |
| Decrease (increase) in net investments, more than 3 months  |       | <b>56</b>      | 52             |
| <b>NET CASH-FLOW USED IN INVESTING ACTIVITIES</b>   |       | <b>(2,849)</b> | <b>(2,768)</b> |
| Purchase of minority interest without change of control   |       | <b>(5)</b>     | (1)            |
| Issuance of perpetual   | 28.3  | <b>494</b>     | —              |
| Repayment of perpetual  | 28.3  | <b>(802)</b>   | —              |
| Coupons on perpetual  | 28.3  | <b>(241)</b>   | (231)          |
| Issuance of debt  | 31    | <b>1,671</b>   | 1,609          |
| Repayment on debt   | 31    | <b>(1,620)</b> | (1,930)        |
| Payments on lease debts   | 19    | <b>(960)</b>   | (891)          |
| New loans   |       | <b>(304)</b>   | (187)          |
| Repayment on loans  |       | <b>148</b>     | 182            |
| Interest paid   |       | <b>(670)</b>   | (664)          |
| Dividends paid  |       | <b>(2)</b>     | (1)            |
| <b>NET CASH-FLOW FROM FINANCING ACTIVITIES</b>  |       | <b>(2,291)</b> | <b>(2,114)</b> |
| Effect of exchange rate on cash and cash equivalents and bank overdrafts (net of cash acquired or sold) |       | <b>(30)</b>    | 34             |
| <b>Change in cash and cash equivalents and bank overdrafts</b>  |       | <b>(115)</b>   | <b>(1,352)</b> |
| <b>Cash and cash equivalents and bank overdrafts at beginning of period</b>                             | 26    | <b>4,829</b>   | <b>6,181</b>   |
| <b>Cash and cash equivalents and bank overdrafts at end of period</b>                                   | 26    | <b>4,714</b>   | <b>4,829</b>   |
| Income tax (paid) / reimbursed (flow included in operating activities)                                  |       | <b>(136)</b>   | <b>(20)</b>    |

The accompanying notes are an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

|         |  |    |
|---------|--|----|
| Note 1  | Basis of preparation of the consolidated financial statements                      | 10 |
| Note 2  | Sustainable development and climate  | 14 |
| Note 3  | Significant events   | 17 |
| Note 4  | Change in the consolidation scope  | 19 |
| Note 5  | Alternative performance measures   | 19 |
| Note 6  | Information by activity and geographical area                                      | 20 |
| Note 7  | External expenses  | 26 |
| Note 8  | Salaries and number of employees   | 26 |
| Note 9  | Other current operating income and expenses  | 27 |
| Note 10 | Amortization, depreciation and provisions  | 27 |
| Note 11 | Sales of aircraft equipment and other non-current income and expenses              | 28 |
| Note 12 | Net cost of financial debt and other financial income and expenses                 | 29 |
| Note 13 | Income taxes   | 30 |
| Note 14 | Earnings per share   | 33 |
| Note 15 | Goodwill   | 34 |
| Note 16 | Intangible assets  | 35 |
| Note 17 | Tangible assets  | 37 |
| Note 18 | Capital expenditures   | 39 |
| Note 19 | Right-of-use assets and lease debt   | 40 |
| Note 20 | Equity affiliates  | 45 |
| Note 21 | Impairment   | 46 |
| Note 22 | Other financial assets   | 49 |
| Note 23 | Inventories  | 51 |
| Note 24 | Trade accounts receivables   | 52 |
| Note 25 | Other assets   | 53 |
| Note 26 | Cash, cash equivalents and bank overdrafts   | 54 |
| Note 27 | Assets held for sale   | 55 |
| Note 28 | Equity attributable to equity holders of Air France-KLM SA                         | 55 |
| Note 29 | Pension assets and retirement benefits   | 60 |
| Note 30 | Return obligation liability and provision for leased aircraft and other provisions | 66 |
| Note 31 | Financial liabilities  | 71 |
| Note 32 | Net debt   | 77 |
| Note 33 | Loyalty program  | 79 |
| Note 34 | Other liabilities  | 80 |
| Note 35 | Financial risk management  | 81 |
| Note 36 | Valuation methods for financial assets and liabilities at their fair value         | 89 |
| Note 37 | Consolidated statement of cash flow and operating free cash flow                   | 90 |
| Note 38 | Flight equipment orders  | 91 |
| Note 39 | Other commitments  | 92 |
| Note 40 | Related parties  | 94 |
| Note 41 | Statutory auditors' fees   | 96 |
| Note 42 | Consolidation scope  | 97 |

# NOTE 1 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

---

As used herein, the term "Air France-KLM" refers to Air France-KLM SA, a limited liability company organized under French law. The term "Group" is represented by the economic definition of Air France-KLM and its subsidiaries. The Group is headquartered in France and is one of the largest airlines in the world.

The Group's core business is network activities which includes passenger transportation on scheduled flights and cargo activities. The Group's activities also include aeronautics maintenance, leisure passenger transportation (Transavia) and other air-transport-related activities.

The limited company Air France-KLM, domiciled at 7, rue du Cirque 75008 Paris – France, is the parent company of the Air France-KLM Group. Air France-KLM is listed for trading in Paris (Euronext) and Amsterdam (Euronext).

The presentation currency used in the Group's financial statements is the Euro, which is also Air France-KLM's functional currency.

## 1.1 Accounting principles

### Accounting principles and policies used for the consolidated financial statements

Pursuant to the European Regulation 1606-2002 of July 19, 2002, the consolidated financial statements of the Air France-KLM Group as of December 31, 2024 were established in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union on the date these consolidated financial statements were established.

The consolidated financial statements were approved by the Board of Directors on February 18, 2026 and submitted to the Annual General Meeting for its approval on June 3, 2026.

### Change in accounting principles

#### IFRS standards which are applicable on a mandatory basis to the 2025 financial statements

##### IAS 21, Amendment on Lack of Exchangeability of Currencies

In August 2023, the IASB issued an amendment to IAS 21 ("The Effects of Changes in Foreign Exchange Rates") to clarify how an entity should determine the exchange rate to use when currencies are not exchangeable (for example, due to restrictions or capital controls).

From January 1, 2025, if the market exchange rate is not accessible, an entity must estimate the rate that would be used in a reasonable transaction to realize cash flows in the foreign currency, using a consistent methodology and all available information.

This estimate and the methodology used must be disclosed in the notes to the financial statements, to enhance comparability and transparency in situations where monetary restrictions apply.

#### IFRS standards which are applicable on a mandatory basis from 2026

##### Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

The amendment to IFRS 9 and IFRS 7, published on October 30, 2024 (applicable from January 1, 2026), is primarily intended to clarify the classification and measurement of financial instruments, as well as to strengthen disclosure requirements. IFRS 9 specifies the application of the SPPI test, particularly for financial assets with contingent contractual features (including those linked to ESG criteria), and clarifies the derecognition of financial liabilities settled electronically, with an option allowing for early derecognition from the balance sheet when three cumulative criteria are met. At the same time, IFRS 7 introduces enhanced disclosure requirements, especially for instruments with variable contractual features and for equity instruments designated at fair value through OCI, in order to improve transparency for users of financial statements.

##### Amendment to IFRS 9 and IFRS 7 – Power Purchase Agreement

The 'own-use' exception under IFRS 9 is a key provision for energy purchase contracts, such as Power Purchase Agreements (PPAs). It allows an entity to exclude an energy purchase contract from the scope of IFRS 9 when it is entered into and executed solely to meet its own operational needs, with physical settlement, and not for the purpose of resale or price speculation. Consequently, when a PPA is intended for the entity's internal consumption, it is not treated as a financial instrument under IFRS 9, which simplifies its accounting and limits profit or loss volatility, even if it involves long-term payment commitments.

The amendments to IAS 21, IFRS 7, and IFRS 9 are not considered significant for the Group and are therefore not applicable.

#### OECD Pillar Two model rules

The Air France-KLM Group is subject to the OECD's Pillar 2 rules, following their transposition into French law and enactment for fiscal years beginning on or after December 31, 2023. Under this legislation, the Group is required to pay an additional tax for the difference between its GloBE effective tax rate (TEI GloBE) in each jurisdiction and the minimum rate of 15%.

Temporary protection schemes have been introduced for a maximum of three financial years, enabling the rules to be deferred. These schemes consist of simplified tests against the Pillar Two rules, calculated by jurisdiction and at the end of each financial year.

At the closing date, the Group considered that it could benefit from the temporary protection schemes in almost all the jurisdictions in which it operates, except for France and Great Britain mainly due to recognition/derecognition of deferred taxes and in non-significant jurisdictions, which must therefore carry out a full calculation of TEI GloBE in accordance with the law in force and the available OECD recommendations.

The full calculation of the TEI GloBE for the jurisdictions concerned exceeds the minimum rate. Consequently, no additional tax expense has been recorded at December 31, 2025.

The Air France-KLM Group applies the IAS 12 exception not to measure or recognize deferred tax assets and liabilities relating to the additional Pillar 2 tax.

## **IFRS 18, Presentation and Disclosures in Financial Statements**

On April 9, 2024, the International Accounting Standards Board (IASB) published its new standard IFRS 18 "Presentation and Disclosures in Financial Statements" which aims to improve the usefulness of information disclosed in primary financial statements and notes, providing investors with more transparent and comparable information.

IFRS 18 replaces IAS 1 "Presentation of Financial Statements" and amends other standards, principally IAS 7 "Statement of Cash Flows".

The main changes concern:

- the improvement of the comparability of the income statement by introducing three distinct categories of income and expenses (operating, investing and financing) and imposing new subtotals including operating income;
- the improvement of the transparency of performance indicators defined by management;
- the introduction of rules and guidance on how to aggregate and disaggregate financial information both in the primary financial statements and in the notes.

IFRS 18 is effective as of January 1, 2027 with early adoption allowed from January 1, 2026. IFRS 18 has been endorsed by the European Union on February the 13<sup>th</sup>.

The Group has made progress in assessing the impact of this new standard, particularly with regard to the structure of the income statement, the cash flow statement, and the performance measures defined and communicated by management. In this context, the Group is considering the creation of an "adjusted EBITDA" and an "adjusted operating result," which would be consistent, both in terms of content and amount, to the indicators currently used.

## **Other amendments or IFRS standards**

The mandatory amendments or IFRS standards for the financial statements 2025, which are not mentioned in this paragraph are considered as non applicable or without significant impact on the Air France-KLM Group financial statements.

## **1.2 Material judgements and accounting estimates**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates based on judgements and assumptions that affect the information presented in the consolidated financial statements and their notes.

The Group's management makes these estimates and assessments continuously on the basis of its past experience and various other factors considered to be reasonable.

The consolidated financial statements for the financial year have thus been established on the basis of the financial parameters available at the closing date.

These accounting estimates are based on the most-recently available, reliable information.

The actual results could differ from these estimates depending on changes in the assumptions used or different conditions.

The main estimates, assumptions and judgments made in the preparation of the consolidated financial statements and notes are described below:

- the valuation of revenue, related to passenger tickets and freight airway bills issued and not used (see Note 6 "Information by activity and geographical area");
- hypothesis used for impairment testing of non financial assets – including assumptions about climate issues (see Note 21 "Impairment");
- useful life of the fleet (see Note 17 "Tangible assets");
- calculation of implicit interest rate and incremental borrowing rate for the recognition of lease contracts (see Note 19 "Right-of-use assets and lease debt");
- calculation of the discount rate for the valuation of the return obligation liabilities and provision for leased aircraft (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions");
- determination of the deferred tax assets recoverability (see Note 13 "Income taxes").

These principles must be reviewed at the same time with the notes to the financial statements to which it refers in each paragraphs.

## 1.3 Consolidation principles

### Subsidiaries

In conformity with IFRS 10 "Consolidated Financial Statements", the Group's consolidated financial statements comprise the financial figures for all the entities that are controlled directly or indirectly by the Group, irrespective of its level of participation in the equity of these entities. The companies over which the Group exercises control are fully consolidated. An entity is controlled when the Group has power over it, is exposed or has rights to variable returns from its involvement in this entity, and has the ability to use its power to influence the amounts of these returns. The determination of control takes into account the existence of potential voting rights if they are substantive, meaning they can be exercised in time when decisions about the relevant activities of the entity need to be taken.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control begins until the date this control ceases.

Non-controlling interests are presented within equity and on the income statement separately from Group stockholders' equity and the Group's net income, under the line "non-controlling interests".

The effects of a buyout of non-controlling interests in a subsidiary already controlled by the Group and divestment of a percentage interest without loss of control are recognized in equity.

In a partial disposal resulting in loss of control, the retained equity interest is re-measured at fair value at the date of loss of control. The gain or loss on the disposal will include the effect of this re-measurement and the gain or loss on the sale of the equity interest, including all the items initially recognized in other comprehensive income and reclassified to profit and loss.

### Interest in associates and joint-ventures

In accordance with IFRS 11 "Joint Arrangements", the Group applies the equity method to partnerships over which it exercises control jointly with one or more partners. Control is considered to be joint when decisions about the relevant activities of the partnership require the unanimous consent of the Group and the other parties with whom control is shared.

In cases of a joint activity, the Group recognizes assets and liabilities in proportion to its rights and obligations regarding the entity.

In accordance with IAS 28 "Investments in Associates and Joint-Ventures", companies in which the Group has the ability to exercise significant influence over financial and operating policy decisions are also accounted for using the equity method. The ability to exercise significant influence is presumed to exist when the Group holds more than 20% of the voting rights.

The consolidated financial statements include the Group's share in the net result of associates and joint-ventures from the date the ability to exercise significant influence begins until the date it ceases, adjusted for any impairment loss of net investment.

The Group's share of losses of an associate exceeding the value of the Group's interest and net investment (long-term receivables for which no reimbursement is scheduled or likely) in this entity are not accounted for, unless the Group has:

- incurred contractual obligations to recover losses; or
- made payments on behalf of the associate.

Any surplus in investment cost over the Group's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the associate company on the date of acquisition is accounted for as goodwill and included in the book value of the investment accounted for using the equity method.

Investments in which the Group has ceased to exercise significant influence or joint control are no longer accounted for by the equity method and are accounted at their fair value as other financial assets on the date of loss of significant influence or joint control.

### Intra-group operations

All intra-Group balances and transactions are fully eliminated. Profits and losses resulting from intra-Group transactions are also eliminated.

Gains and losses realized on internal sales with associates and jointly-controlled entities are eliminated, to the extent of the Group's interest in the entity, providing there is no impairment.

### Translation of foreign companies' financial statements

The financial statements of foreign subsidiaries are translated into euros on the following basis:

- except for the equity for which historical prices are applied, balance sheet items are converted on the basis of the foreign currency exchange rates in effect at the closing date;
- the income statement and the statement of cash flows are converted on the basis of the average foreign currency exchange rates for the period;
- the resulting foreign currency exchange adjustment is recorded in the "Translation adjustments" item within equity;
- goodwill is converted into euros using the foreign exchange rate in effect at the closing date.

## Translation of foreign currency transactions

Foreign currency transactions are translated using the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate in effect at the closing date.

Non-monetary assets and liabilities denominated in foreign currencies assessed on a historical cost basis are translated using the rate in effect at the transaction date or the hedging rate, when applicable.

The corresponding exchange rate differences are recorded in the income statement. Changes in fair value of the hedging instruments are recorded using the accounting treatment described in Note 35 "Financial risk management".

## 1.4 Alternative performance measures

### Current EBITDA (Earnings Before Interest, Taxes,

**Depreciation and Amortization:** by excluding the main line of the income statement which does not involve cash disbursement ("Amortization, depreciation and provision") from income from current operations, current EBITDA provides a simple indicator of the cash generated by the Group's current operational activities. It is thus commonly used for the calculation of the financial coverage and enterprise value ratios (see Note 5 "Alternative Performance Measures").

**Operating free cash flow:** this corresponds to the net cash flow from operating activities net of the purchases of property, plant and equipment and intangible assets, plus the proceeds on the disposal of property, plant and equipment and intangible assets. It does not include the other cash flows linked to investment operations, particularly investments in subsidiaries and other financial assets and net cash flow from the operating activities of discontinued operations (see Note 5 "Alternative Performance Measures").

**Recurring operating free cash flow adjusted:** this corresponds to operating free cash flow net of the payment of lease debts and of the interests paid or received and paid or received exceptional payments affecting the comparability between each year (see Note 5 "Alternative Performance Measures").

### Distinction between income from current operation and

**income from operating activities:** the Group considers it relevant to the understanding of its financial performance to present in the income statement a subtotal within the "income from operating activities". This subtotal, entitled "Income from current operations", excludes unusual elements that do not have predictive value due to their nature, frequency and/or materiality, as defined in recommendation No. 2020-01 from the France's accounting standards authority.

Such elements are as follows:

- sales of aircraft equipment and significant disposals of other assets (including sales and leaseback);
- accelerated aircraft phase-out;
- income from the disposal of subsidiaries and affiliates;
- restructuring costs when they are significant;
- modification of pension plans;
- significant and infrequent elements such as the recognition of badwill in the income statement, the recording of an impairment loss on goodwill and significant provisions for litigation.

**Net debt:** this corresponds to the amount of the Group's financial liabilities less net cash (see Note 32 "Net debt").

Financial liabilities include:

- current and non-current financial liabilities (excluding accrued interests);
- current and non-current lease debt (excluding accrued interests);
- deposits related to financial liabilities and lease debt;
- derivatives impact on debt.

Net cash include:

- cash and cash equivalents;
- marketable securities over three months;
- bonds investments;
- bank overdraft.

## NOTE 2 SUSTAINABLE DEVELOPMENT AND CLIMATE

---

Air France-KLM's ambition is to contribute to the International Civil Aviation Organization's (ICAO) long-term global aspirational goal of net-zero carbon emissions by 2050.

Air France KLM plays an active role in advancing the ambition of Net Zero emissions by 2050 as an industry. To support this ambition, the Group has developed a Climate Transition Plan including a mid-term target for 2030 validated by the SBTi. This plan is built around several levers, including mainly (i) investments in the renewal of the Group's fleet for new generation aircraft emitting up to 25% less CO<sub>2</sub> per passenger km (the Group's ambition is to reach up to 80% of new generation aircraft by 2030) and (ii) the progressive incorporation of SAF.

Independent agencies regularly assess the extra financial performances of the Air France-KLM Group based on ESG criteria (Environmental, Social and Governance). In 2025, the Group's performance was recognized through the below ESG ratings.

CDP: "A list" on Climate. By scoring an "A" on Climate, the Air France-KLM Group demonstrated environmental transparency and leadership and is among the top 4% of companies scored by CDP in 2025. An "A" score reflects not just disclosure, but credible, verified action across governance, targets and value chains.

With a score of 83/100 from EcoVadis (Gold Medal, issued in January 2026), the Air France-KLM Group is in the top 5% of all evaluated companies. The EcoVadis assessment evaluates 21 sustainability criteria across four core themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. More than 130,000 companies globally have been rated by EcoVadis.

The US rating agency MSCI has reanalyzed the Air France-KLM Group's sustainability management and has given it a "BBB" rating (issued in February 2025). MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to (CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

In the ISS ESG Corporate Rating 2025, the Air France-KLM Group has been awarded "Prime Status" with a "C+". Prime status refers to a company's demonstrated ability to adequately manage material ESG risks.

The Group's financial statements integrate climate change and sustainability issues in various items as described below.

### 2.1 Valuation of assets and consideration of environmental risks and commitments

The impact of climate change has been taken into account in preparing the Group's financial statements for the year ending December 31, 2025. In order to identify the physical and transitional climate-related risks to which the Group is exposed, a climate scenario analysis was carried out. However, the physical risks identified in this way were not considered likely to have a significant impact on operational continuity, given the Group's balanced network between the different continents and the flexibility of its fleet, which minimizes the economic consequences of extreme weather events.

The impacts of expected or probable regulatory changes are included in the Air France-KLM Group's five-year plan, notably:

- the rising cost of carbon credits and CO<sub>2</sub> offsetting under European (EU-ETS) and international (CORSIA) mechanisms;
- the increasing trajectory of SAF incorporation;
- the Group's ability to pass on additional costs in ticket prices;
- the acceptability of air transport and its effect on demand reflected in the long term growth rate of its activity;
- the investments and depreciation, as well as the expenses incurred, linked to the fleet renewal plan, in line with the CO<sub>2</sub> emission reduction targets as part of its Transition Plan.

These elements are consequently taken into account in the assumptions used to test the recoverable value of assets (see Note 21 "Impairment").

In 2025, the environmental impacts have not led to the recognition of any impairment or accelerated depreciation of the Group's assets.

### 2.2 Sustainable investments and financings

#### 2.2.1 Fleet modernization

Currently, one of the most impactful ways to reduce the carbon footprint is to invest in a more fuel-efficient fleet. The Group is focusing on simplifying and rationalizing its fleet to make it more competitive. The Group's transformation is therefore continuing with the phase in of more modern, high-performance aircraft with a significantly lower environmental impact and a reduced noise footprint.

The renewal of the Group's airline fleet for new-generation aircraft, that are up to 25% more efficient in terms of fuel consumption and therefore CO<sub>2</sub> emissions, and generate less noise, resulted in capital expenditures on aircraft equipment amounting to €2,018 million as of December 31, 2025 (€1,419 million as of December 31, 2024) (see Note 18 "Capital expenditures") and resulted in new lease contracts or renewal of lease contracts excluding sales and leasebacks operations of 2025 amounting to €1,099 million as of December 31, 2025 (€966 million as of December 31, 2024) (see Note 19 "Right-of-use assets and lease debts").

Pursuing its fleet renewal plan, the Group will continue to receive new-generation aircraft over the next few years, with the aim of having up to 80% of its fleet composed of new-generation aircraft by 2030 (see Note 38 "Flight equipment orders").

## 2.2.2 Other investments

The decarbonization of the Group's activities is also reflected in investments in materials and equipment designed to reduce its environmental footprint.

In order to adapt its business to climate change and in particular reduce emissions of its ground operations, the Air France-KLM Group is pursuing a sustainable investment policy and is notably investing in fully electric ramp equipment (vehicles, tractors and loading equipment) and the energy renovation of its buildings.

These investments represented €24 million as of December 31, 2025 (€18 million as of December 31, 2024).

## 2.2.3 Sustainable financings

To support its investments, the Air France-KLM Group has entered into secured financing agreements integrating sustainable development issues, through which the Group and its airlines benefit from more advantageous financing conditions if it achieves targets related to the reduction of its greenhouse gas emissions, fleet renewal and the incorporation of SAF.

On January 2023, Air France-KLM issued sustainability-linked bonds for a total amount of €1 billion (see Note 31.2.2 "Sustainability-linked bonds").

On April 2023 Air France-KLM, Air France and KLM have signed two ESG ("Environmental, Social and Governance") KPI-Linked Revolving Credit Facilities ("RCF") with a pool of international financial institutions. As of December 31, 2025 these credit lines (undrawn) amount respectively to €1,405 million and €1,000 million with a maturity in 2029 (see Note 31.6 "Credit lines" and 4.1 "Significant events occurring during the period").

To support their investments in new-generation aircraft, Air France and KLM have also entered into financing or lease contracts with specific clauses linked to compliance with environmental criteria. On December 31 2025, these financings amount for:

- €573 million booked in the line "Other debt" (see Note 31 "Financial liabilities");
- €1,326 million booked in the line "Debt on leases with bargain option" (see Note 31 "Financial liabilities");
- €598 million booked in the line "lease debt aircraft" (see Note 19 "Right-of-use assets and lease debt").

## 2.3 SAF-Greenhouse gas emission rights and CO<sub>2</sub> compensation

### 2.3.1 SAF

"SAF" refers to an alternative to regular aviation fuel, identified as "Sustainable Aviation Fuel" within the meaning of Article 3(7) of Regulation (EU) 2023/2405 of October 18, 2023 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation) and is defined as aviation fuels that are either:

- (a) synthetic aviation fuels; or
- (b) aviation biofuels; or
- (c) recycled carbon aviation fuels.

As part of its decarbonization objectives, the Air France-KLM Group has developed a progressive and proactive SAF purchasing policy, aiming to incorporate up to 10% SAF by 2030, above and beyond its regulatory obligations.

SAF expenses amounted for €(226) million as of December 31, 2025 (€(170) million as of December 31, 2024) (see Note 7 "External expenses").

To cover the additional costs incurred by SAF purchases, the Air France-KLM Group introduced a specific surcharge on tickets departing from France and the Netherlands on January 1, 2022. In addition, voluntary contribution mechanisms enable the Group's customers to contribute financially to the supply and use of SAF beyond the regulatory incorporation. As of December 31, 2025, the total amount collected in respect of the surcharge and voluntary contributions represented €232 million (€153 million as of December 31, 2024).

In order to secure its future purchases of SAF, Air France-KLM signed several contracts with the suppliers Nestlé, DG Fuels, SkyNRG and TotalEnergies for the supply of 3.5 million tons of SAF until 2043 (see Note 39.2 "Commitments given subject to variable conditions and not valued").

### **2.3.2 Greenhouse gas emission rights and CO<sub>2</sub> compensation**

Since January 1, 2012, airlines have been subject to the Emission Trading Scheme (EU-ETS) regulations for all flights to or from the European Economic Area, as described in Note 25 "Other assets" and Note 35.4 "Carbon credit risk". As such, the Group must purchase CO<sub>2</sub> allowances, in addition to the free allowances, to offset its emissions.

The ICAO has also put in place the CORSIA program, adopted by most countries, including France. This program consists of offsetting, through certified CO<sub>2</sub> reduction projects, any excess – compared with the benchmark of 85% of 2019 emissions – in greenhouse gas emissions produced by commercial flights. All of Air France-KLM airlines participate in this international program.

Since January 1, 2020, Air France has also been offsetting all its customers' CO<sub>2</sub> emissions on French domestic routes, in line with French regulations, by purchasing credits representing carbon offsetting from approved partners.

The Group accounts for these CO<sub>2</sub> quotas in the line "other assets" of its balance sheet (see Note 25 "Other assets"). As of December 31, 2025, the value of the CO<sub>2</sub> quotas amounted to €547 million (€470 million as of December 31, 2024).

To meet its obligation to surrender the allowances corresponding to its emissions, the Group recorded a net expense of €(346) million as of December 31, 2025 (€(249) million as of December 31, 2024) (see Note 7 "External expenses").

The obligation to surrender allowances, valued at acquisition cost for rights acquired (including free allowances) and at market value for rights yet to be acquired, is recorded as provisions in the Group's balance sheet. These "provisions for CO<sub>2</sub> quota surrenders" amounted for €326 million as of December 31, 2025 (€250 million as of December 31, 2024) (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions").

Finally, the Group has hedging instruments for its future purchases of CO<sub>2</sub> quotas for a nominal amount of €214 million as of December 31, 2025 (€240 million as of December 31, 2024) (see Note 35.4 "Carbon credit risk").

### **2.4 Management compensation**

The performance criteria taken into account for the calculation of both annual and long-term variable management compensation (see Note 40.1 "Transactions with the principal executives") include sustainability-related performance indicators linked related to sustainable development, notably the compliance with the decarbonization roadmap and the reduction of CO<sub>2</sub> emission.

## NOTE 3 SIGNIFICANT EVENTS

---

### 3.1 Significant events occurring during the period

#### Measures to strengthen operational and financial position at KLM

On January 29, 2025 KLM announced a reduction of 250 jobs in non-operational roles. In 2025 all related domains have prepared specific plans, which have been discussed with the Works Council. KLM and Grounds Unions agreed that it will not lead to forced lay-offs and thus no restructuring provision has been recorded.

#### Issue of €500 million of hybrid bonds

Air France-KLM has placed €500 million of hybrid bonds on 15 May 2025, with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date, on August 21, 2030.

They are recognised as equity in the consolidated financial statements (see Note 28.3 "Perpetual").

#### Extension of revolving credit facilities ("RCF") linked to ESG KPIs

##### Air France-KLM and Air France:

Air France-KLM and Air France, combined borrowers, signed in April 2023 a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to around €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, Air France and Air France-KLM executed the extension option for one year, extending to a 2027 maturity.

Finally and as of July 18, 2024 a new amendment had been signed for Air France-KLM and Air France credit facility involving:

- an extension of the maturity to July 2028 associated with a one-year extension option;
- an increase of the facility from €1,290 million to €1,405 million.

This last extension option was exercised in June 2025, bringing the maturity date to 2029.

##### KLM:

In April 2023, KLM signed a €1.0 billion RCF including ESG Key Performance Indicators. This RCF had an initial 2027 maturity and included two one-year extension options. In April 2024, a first one-year extension option has been executed extending to a 2028 maturity. In April 2025, the second extension option has been executed extending to a 2029 maturity (see Note 31.6 "Credit lines").

#### Redemption of the 2022 super-subordinated notes for a total amount of €497 million

On June 20, 2025, Air France irrevocably notified Apollo Company of the redemption of €497 million of the 2022 super-subordinated notes on 28, July 2025.

The repayment was effective as of 28 July, 2025 for a total amount of €527 million of which €497 million for the nominal and €30 million for the accrued interests (see Note 28.3 "Perpetual").

#### Process for acquiring a majority stake in SAS

Air France-KLM Group initiated proceedings to take a majority stake in SAS. The Group currently holds a 19,9% stake in the Scandinavian carrier and since the summer of 2024, it has implemented a commercial cooperation between SAS, Air France and KLM in the form of extended codeshare and interline agreements, further strengthened by SAS joining the SkyTeam alliance.

Provided all the necessary conditions are met, Air France-KLM would fully acquire the stakes held by Castlelake and Lind Invest, bringing its own stake to 60.5%. The Danish State would retain its 26.4% stake in SAS and its seats on the Board of Directors.

Subject to the obtaining of all the necessary regulatory clearances and satisfaction of all conditions precedents, the ambition is to close in the second half of 2026.

The acquisition of this majority stake would give Air France-KLM control of SAS, which would become a subsidiary of the Air France-KLM Group. The Group would hold the majority of seats on the airline's Board of Directors.

Air France-KLM and SAS remain for now commercial competitors.

## Implementation of a Liquidity Contract

Air France-KLM implemented as of August 1, 2025 a liquidity contract on its own ordinary shares with an initial term of 12 months and renewed automatically for successive 12-month periods.

The purpose of this agreement is for Rothschild Martin Maurel to act as a market maker for Air France-KLM shares on the regulated market of Euronext Paris to promote the liquidity of transactions and the regularity of the listing of Air France-KLM shares.

To implement this contract, €10 million have been allocated to the liquidity account (see Note 28.2 "Treasury shares").

## Issuance of €500 million of bonds

Air France-KLM has placed €500 million of senior unsecured bonds on August 28, 2025, with a maturity of 5 years and a coupon of 3.75% (yield of 3.866%) under its EMTN program.

The cash inflow occurred on September 4, 2025 (see Note 31 "Financial liabilities").

## Redemption of the 2022 last-rank indefinite subordinated bond convertible into new shares and/or existing shares for a nominal amount of €305 million

On October 15, Air France-KLM Group notified the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares its intention to redeem all of the outstanding hybrid Bonds from the First Hard Call Date at a price per hybrid Bonds equal to par (€100,000) plus accrued interest of 1,625 euro.

The payment occurred on Monday 24 November 2025 for a nominal value of €305 million to which were added €4,9 millions of accrued interest (see Note 28.3 "Perpetual").

## Acquisition of a 2.3% Stake in the Capital of Airline WestJet

On October 22, 2025, Air France-KLM finalized the acquisition of a 2.3% stake in the capital of Canadian airline WestJet for a total amount of \$49 million. This transaction, initially announced on May 9, 2025, remained subject to certain approvals.

Air France-KLM purchased this stake from its joint venture partner Delta Air Lines, which acquired a minority stake of 15% in WestJet as part of a separate transaction also finalized on October 22 (which also included Korean Air's acquisition of a 10% stake in WestJet).

The stakes acquired by the three airlines thus represent a total of 25% of WestJet's capital (with 12.7% for Delta Air Lines, 10% for Korean Air, and 2.3% for Air France-KLM), sold by funds and co-investors affiliated with Onex Partners (see Note 22 "Other financial assets").

## 3.2 Subsequent events

### Issuance of €650 million of bonds within the EMTN program

Air France-KLM has placed €650 million of senior unsecured bonds on January 8, 2026, with a maturity of 5 years and a fixed annual coupon of 3.875% (yield of 4.033%) under its EMTN program.

### Exceptional contribution on profits of large companies

The 2026 "Loi de finances" has extended by one year the exceptional contribution on the profits of large companies introduced under the 2025 "Loi de finances".

The terms and the calculation base will remain unchanged. The 2026 exceptional contribution will be applied to the average corporate income tax due for the 2025 and 2026 financial years with the rate of 41,2%.

As the 2026 "Loi de finance" had not been adopted by December 31, 2025, this contribution was not taken into account in determining the current tax expense for the 2025 financial year. The amount would have represented €11 million (see Note 12 "Income Taxes").

## NOTE 4 CHANGE IN THE CONSOLIDATION SCOPE

On February 1, 2024, KLM sold its 100%-owned subsidiary KLM Equipment Services B.V. to TCR International N.V. (TCR).

As of October 3, 2023, Air France-KLM had been selected by SAS AB's Board of Directors as the winning bidder in SAS's exit financing solicitation process, collectively with a consortium.

After the receipt of regulatory approvals in Europe and the United States, the Air France-KLM Group finalized as of August 28, 2024 the acquisition of a 19.9% non-controlling stake in the share capital of SAS AB.

No significant acquisitions or disposals took place in 2025.

## NOTE 5 ALTERNATIVE PERFORMANCE MEASURES

### 5.1 Current EBITDA

Period from January 1 to 31 December

| (in € millions)                             | Notes | 2025          | 2024          |
|---|-------|---------------|---------------|
| <b>Revenues from ordinary activities</b>    | 6.1   | <b>33,007</b> | <b>31,459</b> |
| External expenses                           | 7     | (19,393)      | (19,095)      |
| Salaries and related costs                  | 8     | (9,888)       | (9,461)       |
| Taxes other than income taxes               |       | (180)         | (176)         |
| Other current operating income and expenses | 10    | <b>1,512</b>  | 1,517         |
| <b>Current EBITDA</b>                       | 6.1   | <b>5,058</b>  | <b>4,244</b>  |

### 5.2 Operating free cash flow

Period from January 1 to December 31

| (in € millions)  | Notes                   | 2025         | 2024         |
|--|-------------------------|--------------|--------------|
| Net cash flow from operating activities                                    | Statement of cash flows | <b>5,055</b> | 3,496        |
| Purchase of property plant and equipment and intangible assets             | Statement of cash flows | (4,449)      | (3,728)      |
| Proceeds on disposal of property plant and equipment and intangible assets | Statement of cash flows | <b>1,391</b> | 678          |
| <b>Operating free cash flow</b>  | 32                      | <b>1,997</b> | <b>446</b>   |
| Interest paid  | Statement of cash flows | (670)        | (664)        |
| Interest received  | Statement of cash flows | <b>170</b>   | 285          |
| Payments on lease debts  | Statement of cash flows | (960)        | (891)        |
| <b>Adjusted operating free cash flow</b>                                   |                         | <b>537</b>   | <b>(824)</b> |
| Exceptional payments made/(received) <sup>(1)</sup>                        |                         | <b>493</b>   | 1,095        |
| <b>Recurring adjusted operating free cash flow</b>                         |                         | <b>1,030</b> | <b>271</b>   |

<sup>(1)</sup> Exceptional payments made/(received), restated from operating free cash flow for the calculation of recurring adjusted operating free cash flow, correspond to the repayment of deferred social charges, pensions contributions and wage taxes granted during the Covid period, see Note 37.2 "Breakdown of the change in working capital resource".

## NOTE 6 INFORMATION BY ACTIVITY AND GEOGRAPHICAL AREA

---

### Business segments (Note 6.1)

The segment information is prepared on the basis of internal management data communicated to the Executive Committee, the Group's principal operational decision-making body.

The Group is organized around the following segments:

- Network: The revenues for this segment, which includes the Passenger and Cargo network, primarily come from passenger transportation services on scheduled flights with the Group's airline code (excluding Transavia), including flights operated by other airlines under code-share agreements. They also include code-share revenues, revenues from excess baggage and airport services supplied by the Group to third-party airlines and services linked to IT systems. Network revenues also include freight carried on flights operated under the codes of the airlines within the Group and flights operated by other partner airlines under code-share agreements. Other cargo revenues are derived principally from the sale of cargo capacity to third parties and the transportation of shipments on behalf of the Group by other airlines. Management monitors the performance of both network traffic and cargo jointly, as the two activities are intrinsically linked, mainly due to the significant volume of cargo transported in the holds of passenger aircraft ;
- Maintenance: Maintenance operating revenues are generated through maintenance services provided to other airlines and customers worldwide;
- Transavia: The revenues from this segment come from the "leisure" activity realized by Transavia;
- Other: The revenues from this segment come from various services provided by the Group and not covered by the three segments mentioned above.

The results of the business segments are those that are either directly attributable or that can be allocated on a reasonable basis to these business segments. Amounts allocated to business segments mainly correspond to the current EBITDA, current operating income and to the income from operating activities. Other elements of the income statement are presented in the "non-allocated" column.

Inter-segment transactions are evaluated based on normal market conditions.

### Geographical segments (Note 6.2)

#### Activity by destination (Note 6.2.1)

Group Traffic sales by destination are broken down into seven geographical areas:

- Metropolitan France;
- Europe (excluding France) and North Africa;
- Caribbean, West Indies, French Guyana and Indian Ocean;
- Africa (excluding North Africa), Middle East;
- North America, Mexico and French Polynesia;
- South America (excluding Mexico);
- Asia and New Caledonia.

#### Activity by origin of sales area (Note 6.2.2)

Group external sales by origin of sale is generated in the following areas:

- France, excluding overseas departments and regions;
- Netherlands, excluding the Netherlands Antilles;
- Europe (excluding France and the Netherlands);
- United States;
- Canada;
- Rest of the world.

#### Assets by geographical area (Note 6.2.3)

As aircraft are by definition mobile and not assigned to specific routes, they are presented under the country of the entity's registered office.

Assets located in foreign establishments of Air France and KLM are not significant and are therefore respectively presented under France and Netherlands.

The assets sectorization by country is as follows:

- France;
- Netherlands;
- Rest of the world.



## ACCOUNTING PRINCIPLES

### Passenger and freight transportation

Sales related to air transportation operations, which consist of passenger and freight transportation, are recognized as revenue when the transportation service is provided.

The valuation of revenue, related to passenger tickets and freight airway bills issued and not used ("ticket breakage"), is based on a calculation using statistical rates, updated regularly and adjusted for non-recurring and specific events that may impact passenger behaviour.

The transportation service is also the trigger for the recognition as external expenses of the commissions paid to agents (e.g. credit card companies and travel agencies) and the booking fees.

Both passenger tickets and freight airway bills are consequently recorded on the Balance Sheet as "Deferred revenue upon issuance date". The recognition of the revenue known as "ticket breakage" is deferred until the transportation date initially foreseen.

The Group applies the exemption provided by IFRS 15 which allows the balance of the outstanding transactions to remain unspecified as well as their planned recognition date for the performance obligations related to contracts with an initial term set at one year or less. If the tickets are not used, the performance obligations related to passenger and freight transportation effectively expire within one year.

Pursuant to the European Union's Regulation EC 261, the Group compensates passengers in the event of denied boarding and for flight cancellations or long delays. This compensation is booked as contra revenue. The Group recognizes a corresponding amount in liabilities for future refunds to passengers. The determination of this liability for future refunds relies on a statistical approach.

Passenger ticket taxes calculated on ticket sales are collected by the Group to be paid to the airport authorities. Therefore, they do not correspond to revenue. Taxes are recorded as a liability until such time as they are paid to the relevant airport authority as a function of the chargeability conditions (on ticket issuance or transportation).

The Group considers that the company that issues the airway bill acts as principal since the latter has control over the achievement of the performance obligation. When the Group issues freight airway bills for its goods carried by another carrier (airline company or road carrier), the Group acts as principal. Therefore, at the time of transportation the Group recognizes as revenue the amount invoiced to the customer in its entirety as well as the chartering costs invoiced by the other carrier for the service provision.

### Maintenance

The main types of contracts with customers identified within the Group are mainly:

- Sales of maintenance and support contracts (Power by the hour contracts)

Some maintenance and support contracts cover the airworthiness of engines, equipment or airframes, an airframe being an aircraft without engines and equipment. The invoicing of these contracts is based on the number of flight hours or landings of the goods concerned by these contracts.

The different services included within each of these contracts consist of a unique performance obligation due to the existing interdependence between the services within the execution of these contracts.

Revenue from maintenance and support services is recognized on a percentage of completion basis, based on the costs incurred, if they can be reliably measured, plus the expected margin.

The transfer of the control of these services is performed continuously. As long as the margin on the contract cannot be measured in a reliable manner, the revenue will only be recognized at the level of the costs incurred.

Forecast margins on the contracts are assessed through the forecast future cash flows that take into account the obligations and factors inherent to the contracts as well as other internal parameters to the contract selected using historical and/or forecast data.

These forecast margins are regularly reviewed. If necessary, provisions are recorded as soon as any losses on completion of contracts are identified. Amounts invoiced to customers, and therefore mostly collected, which are not yet recognized as revenue, are recorded as liabilities on contracts (deferred revenue) at the accounting year end. Inversely, any revenue that has been recognized but not yet invoiced is recorded under assets (invoice to be issued) on the balance sheet at the accounting year end.

- Sales of spare parts repair and labor – Time & Material contracts

These services which relate to engines, equipment or airframes, an airframe being an aircraft without engines and equipment, are generally short term.

They consist of a unique performance obligation. The revenue is recognized as costs are incurred.

- Third-party procurement

When the Group serves as a broker between its suppliers and end customers, the Group acts as an agent and hence, recognizes the margin that results from this operation as revenue.

## 6.1 Information by business segment

Year ended December 31, 2025

| (in € millions)  | Notes | Network        | Maintenance  | Transavia    | Other      | Non-allocated | Consolidation adjustments | Total          |
|--|-------|----------------|--------------|--------------|------------|---------------|---------------------------|----------------|
| Passenger traffic revenues   | 6.2.1 | 24,113         | –            | 3,505        | –          | –             | –                         | 27,618         |
| Cargo traffic revenues   | 6.2.1 | 2,001          | –            | –            | –          | –             | –                         | 2,001          |
| Other revenues <sup>(1)</sup>  |       | 1,102          | 2,307        | (54)         | 32         | –             | –                         | 3,387          |
| <b>External revenues</b>   | 6.2.2 | <b>27,216</b>  | <b>2,307</b> | <b>3,451</b> | <b>32</b>  | –             | –                         | <b>33,006</b>  |
| Intersegment revenues  |       | 26             | 3,263        | 1            | 272        | –             | (3,562)                   | –              |
| <b>Segment revenues</b>  |       | <b>27,242</b>  | <b>5,570</b> | <b>3,452</b> | <b>304</b> | –             | <b>(3,562)</b>            | <b>33,006</b>  |
| Other revenues   | –     | –              | –            | 1            | –          | –             | –                         | 1              |
| <b>Revenues from ordinary activities</b>                               |       | <b>27,242</b>  | <b>5,570</b> | <b>3,452</b> | <b>305</b> | –             | <b>(3,562)</b>            | <b>33,007</b>  |
| Aircraft fuel & SAF  |       | (5,635)        | (3)          | (768)        | –          | –             | –                         | (6,406)        |
| Salaries and related costs   |       | (6,997)        | (1,261)      | (842)        | (807)      | –             | 19                        | (9,888)        |
| Others   |       | (10,655)       | (3,587)      | (1,496)      | 540        | –             | 3,543                     | (11,655)       |
| <b>Current EBITDA</b>  | 5.1   | <b>3,955</b>   | <b>719</b>   | <b>346</b>   | <b>38</b>  | –             | –                         | <b>5,058</b>   |
| Depreciation and amortization for the period                           |       | (2,178)        | (452)        | (395)        | (29)       | –             | –                         | (3,054)        |
| <b>Income from current operations</b>                                  |       | <b>1,777</b>   | <b>267</b>   | <b>(49)</b>  | <b>9</b>   | –             | –                         | <b>2,004</b>   |
| Income from operating activities                                       |       | 1,775          | 265          | (47)         | 9          | –             | –                         | 2,002          |
| Share of profits (losses) of associates                                |       | 28             | (15)         | –            | 1          | –             | –                         | 14             |
| Net cost of financial debt and other financial income and expenses     |       | –              | –            | –            | –          | (139)         | –                         | (139)          |
| Income taxes   |       | –              | –            | –            | –          | (123)         | –                         | (123)          |
| <b>NET INCOME</b>  |       | <b>1,803</b>   | <b>250</b>   | <b>(47)</b>  | <b>10</b>  | <b>(262)</b>  | –                         | <b>1,754</b>   |
| Segment assets   |       | 20,119         | 6,824        | 3,946        | 123        | –             | –                         | 31,012         |
| Non-allocated assets   | –     | –              | –            | –            | –          | 8,433         | –                         | 8,433          |
| <b>TOTAL ASSETS</b>  |       | <b>20,119</b>  | <b>6,824</b> | <b>3,946</b> | <b>123</b> | <b>8,433</b>  | –                         | <b>39,445</b>  |
| Segment liabilities  |       | 11,613         | 2,367        | 2,529        | 2          | –             | –                         | 16,511         |
| Non-allocated liabilities  | –     | –              | –            | –            | –          | 5,056         | –                         | 5,056          |
| Financial liabilities, lease debts, bank overdrafts and equity         |       | –              | –            | –            | –          | 17,878        | –                         | 17,878         |
| <b>TOTAL LIABILITIES</b>   |       | <b>11,613</b>  | <b>2,367</b> | <b>2,529</b> | <b>2</b>   | <b>22,934</b> | –                         | <b>39,445</b>  |
| <b>Purchase of property, plant and equipment and intangible assets</b> | 18    | <b>(3,442)</b> | <b>(524)</b> | <b>(478)</b> | <b>(5)</b> | –             | –                         | <b>(4,449)</b> |
| <b>Other non-monetary items</b>  |       | <b>71</b>      | <b>(18)</b>  | <b>2</b>     | <b>(1)</b> | –             | –                         | <b>54</b>      |

<sup>(1)</sup> This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

The non-allocated assets, amounting to €8.4 billion, comprise cash and cash equivalents of €4.7 billion (see Note 26 "Cash, cash equivalents and bank overdrafts"), other financial assets of €2.6 billion (see Note 22 "Other financial assets"), deferred tax of €0.7 billion (see Note 13.4 "Variation in deferred tax recorded during the period"), income taxes of €0.2 billion (see Note 25 "Other assets") and derivatives financial assets of €0.2 billion (see Note 35 "Financial risk management").

The non-allocated segment liabilities, amounting to €5.1 billion, mainly comprise pension provisions for €1.7 billion (see Note 29 "Pension assets and retirement benefits"), tax and employee-related liabilities of €2.2 billion (see Note 34 "Other liabilities"), other provisions litigation, restructuring and others for €0.7 billion (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions") and derivatives financial liabilities of €0.5 billion (see Note 35 "Financial risk management").

Financial liabilities, lease debts, bank overdrafts and equity are not allocated.

Year ended December 31, 2024

| (in € millions)  | Notes | Network        | Maintenance  | Transavia    | Other       | Non-allocated | Consolidation adjustments | Total          |
|--|-------|----------------|--------------|--------------|-------------|---------------|---------------------------|----------------|
| Passenger traffic revenues   | 6.2.1 | 23,172         | –            | 3,104        | –           | –             | –                         | 26,276         |
| Cargo traffic revenues   | 6.2.1 | 1,994          | –            | –            | –           | –             | –                         | 1,994          |
| Other revenues <sup>(1)</sup>  |       | 1,106          | 2,086        | (35)         | 30          | –             | –                         | 3,187          |
| <b>External revenues</b>   | 6.2.2 | <b>26,272</b>  | <b>2,086</b> | <b>3,069</b> | <b>30</b>   | <b>–</b>      | <b>–</b>                  | <b>31,457</b>  |
| Intersegment revenues  |       | 24             | 2,999        | 3            | 260         | –             | (3,286)                   | –              |
| <b>Segment revenues</b>  |       | <b>26,296</b>  | <b>5,085</b> | <b>3,072</b> | <b>290</b>  | <b>–</b>      | <b>(3,286)</b>            | <b>31,457</b>  |
| Other revenues   | –     | –              | –            | 2            | –           | –             | –                         | 2              |
| <b>Revenues from ordinary activities</b>                               |       | <b>26,296</b>  | <b>5,085</b> | <b>3,072</b> | <b>292</b>  | <b>–</b>      | <b>(3,286)</b>            | <b>31,459</b>  |
| Aircraft fuel & SAF  |       | (6,134)        | (4)          | (769)        | –           | –             | –                         | (6,907)        |
| Salaries and related costs   |       | (6,747)        | (1,195)      | (743)        | (793)       | –             | 17                        | (9,461)        |
| Others   |       | (10,011)       | (3,378)      | (1,260)      | 534         | –             | 3,269                     | (10,846)       |
| <b>Current EBITDA</b>  | 5.1   | <b>3,403</b>   | <b>508</b>   | <b>300</b>   | <b>33</b>   | <b>–</b>      | <b>–</b>                  | <b>4,244</b>   |
| Depreciation and amortization for the period                           |       | (1,982)        | (339)        | (297)        | (25)        | –             | –                         | (2,643)        |
| <b>Income from current operations</b>                                  |       | <b>1,421</b>   | <b>170</b>   | <b>3</b>     | <b>7</b>    | <b>–</b>      | <b>–</b>                  | <b>1,601</b>   |
| Income from operating activities                                       |       | 1,290          | 169          | 3            | 4           | –             | –                         | 1,466          |
| Share of profits (losses) of associates                                |       | (34)           | 9            | –            | 6           | –             | –                         | (19)           |
| Net cost of financial debt and other financial income and expenses     |       | –              | –            | –            | –           | (874)         | –                         | (874)          |
| Income taxes   |       | –              | –            | –            | –           | (84)          | –                         | (84)           |
| <b>NET INCOME</b>  |       | <b>1,256</b>   | <b>178</b>   | <b>3</b>     | <b>10</b>   | <b>(958)</b>  | <b>–</b>                  | <b>489</b>     |
| Segment assets   |       | 18,276         | 6,118        | 2,902        | 131         | –             | –                         | 27,427         |
| Non-allocated assets   |       | –              | –            | –            | –           | 8,728         | –                         | 8,728          |
| <b>TOTAL ASSETS</b>  |       | <b>18,276</b>  | <b>6,118</b> | <b>2,902</b> | <b>131</b>  | <b>8,728</b>  | <b>–</b>                  | <b>36,155</b>  |
| Segment liabilities  |       | 11,330         | 2,083        | 2,139        | 2           | –             | –                         | 15,554         |
| Non-allocated liabilities  |       | –              | –            | –            | –           | 5,160         | –                         | 5,160          |
| Financial liabilities, lease debts, bank overdrafts and equity         |       | –              | –            | –            | –           | 15,441        | –                         | 15,441         |
| <b>TOTAL LIABILITIES</b>   |       | <b>11,330</b>  | <b>2,083</b> | <b>2,139</b> | <b>2</b>    | <b>20,601</b> | <b>–</b>                  | <b>36,155</b>  |
| <b>Purchase of property, plant and equipment and intangible assets</b> | 18    | <b>(2,848)</b> | <b>(527)</b> | <b>(353)</b> | <b>–</b>    | <b>–</b>      | <b>–</b>                  | <b>(3,728)</b> |
| <b>Other non-monetary items</b>  |       | <b>9</b>       | <b>(12)</b>  | <b>2</b>     | <b>(10)</b> | <b>(3)</b>    | <b>–</b>                  | <b>(14)</b>    |

<sup>(1)</sup> This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

The non-allocated assets, amounting to €8.7 billion, comprise cash and cash equivalents of €4.8 billion (see Note 26 "Cash, cash equivalents and bank overdrafts"), other financial assets of €2.6 billion (see Note 22 "Other financial assets"), deferred tax of €0.7 billion (see Note 13.4, "Variation in deferred tax recorded during the period"), income taxes of €0.2 billion (see Note 25 "Other assets") and derivatives financial assets of €0.4 billion (see Note 35 "Financial risk management").

The non-allocated segment liabilities, amounting to €5.2 billion, mainly comprise pension provisions for €1.7 billion (see Note 29 "Pension assets and retirement benefits"), tax and employee-related liabilities of €2.6 billion (see Note 34 "Other liabilities"), other provisions litigation, restructuring and others for €0.7 billion (see Note 30 "Return obligation liability and provision for leased aircraft and other provisions") and derivatives financial liabilities of €0.2 billion (see Note 35 "Financial risk management").

Financial liabilities, lease debts, bank overdrafts and equity are not allocated.

## 6.2 Information by geographical area

### 6.2.1 Activity by destination

#### TRAFFIC SALES BY GEOGRAPHICAL AREA OF DESTINATION

Year ended December 31, 2025

| (in € millions)             | Notes | Metropolitan France | Europe (excl. France), North Africa | Caribbean, French Guyana, Indian Ocean | Africa (excl. North Africa), Middle East | North America, Mexico, French Polynesia | South America (excl. Mexico) | Asia, New Caledonia | Total         |
|-----------------------------|-------|---------------------|-------------------------------------|--|--|---|------------------------------|---------------------|---------------|
| Passenger                   | 6.1   | 1,102               | 5,734                               | 1,886                                  | 2,951                                    | 6,369                                   | 2,521                        | 3,550               | <b>24,113</b> |
| Cargo                       | 6.1   | 226                 | 385                                 | 41                                     | 266                                      | 275                                     | 242                          | 566                 | <b>2,001</b>  |
| Transavia                   | 6.1   | 122                 | 3,113                               | –                                      | 270                                      | –                                       | –                            | –                   | <b>3,505</b>  |
| <b>TOTAL TRANSPORTATION</b> |       | <b>1,450</b>        | <b>9,232</b>                        | <b>1,927</b>                           | <b>3,487</b>                             | <b>6,644</b>                            | <b>2,763</b>                 | <b>4,116</b>        | <b>29,619</b> |

Year ended December 31, 2024

| (in € millions)             | Notes | Metropolitan France | Europe (excl. France), North Africa | Caribbean, French Guyana, Indian Ocean | Africa (excl. North Africa), Middle East | North America, Mexico, French Polynesia | South America (excl. Mexico) | Asia, New Caledonia | Total         |
|-----------------------------|-------|---------------------|-------------------------------------|--|--|---|------------------------------|---------------------|---------------|
| Passenger                   | 6.1   | 1,113               | 5,573                               | 1,856                                  | 2,940                                    | 5,988                                   | 2,311                        | 3,391               | <b>23,172</b> |
| Cargo                       | 6.1   | 213                 | 325                                 | 29                                     | 328                                      | 268                                     | 291                          | 540                 | <b>1,994</b>  |
| Transavia                   | 6.1   | 133                 | 2,757                               | –                                      | 214                                      | –                                       | –                            | –                   | <b>3,104</b>  |
| <b>TOTAL TRANSPORTATION</b> |       | <b>1,459</b>        | <b>8,655</b>                        | <b>1,885</b>                           | <b>3,482</b>                             | <b>6,256</b>                            | <b>2,602</b>                 | <b>3,931</b>        | <b>28,270</b> |

### 6.2.2 Activity by origin of sales area

#### EXTERNAL SALES BY GEOGRAPHICAL AREA

Year ended December 31, 2025

| (in € millions)            | Notes | France, excluding French overseas departments | Netherlands, excluding Dutch Caribbean | Europe (excluding France & Netherlands) | USA          | Canada     | Rest of the world | Total         |
|----------------------------|-------|---|--|---|--------------|------------|-------------------|---------------|
| Transportation             |       | 6,903   | 2,861                                  | 5,716                                   | 4,202        | 790        | 5,642             | 26,114        |
| Other sales <sup>(1)</sup> |       | 510   | 117                                    | 100                                     | 43           | 2          | 330               | 1,102         |
| <b>Total Network</b>       | 6.1   | <b>7,413</b>                                  | <b>2,978</b>                           | <b>5,816</b>                            | <b>4,245</b> | <b>792</b> | <b>5,972</b>      | <b>27,216</b> |
| Transportation             |       | 1,372   | 1,578                                  | 433                                     | 35           | –          | 87                | 3,505         |
| Other sales <sup>(1)</sup> |       | (28)  | (21)                                   | (4)                                     | –            | –          | (1)               | (54)          |
| <b>Total Transavia</b>     | 6.1   | <b>1,344</b>                                  | <b>1,557</b>                           | <b>429</b>                              | <b>35</b>    | –          | <b>86</b>         | <b>3,451</b>  |
| Maintenance                | 6.1   | 1,232   | 919                                    | 27                                      | 122          | –          | 7                 | 2,307         |
| Others                     | 6.1   | 8   | 23                                     | 1                                       | –            | –          | –                 | 32            |
| <b>TOTAL</b>               |       | <b>9,997</b>                                  | <b>5,477</b>                           | <b>6,273</b>                            | <b>4,402</b> | <b>792</b> | <b>6,065</b>      | <b>33,006</b> |

<sup>(1)</sup> This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

Year ended December 31, 2024

| (in € millions)            | Notes | France,<br>excluding French<br>overseas<br>departments | Netherlands,<br>excluding Dutch<br>Caribbean | Europe<br>(excluding<br>France &<br>Netherlands) | USA          | Canada     | Rest of the<br>world | Total         |
|----------------------------|-------|--|--|--|--------------|------------|----------------------|---------------|
| Transportation             |       | 6,552  | 2,782  | 5,564  | 4,046        | 811        | 5,411                | 25,166        |
| Other sales <sup>(1)</sup> |       | 544  | 175  | 104  | 27           | 4          | 252                  | 1,106         |
| <b>Total Network</b>       | 6.1   | <b>7,096</b>   | <b>2,957</b>                                 | <b>5,668</b>                                     | <b>4,073</b> | <b>815</b> | <b>5,663</b>         | <b>26,272</b> |
| Transportation             |       | 1,165  | 1,591  | 270  | 18           | 1          | 59                   | 3,104         |
| Other sales <sup>(1)</sup> |       | (10)   | (21)   | (4)  | —            | —          | —                    | (35)          |
| <b>Total Transavia</b>     | 6.1   | <b>1,155</b>   | <b>1,570</b>                                 | <b>266</b>                                       | <b>18</b>    | <b>1</b>   | <b>59</b>            | <b>3,069</b>  |
| Maintenance                | 6.1   | 1,154  | 788  | 21   | 118          | —          | 5                    | 2,086         |
| Others                     | 6.1   | 9  | 22   | (1)  | —            | —          | —                    | 30            |
| <b>TOTAL</b>               |       | <b>9,414</b>   | <b>5,337</b>                                 | <b>5,954</b>                                     | <b>4,209</b> | <b>816</b> | <b>5,727</b>         | <b>31,457</b> |

<sup>(1)</sup> This line includes compensation paid to clients in accordance with EU261 (see Accounting Principles).

## 6.2.3 Assets by geographical area

### ASSETS SECTORIZATION BY COUNTRY

Year ended December 31, 2025

| (in € millions)         | Notes | France        | Netherlands  | Rest of the world | Total         |
|-------------------------|-------|---------------|--------------|-------------------|---------------|
| Intangible fixed assets | 16    | 449           | 749          | 1                 | 1,199         |
| Flight equipment        | 17    | 8,194         | 5,457        | —                 | 13,651        |
| Other tangible Assets   | 17    | 919           | 729          | 31                | 1,679         |
| Right-of-use asset      | 19    | 6,442         | 2,988        | 22                | 9,452         |
| <b>TOTAL</b>            |       | <b>16,004</b> | <b>9,923</b> | <b>54</b>         | <b>25,981</b> |

Year ended December 31, 2024

| (in € millions)         | Notes | France        | Netherlands  | Rest of the world | Total         |
|-------------------------|-------|---------------|--------------|-------------------|---------------|
| Intangible fixed assets | 16    | 419           | 729          | 2                 | 1,150         |
| Flight equipment        | 17    | 7,251         | 5,096        | —                 | 12,347        |
| Other tangible Assets   | 17    | 849           | 654          | 30                | 1,533         |
| Right-of-use asset      | 19    | 5,497         | 2,076        | 19                | 7,592         |
| <b>TOTAL</b>            |       | <b>14,016</b> | <b>8,555</b> | <b>51</b>         | <b>22,622</b> |

## NOTE 7 EXTERNAL EXPENSES

Period from January 1 to December 31

| (in € millions)                    | 2025            | 2024            |
|------------------------------------|-----------------|-----------------|
| Aircraft fuel                      | (6,180)         | (6,737)         |
| SAF                                | (226)           | (170)           |
| CO <sub>2</sub> quotas             | (346)           | (249)           |
| Chartering costs                   | (456)           | (497)           |
| Landing fees and air route charges | (2,331)         | (2,048)         |
| Catering                           | (975)           | (919)           |
| Handling charges                   | (2,178)         | (2,032)         |
| Aircraft maintenance costs         | (3,494)         | (3,320)         |
| Commercial and distribution costs  | (1,146)         | (1,060)         |
| Other external expenses            | (2,061)         | (2,063)         |
| <b>TOTAL</b>                       | <b>(19,393)</b> | <b>(19,095)</b> |

A portion of external expenses, mainly aircraft fuel and maintenance, is sensitive to fluctuations in the US dollar exchange rate. The hedges covering this currency exposure are presented in Note 9 "Other current operating income and expenses".

## NOTE 8 SALARIES AND NUMBER OF EMPLOYEES



### ACCOUNTING PRINCIPLES

IFRS 2 "Share-based payment" requires share-based payment services to be recognised as an employee expense. These services are measured at the fair value of the instruments granted.

The accounting policies applied by the Group to recognize its defined obligations in accordance with IAS 19 (revised) are detailed in Note 29 "Pension assets and retirement benefits".

### SALARIES AND RELATED COSTS

Period from January 1 to December 31

| (in € millions)                             | 2025           | 2024           |
|---|----------------|----------------|
| Wages and salaries                          | (6,900)        | (6,623)        |
| Social contributions                        | (1,320)        | (1,231)        |
| Pension costs on defined contribution plans | (1,053)        | (1,003)        |
| Pension costs of defined benefit plans      | (168)          | (164)          |
| Cost of temporary employees                 | (266)          | (274)          |
| Profit sharing                              | (149)          | (78)           |
| Payment linked with shares                  | (2)            | (2)            |
| Other expenses                              | (30)           | (86)           |
| <b>TOTAL</b>                                | <b>(9,888)</b> | <b>(9,461)</b> |

### Pension costs on defined contribution plans

The Group pays contributions to a multi-employer plan in France, the CRPN (public pension fund for crew). Since this multi-employer plan is assimilated with a French State plan, it is accounted for as a defined contribution plan in "pension costs on defined contribution plans".

All major KLM pension plans in the Netherlands are qualified as defined contribution scheme.

**FULL-TIME EQUIVALENT <sup>(1)</sup>**

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| Period from January 1 to December 31 | <b>2025</b>   | 2024          |
| Flight deck crew                     | <b>9,436</b>  | 9,047         |
| Cabin crew                           | <b>23,098</b> | 22,547        |
| Ground staff                         | <b>47,040</b> | 46,656        |
| Temporary employees                  | <b>2,418</b>  | 2,480         |
| <b>TOTAL</b>                         | <b>81,992</b> | <b>80,730</b> |

<sup>(1)</sup> Calculations are made using the double-weighting method (time present over the period and working time).

## NOTE 9 OTHER CURRENT OPERATING INCOME AND EXPENSES

|   |              |              |
|---|--------------|--------------|
| Period from January 1 to December 31<br>(in € millions) | <b>2025</b>  | 2024         |
| Capitalized production                                  | <b>1,342</b> | 1,353        |
| Joint operation of routes                               | <b>(47)</b>  | (2)          |
| Operations-related currency hedges                      | <b>(31)</b>  | 24           |
| Other   | <b>248</b>   | 142          |
| <b>TOTAL</b>  | <b>1,512</b> | <b>1,517</b> |

In 2024 and 2025, the line "Other" includes in particular indemnities received from suppliers to compensate operational issues supported by the Group.

## NOTE 10 AMORTIZATION, DEPRECIATION AND PROVISIONS

|   |                |                |
|---|----------------|----------------|
| Period from January 1 to December 31<br>(in € millions) | <b>2025</b>    | 2024           |
| <b>AMORTIZATION</b>                                     |                |                |
| Intangible assets                                       | <b>(171)</b>   | (168)          |
| Flight equipment  | <b>(1,392)</b> | (1,215)        |
| Other property, plant and equipment                     | <b>(197)</b>   | (182)          |
| Right-of-use assets                                     | <b>(1,488)</b> | (1,257)        |
| <b>Sub-Total</b>  | <b>(3,248)</b> | <b>(2,822)</b> |
| <b>DEPRECIATION AND PROVISIONS</b>                      |                |                |
| Inventories   | <b>1</b>       | (9)            |
| Trade receivables                                       | <b>31</b>      | 48             |
| Risks and contingencies                                 | <b>162</b>     | 140            |
| <b>Sub-Total</b>  | <b>194</b>     | <b>179</b>     |
| <b>TOTAL</b>  | <b>(3,054)</b> | <b>(2,643)</b> |

The amortization variations for intangible and tangible assets are presented in Notes 16 and 17, and for right-of-use assets in Note 19.

The variations relating to inventories and trade receivables are presented in Notes 23 and 24.

The balance sheet movements in provisions for risks and charges are detailed in Note 30.

## NOTE 11 SALES OF AIRCRAFT EQUIPMENT AND OTHER NON-CURRENT INCOME AND EXPENSES

Period from January 1 to December 31

| (in € millions)                              | 2025        | 2024         |
|--|-------------|--------------|
| Sales and leaseback                          | 4           | 8            |
| Other aeronautical sales                     | 39          | 29           |
| <b>Sales of aeronautical assets</b>          | <b>43</b>   | <b>37</b>    |
| Restructuring costs                          | (48)        | (55)         |
| Other  | 3           | (117)        |
| <b>Other non-current income and expenses</b> | <b>(45)</b> | <b>(172)</b> |

### Year ended December 31, 2025

#### Sales and leaseback

The impact of aircraft sales and leasebacks resulted in a profit of €4 million in the income statement and a result on disposal of €1 279 million in the cash flow statement as of December 31, 2025.

#### Other non-current income and expenses

The impact of other non-current income and expenses includes a provision recorded by Air France as part of a Collective Mutual Termination Agreement for a net reversal amount of retirement provision for €(26) million and also mainly relates to KLM voluntary leave plans of €(16) million.

### Year ended December 31, 2024

#### Sales and leaseback

The impact of aircraft sales and leasebacks resulted in a profit of €8 million in the income statement and a result on disposal of €584 million in the cash flow statement as of December 31, 2024.

#### Other aeronautical sales

The impact of other aeronautical sales mainly corresponds to a Boeing 777 refinancing for KLM and has led to a gain of €16 million as of December 31, 2024.

#### Other non-current income and expenses

The impact of other non-current income and expenses includes a compensation of €(115) million to be paid by Air France-KLM to Virgin as part of the renegotiation of a contract and the provision booked at Air France level in the context the restructuring of the domestic offer adaptation plan in Orly and of call centers for €(49) million.

## NOTE 12 NET COST OF FINANCIAL DEBT AND OTHER FINANCIAL INCOME AND EXPENSES

Period from January 1 to December 31

| (in € millions)                              | 2025         | 2024         |
|--|--------------|--------------|
| Income from marketable securities            | <b>92</b>    | 138          |
| Other financial income                       | <b>104</b>   | 165          |
| <b>Income from cash and cash equivalents</b> | <b>196</b>   | <b>303</b>   |
| Interest on financial liabilities            | (313)        | (327)        |
| Interest on lease debt                       | (327)        | (292)        |
| Capitalized interests                        | <b>60</b>    | 52           |
| Other non-monetary items                     | (12)         | (23)         |
| Other financial income and expenses          | (35)         | (41)         |
| <b>Interests charges</b>                     | <b>(627)</b> | <b>(631)</b> |
| <b>Net cost of financial debt</b>            | <b>(431)</b> | <b>(328)</b> |
| Foreign exchange gains (losses), net         | <b>608</b>   | (219)        |
| Financial instruments                        | (7)          | (9)          |
| Net (charge)/release to provisions           | (12)         | (12)         |
| Undiscounting of provision                   | (275)        | (280)        |
| Other  | (22)         | (26)         |
| <b>Other financial income and expenses</b>   | <b>292</b>   | <b>(546)</b> |
| <b>TOTAL</b>                                 | <b>(139)</b> | <b>(874)</b> |

### Net cost of financial debt

Income from cash and cash equivalents mainly comprises interest income from marketable securities and other financial assets, as well as net income on disposals of marketable securities.

### Foreign exchange gains (losses)

As of December 31, 2025, the foreign exchange result includes an unrealized currency gain of €652 million composed of:

- an unrealized gain of €486 million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €151 million on the net debt, mainly composed of a gain of €82 million on US Dollar and a gain of €74 million on Japanese Yen;
- an unrealized gain of €15 million on other assets and liabilities mainly due to US dollars on the working capital.

As of December 31, 2024, the foreign exchange result included an unrealized currency loss of €(201) million composed of:

- an unrealized loss of €(221) million on return obligation liabilities and provisions on aircraft in US dollars;
- an unrealized gain of €24 million on the net debt, mainly composed of a loss of €(20) million on US Dollar, a gain of €26 million on Japanese Yen, a gain of €7 million on Swiss Franc and a gain of €11 million on other currencies;

### Undiscounting of provision

The rate used to undiscount the long term return obligation liability and provision for leased aircraft and other provisions non current is 6.8% in 2025 against 7.3% in 2024 (see Note 30.1.1 "Return obligation liability and provision on leased aircraft").

## NOTE 13 INCOME TAXES



### ACCOUNTING PRINCIPLES

The current tax expense (or income) is the estimated amount of tax due in respect of taxable income for the period.

Deferred taxes are recognized on temporary differences between the net booked value and the fiscal value of assets and liabilities recorded on the balance sheet, as well as on tax losses. They are recognized only to the extent that it is probable that a sufficiently precise future taxable profit will be generated at the level of the taxable entity. Deferred tax assets relating to tax losses are capitalized on the basis of the prospects of recoverability arising from the budget and mid-term plans prepared by the Group. The assumptions used are the same that the ones used for the impairment test.

The tax expense reported in the income statement comprises the current tax expense (or income) and the deferred tax expense (or income).

The tax rates used to measure deferred taxes are the ones enacted or substantively enacted at the balance sheet date.

Net deferred tax balances are determined on the basis of each entity's tax position.

Taxes payable and/or deferred are recognized in the income statement for the period, unless they are generated by a transaction or event recorded directly in equity. In such cases, they are recorded directly in equity.

### Impact of the Contribution on Added Value of Enterprises

The CAVE (Contribution on Added Value of Enterprises/cotisation sur la valeur ajoutée des entreprises – CVAE) is calculated by the application of a tax rate to the added value generated by the company during the year. As the added value is a net amount of income and expenses, the CAVE meets the definition of a tax on profits as set out in IAS 12.2. Consequently, the expense relating to the CAVE is presented under the line "Income taxes".

### 13.1 Income tax charge

Current income tax expenses and deferred income tax are detailed as follows:

Period from January 1 to December 31

(in € millions)

|   | 2025         | 2024        |
|---|--------------|-------------|
| <b>Current tax (expense)/income and other taxes</b>         | <b>(203)</b> | <b>(31)</b> |
| Change in temporary differences                             | (121)        | (74)        |
| (Use/de-recognition)/recognition of tax loss carry forwards | 201          | 21          |
| <b>Deferred tax income/(expense)</b>                        | <b>80</b>    | <b>(53)</b> |
| <b>TOTAL</b>  | <b>(123)</b> | <b>(84)</b> |

The current income tax charge relates to the amounts paid or payable to the tax authorities in the short term for the period, in accordance with the regulations prevailing in various countries and any applicable treaties.

### French fiscal group

In France, the corporate tax rate, including additional contribution, is 25,83% for 2025.

Tax losses can be carried forward for an unlimited period. However, the amount of fiscal loss recoverable each year is limited to 50% of the profit for the period beyond the first million euros. The Group limits its recoverability horizon on the deferred tax losses of the French fiscal group to a period of five years, consistent with its strategic plan.

### Exceptional contribution on profits of large companies

The 2025 "Loi de finances" has established a exceptional contribution on the profits of large companies.

The additional tax booked as of December 31, 2025 amounts to €11 million (41.2% on the average corporate income tax due for the 2024 and 2025 financial years).

### Dutch fiscal group

In the Netherlands, the tax rate is 25.8% in 2025. Tax losses can be carried forward for an unlimited period. However, the amount of fiscal loss recoverable each year is limited to 50% of the profit for the period beyond the first million euros.

## 13.2 Tax recorded in equity (equity holders of Air France-KLM)

Period from January 1 to December 31

(in € millions)

|  | 2025        | 2024      |
|--|-------------|-----------|
| <b>Coupons on perpetual</b>  | <b>75</b>   | —         |
| <b>Other comprehensive income that will be reclassified to profit and loss</b>     | <b>(73)</b> | 21        |
| <b>Other comprehensive income that will not be reclassified to profit and loss</b> | <b>12</b>   | 1         |
| Equity instruments   | <b>9</b>    | 2         |
| Pensions   | <b>3</b>    | (1)       |
| <b>TOTAL</b>   | <b>14</b>   | <b>22</b> |

## 13.3 Effective tax rate

The difference between the standard and effective tax rates applied in France is detailed as follows:

Period from January 1 to December 31

(in € millions)

|   | 2025          | 2024        |
|---|---------------|-------------|
| Income before tax   | <b>1,863</b>  | 592         |
| Standard tax rate in France   | <b>25.83%</b> | 25.83%      |
| Theoretical tax calculated based on the standard tax rate in France | <b>(481)</b>  | (153)       |
| Differences in French / foreign tax rates                           | <b>(3)</b>    | (5)         |
| Non-deductible expenses or non-taxable income                       | <b>(3)</b>    | (3)         |
| Add / (Release) of deferred tax                                     | <b>404</b>    | 94          |
| CAVE impact   | <b>(2)</b>    | (4)         |
| Exceptional contribution on profits of large companies              | <b>(11)</b>   | —           |
| Other   | <b>(27)</b>   | (13)        |
| <b>INCOME TAX</b>   | <b>(123)</b>  | <b>(84)</b> |
| Effective tax rate  | <b>6.6%</b>   | 14.2 %      |

Deferred tax has been calculated on this basis of the 25,83% corporate income tax rate for the French tax group and the 25,80% corporate income tax rate for the Dutch tax group, applicable in 2025.

## 13.4 Variation in deferred tax recorded during the period

| (in € millions)                             | December 31, 2024 | Amounts recorded in income statement | Amounts recorded in OCI | Amounts recorded in equity | Reclassification and other | December 31, 2025 |
|---|-------------------|--------------------------------------|-------------------------|----------------------------|----------------------------|-------------------|
| Flight equipment                            | (1,091)           | (59)                                 | —                       | —                          | —                          | <b>(1,150)</b>    |
| Right-of-use assets                         | (1,343)           | (239)                                | —                       | —                          | —                          | <b>(1,582)</b>    |
| Pension assets                              | 28                | (5)                                  | 1                       | —                          | —                          | <b>24</b>         |
| Financial liabilities                       | 561               | (52)                                 | (2)                     | 33                         | —                          | <b>540</b>        |
| Lease debt                                  | 1,075             | 144                                  | (83)                    | —                          | 1                          | <b>1,137</b>      |
| Deferred revenue on ticket sales            | 75                | (61)                                 | —                       | —                          | —                          | <b>14</b>         |
| Other debtors and creditors                 | (34)              | 54                                   | 20                      | —                          | 2                          | <b>42</b>         |
| Provisions                                  | 375               | 69                                   | 3                       | —                          | —                          | <b>447</b>        |
| Deductible financial interests              | 51                | (19)                                 | —                       | —                          | —                          | <b>32</b>         |
| Others                                      | (105)             | 46                                   | —                       | —                          | (2)                        | <b>(61)</b>       |
| Deferred tax corresponding to fiscal losses | 1,068             | 202                                  | —                       | —                          | —                          | <b>1,270</b>      |
| <b>DEFERRED TAX ASSET/(LIABILITY) NET</b>   | <b>660</b>        | <b>80</b>                            | <b>(61)</b>             | <b>33</b>                  | <b>1</b>                   | <b>713</b>        |

| (in € millions)                                | December 31,<br>2023 | Amounts<br>recorded in<br>income<br>statement | Amounts<br>recorded in OCI | Amounts<br>recorded in<br>equity | Reclassification<br>and other | December 31,<br>2024 |
|--|----------------------|---|----------------------------|----------------------------------|-------------------------------|----------------------|
| Flight equipment                               | (990)                | (101)   | –                          | –                                | –                             | (1,091)              |
| Right-of-use assets                            | (1,023)              | (320)   | –                          | –                                | –                             | (1,343)              |
| Pension assets                                 | 27                   | 1   | –                          | –                                | –                             | 28                   |
| Financial liabilities                          | 494                  | 65  | 2                          | –                                | –                             | 561                  |
| Lease debt                                     | 817                  | 225   | 33                         | –                                | –                             | 1,075                |
| Deferred revenue on ticket sales               | 138                  | (63)  | –                          | –                                | –                             | 75                   |
| Other debtors and creditors                    | 26                   | (39)  | (14)                       | –                                | (7)                           | (34)                 |
| Provisions                                     | 305                  | 71  | (1)                        | –                                | –                             | 375                  |
| Deductible financial interest                  | 43                   | 8   | –                          | –                                | –                             | 51                   |
| Others   | (187)                | 80  | 2                          | –                                | –                             | (105)                |
| Deferred tax corresponding<br>to fiscal losses | 1,048                | 20  | –                          | –                                | –                             | 1,068                |
| <b>DEFERRED TAX ASSET/(LIABILITY) NET</b>      | <b>698</b>           | <b>(53)</b>                                   | <b>22</b>                  | <b>–</b>                         | <b>(7)</b>                    | <b>660</b>           |

### French fiscal group

The deferred taxes recognized on fiscal losses for the French fiscal group amounts to €1,025 million with a basis of €3,968 million as of December 31, 2025. As of December 31, 2024, it amounted to €746 million with a basis of €2,888 million. The deferred taxes increase on fiscal losses is explained by forecasts of future tax profits.

The total deferred-tax position of the French fiscal group stands at a net asset of €538 million (€456 million as of December 31, 2024).

### 13.5 Unrecognized deferred tax assets

| (in € millions)       | December 31, 2025 |              | December 31, 2024 |              |
|-----------------------|-------------------|--------------|-------------------|--------------|
|                       | Basis             | Tax          | Basis             | Tax          |
| Temporary differences | 2,469             | 638          | 2,222             | 574          |
| Tax losses            | 10,531            | 2,720        | 11,894            | 3,072        |
| <b>TOTAL</b>          | <b>13,000</b>     | <b>3,358</b> | <b>14,116</b>     | <b>3,646</b> |

### French fiscal group

As of December 31, 2025, the cumulative effect of the limitation of deferred tax assets results in the non-recognition of a deferred tax asset amounting to €3,284 million (corresponding to a basis of €12,714 million), of which €2,646 million relating to tax losses and €638 million relating to temporary differences.

### Dutch fiscal group

The Dutch fiscal group recognized €241 million deferred taxes on fiscal losses with a basis of €932 million as of December 31, 2025. As of December 31, 2024, it amounted to €314 million with a basis of €1,217 million. This reduction is due to the consumption over the period of deferred taxes on tax losses.

The total deferred tax position of the Dutch fiscal group stands at a net asset of €163 million (versus a €196 million net asset as of December 31, 2024).

As of December 31, 2024, the cumulative effect of the limitation of deferred tax assets resulted in the non-recognition of a deferred tax asset amounting to €3,572 million (corresponding to a basis of €13,829 million), of which €2,998 million relating to tax losses and €574 million relating to temporary differences.

### Others

Other unrecognized tax assets mainly correspond to tax losses of Air France Group subsidiaries prior to tax consolidation.

## NOTE 14 EARNINGS PER SHARE



### ACCOUNTING PRINCIPLES

Earnings per share are calculated by dividing the net income attributable to the equity holders of Air France-KLM by the average number of shares outstanding during the period.

The average number of shares outstanding does not include treasury shares.

Diluted earnings per share are calculated by dividing the net income attributable to the equity holders of Air France-KLM, adjusted for the effects of dilutive instrument exercise, by the average number of shares outstanding during the period, adjusted for the effect of all potentially-dilutive ordinary shares.

Accordingly to IAS 33, the perpetual subordinated loan is considered to be preferred shares, the coupons are included in the basic earnings per share and diluted earning per share.

### RESULTS USED FOR THE CALCULATION OF BASIC EARNINGS PER SHARE

| As of December 31<br>(in € millions)                                      | 2025         | 2024       |
|---|--------------|------------|
| Net income for the period – Equity holders of Air France-KLM              | 1,593        | 317        |
| Coupons on perpetual net after tax  | (61)         | (73)       |
| <b>Basic net income for the period – Equity holders of Air France-KLM</b> | <b>1,532</b> | <b>244</b> |

### RESULTS USED FOR THE CALCULATION OF DILUTED EARNINGS PER SHARE

| As of December 31<br>(in € millions)  | 2025         | 2024       |
|---|--------------|------------|
| Basic net income for the period – Equity holders of Air France-KLM  | 1,532        | 244        |
| Consequence of potential ordinary shares on net income: interests paid on convertible bonds<br>(after tax)                | 12           | 23         |
| <b>Net income for the period – Equity holders of Air France-KLM (taken for calculation of diluted earnings per share)</b> | <b>1,544</b> | <b>267</b> |

### RECONCILIATION OF THE NUMBER OF SHARES USED TO CALCULATE EARNINGS PER SHARE

| Period from January 1 to December 31   | 2025               | 2024               |
|--|--------------------|--------------------|
| Weighted average number of:  |                    |                    |
| • common shares issued   | 262,769,869        | 262,769,869        |
| • Treasury stock held regarding stock option plan and other treasury stock                           | (166,738)          | (125,749)          |
| <b>Number of shares used to calculate basic earnings per share</b>                                   | <b>262,603,131</b> | <b>262,644,120</b> |
| Number of potentially dilutive shares  | 17,963,503         | 21,198,607         |
| <b>Number of ordinary and potential ordinary shares used to calculate diluted earnings per share</b> | <b>280,566,634</b> | <b>283,842,727</b> |

As a reminder, following the repayment of €452 million of OCEANE bonds on March 25, 2024 the number of potential dilutive shares linked to the outstanding OCEANE 2026 has therefore been decreased from 4,966,518 shares to 472,580 shares.

The remaining €48 million of bonds due March 25, 2026 have been repaid in cash on May 10, 2024 under the conditions set out in the Terms and Conditions of the said OCEANE 2026 for cancellation in accordance with the applicable law. These remaining bonds were repaid in advance. This residual redemption amount is equivalent of 2,654,942 of bonds. There is therefore no outstanding OCEANE 2026 bonds as of December 31, 2025.

On November 24, 2025, Air France-KLM Group redeemed the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares. There is therefore no potential dilutive shares linked to this instrument as of December 31, 2025. (see Note 3 "Significant events").

A weighted average number of potentially dilutive share during the period has been used to determine the diluted earning per share.

As of December 31, 2025, taking into account the above items, the basic earnings per share amounts to €5.83 and the diluted earnings per share amounts to €5.50.

## NOTE 15 GOODWILL



### ACCOUNTING PRINCIPLES

Goodwill corresponding, at the acquisition date, to the aggregate of the consideration transferred and the amount of any non-controlling interest of the acquired business minus the net amounts (usually at fair value) of the identifiable assets acquired and the liabilities assumed from the acquired entity.

Goodwill is measured in the functional currency of the acquired entity. It is recognized as an asset on the balance sheet.

It is not amortized and is tested for impairment test on a annual basis or whenever there is an indication that it may be impaired. As described in Note 21, the impairment loss can't be subsequently reversed.

If the fair values of the identifiable assets acquired and liabilities assumed exceed the consideration transferred, the resulting negative goodwill is recognized immediately in the income statement.

When a subsidiary or associate is sold, the amount of goodwill attributable to the sold company is included in the calculation of the gain or loss on disposal.

### 15.1 Detail of consolidated goodwill

| As of December 31<br>(in € millions) | 2025        |            |            | 2024        |            |            |
|--------------------------------------|-------------|------------|------------|-------------|------------|------------|
|                                      | Gross value | Impairment | Net value  | Gross value | Impairment | Net value  |
| Network                              | <b>204</b>  | –          | <b>204</b> | 204         | –          | 204        |
| Maintenance                          | <b>19</b>   | –          | <b>19</b>  | 22          | –          | 22         |
| <b>TOTAL</b>                         | <b>223</b>  | –          | <b>223</b> | <b>226</b>  | –          | <b>226</b> |

### 15.2 Movement in net book value of goodwill

| As of December 31<br>(in € millions) | 2025       | 2024       |
|--------------------------------------|------------|------------|
| <b>Opening balance</b>               | <b>226</b> | <b>224</b> |
| Currency translation adjustment      | (3)        | 2          |
| <b>CLOSING BALANCE</b>               | <b>223</b> | <b>226</b> |

## NOTE 16 INTANGIBLE ASSETS



### ACCOUNTING PRINCIPLES

Intangible assets are recorded at initial cost less accumulated amortization and any accumulated impairment losses.

IT development costs are capitalized and amortized over their useful lives. The Group has the tools required to enable the tracking by project of all the stages of development, and, in particular, the internal and external costs directly related to each project during its development phase.

Identifiable intangible assets acquired with a finite useful life are amortized over their useful lives from the date they are available for use.

The KLM and Transavia brands and slots (takeoff and landing rights) acquired by the Group as part of the acquisition of KLM are identifiable intangible assets with an indefinite useful life. They are not amortized but tested annually for impairment or whenever there is an indication that the intangible asset may be impaired. If necessary, impairment as described in Note 21 "Impairment" is recorded.

Intangible assets with a definite useful life are amortized on a straight-line basis over the following periods:

|                                     |                               |
|-------------------------------------|-------------------------------|
| Software                            | 1 to 5 years                  |
| Licenses                            | Duration of contract          |
| Information Technology developments | Up to 20 years <sup>(1)</sup> |

<sup>(1)</sup> With certain exceptions, IT developments are amortized over the same useful life as the underlying software.

| (in € millions)                       | Notes | Trademarks and slots | Software and capitalized IT costs | Total          |
|---------------------------------------|-------|----------------------|-----------------------------------|----------------|
| <b>GROSS VALUE</b>                    |       |                      |                                   |                |
| <b>Amount as of December 31, 2023</b> |       | <b>265</b>           | <b>2,290</b>                      | <b>2,555</b>   |
| Additions / Increase                  | 18    | –                    | 195                               | <b>195</b>     |
| Disposals                             |       | (2)                  | (7)                               | <b>(9)</b>     |
| Reclassification                      |       | (3)                  | (1)                               | <b>(4)</b>     |
| Other                                 |       | –                    | 2                                 | <b>2</b>       |
| <b>Amount as of December 31, 2024</b> |       | <b>260</b>           | <b>2,479</b>                      | <b>2,739</b>   |
| Additions / Increase                  | 18    | –                    | 221                               | <b>221</b>     |
| Disposals                             |       | –                    | (64)                              | <b>(64)</b>    |
| <b>Amount as of December 31, 2025</b> |       | <b>260</b>           | <b>2,636</b>                      | <b>2,896</b>   |
| <b>DEPRECIATION</b>                   |       |                      |                                   |                |
| <b>Amount as of December 31, 2023</b> |       | <b>(12)</b>          | <b>(1,415)</b>                    | <b>(1,427)</b> |
| Charge to depreciation                |       | (1)                  | (167)                             | <b>(168)</b>   |
| Releases on disposals                 |       | –                    | 2                                 | <b>2</b>       |
| Reclassification                      |       | 4                    | –                                 | <b>4</b>       |
| <b>Amount as of December 31, 2024</b> |       | <b>(9)</b>           | <b>(1,580)</b>                    | <b>(1,589)</b> |
| Charge to depreciation                |       | (1)                  | (170)                             | <b>(171)</b>   |
| Releases on disposals                 |       | –                    | 63                                | <b>63</b>      |
| <b>Amount as of December 31, 2025</b> |       | <b>(10)</b>          | <b>(1,687)</b>                    | <b>(1,697)</b> |
| <b>NET VALUE</b>                      |       |                      |                                   |                |
| <b>As of December 31, 2024</b>        |       | <b>251</b>           | <b>899</b>                        | <b>1,150</b>   |
| <b>As of December 31, 2025</b>        |       | <b>250</b>           | <b>949</b>                        | <b>1,199</b>   |

The intangible assets mainly comprise:

- the KLM and Transavia brands and slots (takeoff and landing) acquired by the Group as part of the acquisition of KLM. These intangible assets have an indefinite useful life as the nature of the assets means that they have no time limit;
- software and capitalized IT costs.

## NOTE 17 TANGIBLE ASSETS



### ACCOUNTING PRINCIPLES

Property, plant and equipment are recorded on the balance sheet at their acquisition or manufacturing cost, less accumulated depreciation and any accumulated impairment losses.

The cost includes financial expenses incurred, when directly attributable to the acquisition or production of a qualifying asset, until the asset is in service.

As prepayment on investments are not financed by specific borrowings, the capitalization of borrowing costs on the prepayments is based on the average borrowing rate for the period.

#### Flight equipment

The purchase price of aircraft equipment is denominated in foreign currencies. It is translated at the exchange rate at the date of the transaction or, if applicable, at the hedging price assigned to it. Manufacturers' discounts, if any, are deducted from the value of the related asset.

Aircraft are depreciated using the straight-line method over their average estimated useful life which is between 20 and 25 years for all types of aircraft except in specific cases.

During the operating cycle, and when establishing fleet replacement plans, the Group reviews whether the amortizable base or the useful life should be adjusted and, if necessary, determines whether a residual value should be recognized and the useful life adapted.

Any major aircraft airframe and engine overhaul including parts with limited useful lives are treated as a separate asset component with the cost capitalized. They are depreciated on the basis of units of work representing the consumption of economic benefits, i.e. the number of hours or flight cycles for potential engines and life limited parts, and on a straight-line basis up to the date of the next major overhaul for the airframe.

The other maintenance costs which do not extend the useful life or do not increase the value of the asset are recorded as expenses when it occurs.

Aircraft spare parts (maintenance business) which enable the use of the fleet are recorded as fixed assets and are amortized on a straight-line basis over the estimated residual lifetime of the aircraft/engine type on the world market. The useful life is limited to a maximum of 30 years.

#### Other property, plant and equipment

Other property, plant and equipment are depreciated using the straight-line method over their useful lives as follows:

|                       |                |
|-----------------------|----------------|
| Buildings             | 20 to 50 years |
| Fixtures and fittings | 8 to 20 years  |
| Flight simulators     | 10 to 20 years |
| Equipment and tooling | 3 to 15 years  |

| (in € millions)          | Flight equipment |                    |                |                 | Other tangible assets |                         |                    |              |                | <b>Total</b>    |
|--------------------------|------------------|--------------------|----------------|-----------------|-----------------------|-------------------------|--------------------|--------------|----------------|-----------------|
|                          | Owned aircraft   | Assets in progress | Other          | Total           | Land and buildings    | Equipment and machinery | Assets in progress | Other        | Total          |                 |
| <b>GROSS VALUE</b>       |                  |                    |                |                 |                       |                         |                    |              |                |                 |
| <b>January 1, 2024</b>   | <b>17,742</b>    | <b>1,731</b>       | <b>2,510</b>   | <b>21,983</b>   | <b>2,799</b>          | <b>1,044</b>            | <b>191</b>         | <b>1,089</b> | <b>5,123</b>   | <b>27,106</b>   |
| Acquisitions             | 798              | 1,943              | 457            | 3,198           | 33                    | 53                      | 215                | 21           | 322            | 3,520           |
| Disposals                | (1,282)          | –                  | (241)          | (1,523)         | (17)                  | (19)                    | (1)                | (49)         | (86)           | (1,609)         |
| Currency hedge           | –                | (108)              | –              | (108)           | –                     | –                       | –                  | –            | –              | (108)           |
| Reclassification         | 1,237            | (1,713)            | 173            | (303)           | 61                    | 12                      | (111)              | 32           | (6)            | (309)           |
| Currency translation     | –                | –                  | –              | –               | 1                     | 2                       | –                  | –            | 3              | 3               |
| Others                   | (45)             | 65                 | 3              | 23              | –                     | –                       | 3                  | (5)          | (2)            | 21              |
| <b>December 31, 2024</b> | <b>18,450</b>    | <b>1,918</b>       | <b>2,902</b>   | <b>23,270</b>   | <b>2,877</b>          | <b>1,092</b>            | <b>297</b>         | <b>1,088</b> | <b>5,354</b>   | <b>28,624</b>   |
| Acquisitions             | 977              | 2,520              | 441            | 3,938           | 35                    | 81                      | 191                | 38           | 345            | 4,283           |
| Disposals                | (2,131)          | –                  | (107)          | (2,238)         | (21)                  | (33)                    | –                  | (15)         | (69)           | (2,307)         |
| Currency hedge           | –                | 343                | –              | 343             | –                     | –                       | –                  | –            | –              | 343             |
| Reclassification (1)     | 1,743            | (2,090)            | 116            | (231)           | 93                    | 28                      | (140)              | 19           | –              | (231)           |
| Currency translation     | –                | –                  | –              | –               | (1)                   | (5)                     | (1)                | –            | (7)            | (7)             |
| Others                   | (13)             | 16                 | –              | 3               | 1                     | –                       | 2                  | –            | 3              | 6               |
| <b>December 31, 2025</b> | <b>19,026</b>    | <b>2,707</b>       | <b>3,352</b>   | <b>25,085</b>   | <b>2,984</b>          | <b>1,163</b>            | <b>349</b>         | <b>1,130</b> | <b>5,626</b>   | <b>30,711</b>   |
| <b>DEPRECIATION</b>      |                  |                    |                |                 |                       |                         |                    |              |                |                 |
| <b>January 1, 2024</b>   | <b>(9,705)</b>   | <b>–</b>           | <b>(777)</b>   | <b>(10,482)</b> | <b>(2,007)</b>        | <b>(826)</b>            | <b>–</b>           | <b>(859)</b> | <b>(3,692)</b> | <b>(14,174)</b> |
| Charge to depreciation   | (1,051)          | –                  | (107)          | (1,158)         | (89)                  | (43)                    | –                  | (50)         | (182)          | (1,340)         |
| Releases on disposal     | 725              | –                  | 158            | 883             | 10                    | 18                      | –                  | 28           | 56             | 939             |
| Reclassification         | (36)             | –                  | (126)          | (162)           | –                     | –                       | –                  | –            | –              | (162)           |
| Currency translation     | –                | –                  | –              | –               | –                     | (2)                     | –                  | –            | (2)            | (2)             |
| Others                   | (4)              | –                  | –              | (4)             | (1)                   | –                       | –                  | –            | (1)            | (5)             |
| <b>December 31, 2024</b> | <b>(10,071)</b>  | <b>–</b>           | <b>(852)</b>   | <b>(10,923)</b> | <b>(2,087)</b>        | <b>(853)</b>            | <b>–</b>           | <b>(881)</b> | <b>(3,821)</b> | <b>(14,744)</b> |
| Charge to depreciation   | (1,164)          | –                  | (146)          | (1,310)         | (93)                  | (49)                    | –                  | (55)         | (197)          | (1,507)         |
| Releases on disposal     | 863              | –                  | 42             | 905             | 20                    | 32                      | –                  | 14           | 66             | 971             |
| Reclassification         | (43)             | –                  | (63)           | (106)           | –                     | 5                       | –                  | (5)          | –              | (106)           |
| Currency translation     | –                | –                  | –              | –               | 1                     | 4                       | –                  | –            | 5              | 5               |
| <b>December 31, 2025</b> | <b>(10,415)</b>  | <b>–</b>           | <b>(1,019)</b> | <b>(11,434)</b> | <b>(2,159)</b>        | <b>(861)</b>            | <b>–</b>           | <b>(927)</b> | <b>(3,947)</b> | <b>(15,381)</b> |
| <b>NET VALUE</b>         |                  |                    |                |                 |                       |                         |                    |              |                |                 |
| <b>December 31, 2024</b> | <b>8,379</b>     | <b>1,918</b>       | <b>2,050</b>   | <b>12,347</b>   | <b>790</b>            | <b>239</b>              | <b>297</b>         | <b>207</b>   | <b>1,533</b>   | <b>13,880</b>   |
| <b>December 31, 2025</b> | <b>8,611</b>     | <b>2,707</b>       | <b>2,333</b>   | <b>13,651</b>   | <b>825</b>            | <b>302</b>              | <b>349</b>         | <b>203</b>   | <b>1,679</b>   | <b>15,330</b>   |

<sup>(1)</sup> The "Other" column in the "Reclassification" line of the flight equipment includes €109 million corresponding to the repurchase of leased aircraft without cash flow.

Aeronautical assets under construction mainly comprise advance payments, engine maintenance work in progress and aircraft modifications.

Details of fixed assets given in guarantee are provided in the Note 39 "Other commitments".

Commitments to assets purchases are detailed in Notes 38 "Flight equipment orders" and 39 "Other commitments".

## NOTE 18 CAPITAL EXPENDITURES

---

The detail of capital expenditures on tangible and intangible assets presented in the consolidated cash flow statements is as follows:

Period from January 1 to December 31

| (in € millions)                      | Notes | 2025         | 2024         |
|--------------------------------------|-------|--------------|--------------|
| Acquisition of flight equipment      |       | <b>3,885</b> | 3,195        |
| Acquisition of other tangible assets |       | <b>345</b>   | 322          |
| Acquisition of intangible assets     | 16    | <b>221</b>   | 195          |
| Change in fixed assets liabilities   |       | <b>(2)</b>   | 16           |
| <b>TOTAL</b>                         |       | <b>4,449</b> | <b>3,728</b> |

The line "Acquisition of flight equipment" includes investments linked to the renewal of the fleet for new-generation aircraft, for an amount of €2,018 million as of December 31, 2025 (€1,419 million as of December 31, 2024).

## NOTE 19 RIGHT-OF-USE ASSETS AND LEASE DEBT



### ACCOUNTING PRINCIPLES

Lease contracts, as defined by IFRS 16 "Leases", are recorded in the balance sheet and lead to the recognition of:

- an asset representing a right of use of the asset leased during the lease term of the contract; and
- a liability related to the lease debt.

Assets (aeronautical and buildings) which are not eligible for an accounting treatment according to IFRS 16 are those:

- which were acquired by the airline or for which the airline took a major share in the acquisition process from the OEMs (Original Equipment Manufacturers);
- and which, in view of the contractual conditions, will almost certainly be purchased at the end of the lease term.

Since these financing arrangements are "in substance purchases" and not leases, the related liability is considered as a financial liability under IFRS 9 and the asset, as property, plant and equipment, according to IAS 16 (see Note 31 "Financial liabilities" – Debt on financial leases with bargain option and Note 31.3 "Other debt").

#### Measurement of the right-of-use asset

At the commencement date, the right-of-use asset is measured at cost and comprises:

- the amount of the initial measurement of the lease debt, to which is added, if applicable, any lease payments made at or before the commencement date, less any lease incentives received;
- where relevant, any initial direct costs incurred by the lessee for the conclusion of the contract. These are incremental costs which would not have been incurred if the contract had not been concluded;
- estimated costs for the restoration and dismantling of the leased asset according to the terms of the contract in accordance with IFRIC 1. At the date of the initial recognition of the right-of-use asset, the lessee adds to these costs, the discounted amount of the restoration and dismantling costs contractually agreed through a return obligation liability or provision as described in Note 30. These costs also include maintenance obligations with regard to the engines and airframes.

Following the initial recognition, the right-of-use asset must be depreciated over the useful life of the underlying assets (lease term for the rental component, flight hours for the component relating to engine maintenance or on a straight-line basis for the component relating to the airframe until the date of the next major overhaul).

#### Measurement of the lease debt

At the commencement date, the lease debt is recognized for an amount equal to the present value of the lease payments over the lease term.

Amounts involved in the measurement of the lease debt are:

- fixed payments (including in-substance fixed payments; meaning that even if they are variable in form, they are in-substance unavoidable);
- variable lease payments that depend on an index or a rate, initially measured using the index or the rate in force at the lease commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease debt is subsequently measured based on a process similar to the amortized cost method using the discount rate:

- the lease debt is increased by the accrued interests resulting from the discounting of the lease debt, at the beginning of the lease period;
- less payments made.

The interest cost for the period as well as variable payments, not taken into account in the initial measurement of the lease debt and incurred over the relevant period, are recognized as costs.

The Group uses the implicit interest rate to determine the present value of the future payments and thus the lease debt for each aircraft. The "real estate" and "other assets" lease debt is measured using the debt marginal rate at the commencement date of the contract.

In addition, the lease debt may be remeasured in the following situations:

- change in the lease term;
- modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option;
- remeasurement linked to the residual value guarantees;
- adjustment to the rates and indices according to which the rents are calculated when rent adjustments occur.

## **Types of capitalized lease contracts**

### **“Aircraft” lease contracts**

For the aircraft lease contracts fulfilling the capitalization criteria defined by IFRS 16, the lease term corresponds to the non-terminable period of each contract except in cases where the Group is reasonably certain of exercising the renewal options contractually foreseen. For example, this may be the case if substantial cabin customization has taken place whereas the residual lease term is significantly shorter than the useful life of the cabins. The accounting treatment of the maintenance obligations related to leased aircraft is outlined in Note 30.

Aircraft lease contracts concluded by the Group do not include guaranteed value clauses for leased assets.

The discount rate used to calculate the lease debt corresponds, for each aircraft, to the implicit interest rate induced by the contractual elements and residual market values. This rate is easy to calculate due to the availability of current and future data concerning the value of aircraft. It is recalculated on each contract renewal (prolongation). The implied rate of the contract is the discount rate that gives the aggregated present value of the minimum lease payments and the unguaranteed residual value. This present value should be equal to the sum of the fair value of the leased asset and any initial direct costs of the lessor.

Since most of the aircraft lease contracts are denominated in US dollars, starting from January 1, 2018 the Group put in place a cash flow hedge for its US dollar revenues via the lease debt in US dollars. Consequently, the revaluation of the Group's debt at the closing rate is accounted for in “Other comprehensive income”.

### **“Real-estate” lease contracts**

Based on its analysis, the Group has identified lease contracts according to the standard concerning surface areas rented in its hubs, lease contracts on buildings dedicated to the maintenance business, customized lounges in airports other than hubs and lease contracts on office buildings. The lease term corresponds to the non-terminable period, with most of the contracts not including renewal options.

The discount rate used to calculate the lease debt is determined, for each asset, according to the incremental borrowing rate at the signature date. The incremental borrowing rate is the rate that the lessee would pay to borrow the required funds to purchase the asset over a similar term, with a similar security and in a similar economic environment. This rate is achieved by the addition of the interest rate on government bonds and the credit spread. The coupon on government bonds is specific to the location, currency, period and maturity. The definition of the spread curve is based upon reference points, each point consisting of asset financing on assets other than aircraft.

### **“Other-assets” lease contracts**

The main lease contracts identified correspond to company cars, pools of spare parts and engines. The lease term corresponds to the non-terminable period. Most of the contracts do not provide renewal options. The discount rate used to calculate the lease debt is determined, for each asset, according to the incremental borrowing rate at the signature date. The incremental borrowing rate is the rate that the lessee would pay to borrow the required funds to purchase the asset over a similar term, with a similar security and in a similar economic environment (for the method used to determine the incremental borrowing rate, see the “Real estate lease contracts” paragraph above).

## **Types of non-capitalized lease contracts**

The Group uses the two exemptions foreseen by IFRS 16 allowing for non-recognition in the balance sheet: short-term lease contracts and lease contracts for which the underlying assets have a low value.

### **Short duration lease contracts**

These are contracts whose duration is equal to or less than 12 months. Within the Group, they mainly relate to leases of:

- surface areas in our hubs with a reciprocal notice-period equal to or less than 12 months in case expect in the case of a significant resource release;
- accommodations for expatriates with a notice period equal to or less than 12 months;
- spare engines for a duration equal to or less than 12 months.

### Low value lease contracts

Low-value lease contracts concern assets with a value equal to or less than US\$5,000. Within the Group, these include, notably, lease contracts on printers, tablets, laptops and mobile phones.

In addition, the lease debt may be remeasured in the following situations:

- change in the lease term;
- modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option;
- remeasurement linked to the residual value guarantees;
- adjustment to the rates and indices according to which the rents are calculated when rent adjustments occur.

### Sale and leaseback transactions

The Group qualifies as sale and leaseback transactions, operations which lead to a sale according to IFRS 15. More specifically, a sale is considered as such if there is no repurchase option on the goods at the end of the lease term. The results of the leaseback transactions are presented in Note 11 "Sales of aircraft equipment and other non-current income and expenses".

#### Transactions deemed to be a sale

If the sale by the vendor-lessee is qualified as a sale according to IFRS 15, the vendor-lessee must: (i) de-recognize the underlying asset, (ii) recognize a right-of-use asset equal to the retained portion of the net carrying amount of the asset sold.

#### Transaction not deemed to be a sale

If the sale by the vendor-lessee is not qualified as a sale according to IFRS 15, the vendor-lessee maintains the goods transferred on its balance sheet and recognizes a financial liability equal to the disposal price (received from the buyer-lessor).

The table below presents the right-of-use assets per category:

| (in € millions)          | Aircraft     | Maintenance  | Land & Real Estate | Others    | Total        |
|--------------------------|--------------|--------------|--------------------|-----------|--------------|
| <b>NET VALUE</b>         |              |              |                    |           |              |
| <b>January 1, 2024</b>   | <b>3,138</b> | <b>2,165</b> | <b>591</b>         | <b>62</b> | <b>5,956</b> |
| New contracts            | 1,223        | 470          | 103                | 17        | 1,813        |
| Change in contracts      | 355          | 172          | 110                | 2         | 639          |
| Reclassification         | (3)          | 511          | –                  | (1)       | 507          |
| Amortization             | (681)        | (435)        | (125)              | (17)      | (1,258)      |
| Others                   | (1)          | (64)         | –                  | –         | (65)         |
| <b>December 31, 2024</b> | <b>4,031</b> | <b>2,819</b> | <b>679</b>         | <b>63</b> | <b>7,592</b> |
| New contracts            | 1,660        | 598          | 79                 | 23        | 2,360        |
| Change in contracts      | 385          | 266          | 62                 | 1         | 714          |
| Reclassification         | (10)         | 441          | 2                  | –         | 433          |
| Amortization             | (800)        | (535)        | (133)              | (20)      | (1,488)      |
| Others                   | –            | (155)        | –                  | –         | (155)        |
| <b>December 31, 2025</b> | <b>5,266</b> | <b>3,431</b> | <b>688</b>         | <b>67</b> | <b>9,452</b> |

Excluding the sales and leasebacks operations of 2025, the line "new contracts" includes €786 million as of December 31, 2025 related to contracts for new-generation aircraft (€823 million as of December 31, 2024). The line "change in contracts" includes €313 million as of December 31, 2025 related to contracts for new-generation aircraft (€143 million as of December 31, 2024). The total amount over the period therefore amounts to €1,099 million as of December 31, 2025 (€966 million as of December 31, 2024), see Note 2.2.1 "Fleet modernization".

The line "Others" includes mainly movements of the return obligation liability following aircraft restitution (see Note 30).

The amount recognized in the income statement in respect of lease contracts not subject to IFRS 16 amounts to:

As of December 31

(in € millions)

|                  | 2025       | 2024       |
|------------------|------------|------------|
| Variable rents   | <b>42</b>  | 64         |
| Short term rents | <b>226</b> | 195        |
| Low value rents  | <b>22</b>  | 22         |
| <b>TOTAL</b>     | <b>290</b> | <b>281</b> |

The table below presents the lease debt per category:

| As of December 31<br>(in € millions) | 2025         |            |              | 2024         |            |              |
|--------------------------------------|--------------|------------|--------------|--------------|------------|--------------|
|                                      | Non- current | Current    | Total        | Non- current | Current    | Total        |
| Lease debt – Aircraft                | <b>4,632</b> | <b>744</b> | <b>5,376</b> | 3,834        | 780        | 4,614        |
| Lease debt – Aircraft spare parts    | <b>92</b>    | <b>48</b>  | <b>140</b>   | 115          | 61         | 176          |
| Lease debt – Real estate             | <b>704</b>   | <b>122</b> | <b>826</b>   | 712          | 103        | 815          |
| Lease debt – Other                   | <b>59</b>    | <b>17</b>  | <b>76</b>    | 53           | 15         | 68           |
| Accrued interest                     | –            | <b>27</b>  | <b>27</b>    | –            | 23         | 23           |
| <b>TOTAL – LEASE DEBT</b>            | <b>5,487</b> | <b>958</b> | <b>6,445</b> | <b>4,714</b> | <b>982</b> | <b>5,696</b> |

To support their investments in new-generation aircraft, Air France has also entered into lease contracts with specific clauses linked to compliance with environmental criteria. On December 31, 2025, these financings amount for €598 million (€497 million as of December 31, 2024), booked in the line "lease debt aircraft".

The tables below present the change in lease debt:

| (in € millions)                   | December 31, 2024 | New contracts and renewals of contracts | Reimbursement | Currency translation adjustment | Others     | December 31, 2025 |
|-----------------------------------|-------------------|---|---------------|---------------------------------|------------|-------------------|
| Lease debt – Aircraft             | 4,614             | 2,120                                   | (756)         | (595)                           | (7)        | <b>5,376</b>      |
| Lease debt – Aircraft spare parts | 176               | 40                                      | (65)          | (11)                            | –          | <b>140</b>        |
| Lease debt – Real estate          | 815               | 136                                     | (123)         | (3)                             | 1          | <b>826</b>        |
| Lease debt – Other                | 68                | 24                                      | (16)          | –                               | –          | <b>76</b>         |
| Accrued interest                  | 23                | –                                       | –             | (1)                             | 5          | <b>27</b>         |
| <b>TOTAL</b>                      | <b>5,696</b>      | <b>2,320</b>                            | <b>(960)</b>  | <b>(610)</b>                    | <b>(1)</b> | <b>6,445</b>      |

| (in € millions)                   | December 31, 2023 | New contracts and renewals of contracts | Reimbursement | Currency translation adjustment | Others   | December 31, 2024 |
|-----------------------------------|-------------------|---|---------------|---------------------------------|----------|-------------------|
| Lease debt – Aircraft             | 3,478             | 1,607                                   | (693)         | 225                             | (3)      | 4,614             |
| Lease debt – Aircraft spare parts | 128               | 105                                     | (64)          | 6                               | 1        | 176               |
| Lease debt – Real estate          | 735               | 194                                     | (116)         | 1                               | 1        | 815               |
| Lease debt – Other                | 68                | 19                                      | (18)          | –                               | (1)      | 68                |
| Accrued interest                  | 20                | –                                       | –             | –                               | 3        | 23                |
| <b>TOTAL</b>                      | <b>4,429</b>      | <b>1,925</b>                            | <b>(891)</b>  | <b>232</b>                      | <b>1</b> | <b>5,696</b>      |

The lease debt maturities break down as follows:

| (in € millions) | As of December 31, 2025 | As of December 31, 2024 |
|-----------------|-------------------------|-------------------------|
| Y+1             | <b>1,268</b>            | 1,278                   |
| Y+2             | <b>1,103</b>            | 1,081                   |
| Y+3             | <b>939</b>              | 923                     |
| Y+4             | <b>833</b>              | 736                     |
| Y+5             | <b>766</b>              | 610                     |
| Over 5 years    | <b>3,291</b>            | 2,643                   |
| <b>TOTAL</b>    | <b>8,200</b>            | <b>7,271</b>            |
| Including:      |                         |                         |
| • Principal     | <b>6,445</b>            | 5,696                   |
| • Interest      | <b>1,755</b>            | 1,575                   |

## NOTE 20 EQUITY AFFILIATES



### ACCOUNTING PRINCIPLES

The accounting policies applied by the Group to recognize the equity affiliates is detailed in the Note 1.3 "Consolidation principles".

### Movements over the period

The table below presents the movement in investments in associates and joint-ventures:

| (in € millions)                          | Network    | Maintenance | Catering  | Other     | Total      |
|--|------------|-------------|-----------|-----------|------------|
| <b>December 31, 2023</b>                 | <b>2</b>   | <b>46</b>   | <b>58</b> | <b>23</b> | <b>129</b> |
| Share in net income of equity affiliates | (34)       | 9           | (2)       | 8         | (19)       |
| Dividend distributions                   | (1)        | –           | –         | (3)       | (4)        |
| Change in consolidation scope            | 101        | –           | 1         | –         | 102        |
| Other variations                         | 1          | 2           | (1)       | –         | 2          |
| Fair value adjustment                    | 4          | –           | –         | –         | 4          |
| Currency translation adjustment          | –          | 2           | –         | –         | 2          |
| <b>December 31, 2024</b>                 | <b>73</b>  | <b>59</b>   | <b>56</b> | <b>28</b> | <b>216</b> |
| Share in net income of equity affiliates | 28         | (15)        | 3         | (2)       | 14         |
| Dividend distributions                   | (1)        | (1)         | –         | (7)       | (9)        |
| Other variations                         | (8)        | 1           | 2         | (1)       | (6)        |
| Fair value adjustment                    | 35         | –           | –         | –         | 35         |
| Currency translation adjustment          | –          | (4)         | –         | –         | (4)        |
| <b>December 31, 2025</b>                 | <b>127</b> | <b>40</b>   | <b>61</b> | <b>18</b> | <b>246</b> |

### Acquisition of a non-controlling stake in the share capital of SAS AB (Network)

The Air France-KLM Group had finalized as of August 28, 2024, the acquisition of a 19,9% non-controlling stake in the capital of SAS AB.

The Group had invested a total of US\$144.5 million (circa €133 million) in SAS AB, by subscribing for US\$109.5 million (circa €101 million) of common shares.

Based on the analysis of the features of the transaction including the shareholders' agreement, the Group does not have the control of SAS AB either within the meaning of EU merger regulation nor based on IFRS 10. However despite they remain business competitors, the Air France-KLM Group meets the requirements of IAS 28 to account SAS AB for using the equity method since the acquisition date.

Air France-KLM initiated a process in 2024 to acquire a majority stake of 60.5% in SAS, subject to the necessary approvals. The transaction is planned for the second half of 2026 and would make SAS a subsidiary of the group, with Air France-KLM holding the majority of seats on the airline's board of directors. (see Note 3.1 "Significant events occurring during the period").

### Maintenance

As of December 31, 2025 and 2024, the equity affiliates in the maintenance business mainly comprise joint-venture partnerships entered into by the Group to develop its maintenance activities worldwide. These partnerships, whose country localizations and percentages of interest are presented in Note 42.2 have been concluded either with airlines or with independent players in the maintenance market.

### Servair group (Catering)

The Servair group is a French company in aviation catering.

Following the acquisition of Gategroup by HNA on December 22, 2016, Air France Finance and Gategroup finalized the agreement for the sale to Gategroup of 49.99% of the Servair share capital. On conclusion of this transaction, the operational control of Servair was transferred to Gategroup in application of the governance planned in the agreements between Air France and Gategroup.

Early 2021, the terms under which Air France could sell a 30% shareholding in Servair to Gategroup were re-negotiated. This resulted in the sale by Air France Finance, on May 31, 2021, of 15% of Servair shares for €71 million.

An agreement for the sale of the second 15% tranche was reached in 2023, with payment spread over three years.

In accordance with this agreement, Air France Finance received €24 million in December 2024 and then €24 million in September 2025, representing 5% of the shares in each transaction.

The remaining 5% of this second tranche remains recorded as an asset held for sale, pending payment.

The final payment, which is expected to amount to €24 million in cash, is scheduled for December 2026.

The remaining 20% were revalued accordingly to the IFRS 10 standard at their fair value based on the transaction value in the line "equity affiliates".

## NOTE 21 IMPAIRMENT



### ACCOUNTING PRINCIPLES

In accordance with IAS 36 "Impairment of Assets", tangible fixed assets, intangible assets, right-of-use assets and goodwill are tested for depreciation if there is an indication of impairment, and those with an indefinite useful life are tested at least once a year.

For this test, the Group deems the recoverable value of the asset to be the higher of the market value less cost of disposal and its value in use. The latter is determined according to the discounted future cash-flow method, estimated based on budgetary assumptions approved by management, using an actuarial rate which corresponds to the weighted average cost of the Group's capital and a growth rate which reflects the market.

Revenues (network, leisure and maintenance), costs and investments forecasts are based on reasonable hypotheses and are the management's best estimates. They are subject to the uncertainties prevailing at the time the test is performed.

The depreciation tests are carried out individually for each asset, except for those assets to which it is not possible to attach independent cash flows. In this case, these assets are regrouped within the CGU to which they belong and it is this which is tested. The CGUs correspond to the Group's business segments: network, maintenance, leisure and others which are homogeneous asset groups whose use generates identifiable cash inflows.

When the recoverable value of an asset or CGU is inferior to its net book value, an impairment is recognized. The impairment of a CGU is charged in the first instance to goodwill, the remainder being charged to the other assets which comprise the CGU, prorated to their net book value.

The main intangible assets are IT developments. Projections for the use of the various systems are reviewed regularly, with depreciation rates adjusted where necessary. The Group's aircraft represent its main tangible assets. Airlines update their fleet plans very regularly based on the use of each aircraft. These usage projections may be based on external indicators taken as a whole, such as the economic, geopolitical and market context and the legal environment (IAS 36.12 (b)). If a registration or sub-fleet of aircraft were to cease flying sooner than expected, the depreciation rates would be adjusted accordingly. If a decision to cease operations were made with almost immediate effect, an impairment loss would be recognised immediately in order to bring the carrying amount of the assets to their market value.

As of December 31, 2025, the Servair group remains booked according to the equity method, as it has been the case since December 31, 2016.

The net result from airline catering is mainly impacted by the Servair operating loss. However, the total fair value of the Group's 25,0% equity interest in the Servair group, including the put option recorded in the balance sheet in the lines other derivatives and assets held for sale, remains unchanged.

### Other

As of December 31, 2025 and 2024, the equity affiliates linked to the Group's other businesses are mainly joint-venture partnerships entered into by the Group in the airport business. The localizations of the activities and the interest percentages in these partnerships are presented in Note 42.2.

Monitoring aircraft utilisation projections is the main indicator of impairment within the meaning of IAS 36.12.(f). No evidence of impairment has been identified as at 31 December 2025.

Given the existence of goodwill and intangible assets with indefinite useful lives, an impairment test has been carried out, in accordance with IAS 36, in order to verify that the net assets of the cash-generating units (CGUs) do not exceed their recoverable amount. The test is performed based on the values as of September 30 for the annual closing.

The Group monitors any significant changes that could affect this calculation in the last quarter.

The Group's CGUs correspond to the Group's business segments (see Note 6.1 "Information by business segment"). Their carrying amounts break down as follows:

| As of September, 30<br>(in € millions)      | Network         |              | Maintenance    |              | Transavia      |            | Other/Non allocated |                 |
|---|-----------------|--------------|----------------|--------------|----------------|------------|---------------------|-----------------|
|   | 2025            | 2024         | 2025           | 2024         | 2025           | 2024       | 2025                | 2024            |
| Segment assets                              | <b>19,846</b>   | 18,108       | <b>6,823</b>   | 6,020        | <b>3,637</b>   | 2,551      | <b>8,227</b>        | 8,220           |
| Segment liabilities                         | <b>(11,547)</b> | (11,062)     | <b>(2,253)</b> | (2,041)      | <b>(2,382)</b> | (1,894)    | <b>(22,351)</b>     | (19,902)        |
| <b>NET SEGMENT ASSETS<br/>(LIABILITIES)</b> | <b>8,299</b>    | <b>7,046</b> | <b>4,570</b>   | <b>3,979</b> | <b>1,255</b>   | <b>657</b> | <b>(14,124)</b>     | <b>(11,682)</b> |

The recoverable amount of the net assets of the CGUs has been determined by reference to their value in use as of September 30, 2025, based on a five-year target plan presented by Management to the Board of Directors early December 2025. Subject to the uncertainties associated with the current situation, this plan is based on revenue, cost and investment projections that are based on reasonable assumptions and correspond to Management's best estimates, including:

- higher productivity gains that will help to mitigate the negative impact of some external factors and geopolitical tensions;
- the increase in the price of CO<sub>2</sub> emission allowances, the implementation of the international system for offsetting and reducing emissions (CORSIA) from 2026 and the gradual disappearance of free allowances until 2026 in the European Union Emissions Trading Scheme (ETS) as detailed in the assumptions below;

- a growing trajectory for the use of Sustainable Aviation Fuel (SAF), which should reach up to 10% by 2030, and the Group's ability to pass on the additional costs to passengers in the price of air tickets;
- a plan to invest in new-generation aircraft that are up to 25% more efficient in terms of fuel consumption and therefore CO<sub>2</sub> emissions, and generate less noise, as presented in Note 38 "Flight equipment orders". The new-generation aircraft will represent up to 80% of the fleet in 2030. The group plans to continue with the same strategy beyond the five-year plan. The investment plan extends beyond 2030, the final year of this plan.

The two aforementioned elements, combined with operational efficiency measures aimed at reducing CO<sub>2</sub> emissions across all of the Group's activities, contribute significantly to the Group's environmental efforts set out in a Transition Plan for climate change mitigation verified by the SBTi.

The hypothesis taken into account in the five year plan, and beyond in the final year, for Network and Transavia are as follows :

| As of December 31                           | 2026    | 2027    | 2028    | 2029    | 2030    |
|---|---------|---------|---------|---------|---------|
| CO <sub>2</sub> quotas price (EUR/ton)      | 78      | 80      | 83      | 86      | 89      |
| SAF price (EUR/metric tons)                 | 1,231   | 1,220   | 1,269   | 1,182   | 1,590   |
| Fuel price before hedging (USD/metric tons) | 699/713 | 693/696 | 692/695 | 696/699 | 697/706 |

Beyond this period, the Group uses the long-term growth and current operating margin assumptions shown in the table below.

| As of December 31      | Network     |      | Maintenance |      | Transavia   |      |
|------------------------|-------------|------|-------------|------|-------------|------|
|                        | 2025        | 2024 | 2025        | 2024 | 2025        | 2024 |
| Operating margin rates | <b>7.4%</b> | 7.4% | <b>6.0%</b> | 6.0% | <b>8.2%</b> | 8.2% |
| Long-term growth rates | <b>1.0%</b> | 1.0% | <b>1.0%</b> | 1.0% | <b>1.0%</b> | 1.0% |

The long-term growth rate and the current operating margin rates used by the Group for the realization of the test, which are relatively conservative, make it possible to take account of the

uncertainties that apply to the Group's three segments, in particular the acceptability of air transport.

On the other hand, the Group has not taken into account technological advances not available at the closing date, nor potential future changes in law or regulations not yet voted (kerosene taxes, limitation of the number of slots, etc.).

Furthermore, the discount rate for the impairment test is the weighted average cost of capital (WACC), identical for each business unit.

## Cost of capital

|  | 2025         | 2024        |
|--|--------------|-------------|
| Cost of stockholders' equity                           | <b>11.0%</b> | 10.1%       |
| Marginal cost of debt, net of tax                      | <b>3.1%</b>  | 3.3%        |
| <b>PERCENTAGE OF STOCKHOLDERS' EQUITY/TARGET DEBT</b>  |              |             |
| Stockholders' equity                                   | <b>48.0%</b> | 47.0%       |
| Debt   | <b>52.0%</b> | 53.0%       |
| <b>WEIGHTED AVERAGE COST OF CAPITAL AFTER TAXATION</b> |              |             |
|  | <b>6.9%</b>  | <b>6.5%</b> |

As a result of the test, no impairment was recognized on the Group's CGUs (as for the year ended December 31, 2024).

The Group has conducted the tests with the following sensitivity:

- with a WACC 50 bps higher associated with a 50 bps decrease in the long-term growth rate;
- with a 50 bps increase in WACC associated with a 50 bps decrease in target current operating margins.

The Network and Transavia activities are not sensitive to these parameters. The results associated to maintenance are more sensitive. However, for this CGU, the tested assets mainly consists in property, plant and equipment including spare parts and spare engines, and inventories. The net booked value of these aeronautical assets would therefore not be at risk considering their market value and in particular considering the current context of persistent supply difficulties.

However, the Group does not perform sensitivity tests to capacity forecasts (seats per kilometers) as a reduction in capacity generally means higher unit revenues which balance out the negative effect of the reduction. It also does not test the sensitivity neither to fuel prices given the industry's tendency to pass the impact on to ticket prices, nor to SAF prices considering its ability demonstrated so far to include it in the selling prices.

## NOTE 22 OTHER FINANCIAL ASSETS



### ACCOUNTING PRINCIPLES

#### Investments in equity instruments

Investments in equity securities qualifying as equity instruments are recorded at fair value in the Group's balance sheet. For publicly-traded securities, the fair value is considered to be the market price at the closing date. For non-quoted securities, the valuation is made on the basis of the financial statements of the entity.

The valuation of equity instruments is either in fair value through the income statement or in fair value through other comprehensive income:

- when the instrument is deemed to be a cash investment, i.e. it is held for the purposes of monetary transactions, its revaluations are recorded in "Other financial income and expenses";
- when the instrument is deemed to be a business investment, i.e. it is held for strategic reasons (as it mainly consists of investments in companies whose activity is very close to that of the Group), its revaluations are recorded in "Other comprehensive income" non-recyclable. Dividends are recorded in the income statement.

#### Financial assets at fair value through profit and loss

Financial assets include financial assets at fair value through profit and loss (French mutual funds such as SICAV, FCP, certificates, etc.) that the Group intends to sell in the near term to realize a capital gain, or that are part of a portfolio of identified financial instruments managed collectively and for which there is evidence of a practice of short-term profit taking. They are classified in the balance sheet as other current financial assets.

| As of December 31<br>(in € millions)                                | 2025         |              |   | 2024         |              |   |
|---|--------------|--------------|---|--------------|--------------|---|
|   | Current      | Non-current  | Of which:<br>pledged or<br>secured <sup>(3)</sup> | Current      | Non-current  | Of which:<br>pledged or<br>secured <sup>(3)</sup> |
| <b>EQUITY INSTRUMENTS<sup>(1)</sup></b>                             |              |              |   |              |              |   |
| Equity instruments <sup>(2)</sup>                                   | -            | <b>103</b>   | -   | -            | 56           | -   |
| At fair value through OCI   | -            | <b>93</b>    | -   | -            | 47           | -   |
| At fair value through P&L   | -            | <b>10</b>    | -   | -            | 9            | -   |
| <b>DEBT INSTRUMENTS AT FAIR VALUE THROUGH P&amp;L<sup>(1)</sup></b> |              |              |   |              |              |   |
| Marketable securities   | <b>988</b>   | -            | <b>259</b>  | 1,046        | -            | 260   |
| Bonds   | <b>342</b>   | <b>815</b>   | <b>160</b>  | 115          | 944          | 161   |
| <b>DEBT INSTRUMENTS – AT AMORTIZED COST</b>                         |              |              |   |              |              |   |
| Deposits on lease contracts   | <b>5</b>     | <b>75</b>    | -   | 8            | 90           | -   |
| Deposits on financial liabilities                                   | <b>1</b>     | <b>84</b>    | -   | 1            | 96           | -   |
| Other loans and deposits  | <b>24</b>    | <b>250</b>   | -   | 20           | 215          | -   |
| <b>Gross value</b>  | <b>1,360</b> | <b>1,327</b> | <b>419</b>  | <b>1,190</b> | <b>1,401</b> | <b>421</b>  |
| Impairment at opening date  | -            | <b>(32)</b>  | -   | -            | (29)         | -   |
| New impairment charge   | -            | <b>(6)</b>   | -   | -            | (6)          | -   |
| Use/Reversal  | -            | <b>2</b>     | -   | -            | 2            | -   |
| Other   | -            | <b>(24)</b>  | -   | -            | 1            | -   |
| <b>Impairment at closing date</b>                                   | -            | <b>(60)</b>  | -   | -            | <b>(32)</b>  | -   |
| <b>TOTAL</b>  | <b>1,360</b> | <b>1,267</b> | <b>419</b>  | <b>1,190</b> | <b>1,369</b> | <b>421</b>  |

<sup>(1)</sup> See Note 36 "Valuation methods for financial assets and liabilities at their fair value" for the fair value valuation method.

<sup>(2)</sup> See table change in equity instruments below.

<sup>(3)</sup> Including €366 million as of December 31, 2025 (€365 million as of December 31, 2024) in the context of the litigation concerning the anti-trust laws in the air-freight industry (See Note 30.1.4 "Litigation concerning anti-trust laws in the air-freight industry").

## EQUITY INSTRUMENTS

|                                  | Fair Value<br>(in € millions) | % interest | Stockholder's<br>equity (in billions<br>of currency) | Net income<br>(in billions of<br>currency) | Classification<br>methodology | Stock price       | Closing date  |
|----------------------------------|-------------------------------|------------|--|--|-------------------------------|-------------------|---------------|
| <b>As of December 31, 2025</b>   |                               |            |  |  |                               |                   |               |
| GOL Linhas Aéreas <sup>(1)</sup> | 0                             | 1%         | NA <sup>(2)</sup>                                    | NA <sup>(2)</sup>                          | OCI                           | 1 BRL             | December 2025 |
| Kenya Airways                    | 10                            | 7.8%       | NA <sup>(2)</sup>                                    | NA <sup>(2)</sup>                          | OCI                           | NA <sup>(2)</sup> | December 2025 |
| Westjet                          | 38                            | 2.3 %      | NA <sup>(2)</sup>                                    | NA <sup>(2)</sup>                          | OCI                           | Not listed        | December 2025 |
| Other                            | 55                            | —          | —  | —  | —                             | —                 | —             |
| <b>TOTAL</b>                     | <b>103</b>                    |            |  |  |                               |                   |               |
| <b>As of December 31, 2024</b>   |                               |            |  |  |                               |                   |               |
| GOL Linhas Aéreas <sup>(1)</sup> | 1                             | 1%         | NA <sup>(2)</sup>                                    | NA <sup>(2)</sup>                          | OCI                           | 1 BRL             | December 2024 |
| Kenya Airways                    | 13                            | 7.8%       | NA <sup>(2)</sup>                                    | NA <sup>(2)</sup>                          | OCI                           | NA <sup>(2)</sup> | December 2024 |
| Other                            | 42                            | —          | —  | —  | —                             | —                 | —             |
| <b>TOTAL</b>                     | <b>56</b>                     |            |  |  |                               |                   |               |

(1) Listed company.

(2) Not-available.

## CHANGE IN EQUITY INSTRUMENTS

| (in € millions)                        | Instrument revalued through OCI | Instrument revalued through P&L | Total      |
|--|---------------------------------|---------------------------------|------------|
| <b>Amount as of December, 31, 2023</b> | <b>45</b>                       | <b>7</b>                        | <b>52</b>  |
| Additions                              | 1                               | 2                               | 3          |
| Change in fair value                   | 1                               | —                               | 1          |
| <b>Amount as of December, 31, 2024</b> | <b>47</b>                       | <b>9</b>                        | <b>56</b>  |
| Additions                              | 48                              | 2                               | 50         |
| Change in fair value                   | (1)                             | (1)                             | (2)        |
| Other                                  | (1)                             | —                               | (1)        |
| <b>Amount as of December, 31, 2025</b> | <b>93</b>                       | <b>10</b>                       | <b>103</b> |

## WestJet acquisition

The “additions” line mainly includes the acquisition of a 2.3% stake in the share capital of the Canadian airline Westjet for a total amount of 38 million euros (see Note 3.1 “Significant events occurring during the period”).

concluded, in July 2012, a tripartite receivables delegation agreement with reference to the loan agreement. Through this agreement, the CILs commit to repaying the bank directly on each payment date. These are imperfect delegations: in the event of non-repayment by the CILs, Air France remains liable to the bank for repayments of the loan and interest.

## Transfer of non-deconsolidating financial assets

### Receivables delegation agreement

The Group entered into a loan agreement secured by Air France's 1% housing loans. For each of the CILs (Comités interprofessionnels du logement), Air France and the bank

As of December 31, 2025, the amount of transferred receivables stood at €67 million (versus €74 million as of December 31, 2024) and is included in the line “deposits on financial liabilities”. The associated loan stood at €59 million as of December 31, 2025 (versus €64 million as of December 31, 2024).

## NOTE 23 INVENTORIES



### ACCOUNTING PRINCIPLES

Inventories are measured at the lower of their cost and net realizable value.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present condition and location. These costs include the direct and indirect production costs incurred under normal operating conditions.

Inventories are valued on a weighted average basis.

The net realizable value of the inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

| (in € millions)          | As of December 31, 2024 | Change in working capital <sup>(1)</sup> | Depreciation expense <sup>(2)</sup> | Use of provisions <sup>(2)</sup> | Currency translation adjustment | Others      | As of December 31, 2025 |
|--------------------------|-------------------------|--|-------------------------------------|----------------------------------|---------------------------------|-------------|-------------------------|
| Aeronautical spare parts | 994                     | 77                                       | –                                   | –                                | (8)                             | (3)         | 1,060                   |
| Other supplies           | 197                     | (27)                                     | –                                   | –                                | –                               | –           | 170                     |
| Work in progress         | 32                      | 2  | –                                   | –                                | (1)                             | (11)        | 22                      |
| <b>Gross value</b>       | <b>1,223</b>            | <b>52</b>                                | <b>–</b>                            | <b>–</b>                         | <b>(9)</b>                      | <b>(14)</b> | <b>1,252</b>            |
| Aeronautical spare parts | (262)                   | –  | (12)                                | 12                               | 2                               | 2           | (258)                   |
| Other supplies           | (2)                     | –  | –                                   | –                                | –                               | –           | (2)                     |
| Work in progress         | –                       | –  | –                                   | –                                | –                               | –           | –                       |
| <b>Depreciation</b>      | <b>(264)</b>            | <b>–</b>                                 | <b>(12)</b>                         | <b>12</b>                        | <b>2</b>                        | <b>2</b>    | <b>(260)</b>            |
| <b>NET VALUE</b>         | <b>959</b>              | <b>52</b>                                | <b>(12)</b>                         | <b>12</b>                        | <b>(7)</b>                      | <b>(12)</b> | <b>992</b>              |

| (in € millions)          | As of December 31, 2023 | Change in working capital <sup>(1)</sup> | Depreciation expense <sup>(2)</sup> | Use of provisions <sup>(2)</sup> | Currency translation adjustment | Others     | As of December 31, 2024 |
|--------------------------|-------------------------|--|-------------------------------------|----------------------------------|---------------------------------|------------|-------------------------|
| Aeronautical spare parts | 889                     | 101                                      | –                                   | –                                | 4                               | –          | 994                     |
| Other supplies           | 192                     | 5  | –                                   | –                                | –                               | –          | 197                     |
| Work in progress         | 27                      | 5  | –                                   | –                                | 1                               | (1)        | 32                      |
| <b>Gross value</b>       | <b>1,108</b>            | <b>111</b>                               | <b>–</b>                            | <b>–</b>                         | <b>5</b>                        | <b>(1)</b> | <b>1,223</b>            |
| Aeronautical spare parts | (252)                   | –  | (28)                                | 19                               | (1)                             | –          | (262)                   |
| Other supplies           | (3)                     | –  | –                                   | –                                | –                               | 1          | (2)                     |
| Work in progress         | –                       | –  | –                                   | –                                | –                               | –          | –                       |
| <b>Depreciation</b>      | <b>(255)</b>            | <b>–</b>                                 | <b>(28)</b>                         | <b>19</b>                        | <b>(1)</b>                      | <b>1</b>   | <b>(264)</b>            |
| <b>NET VALUE</b>         | <b>853</b>              | <b>111</b>                               | <b>(28)</b>                         | <b>19</b>                        | <b>4</b>                        | <b>–</b>   | <b>959</b>              |

<sup>(1)</sup> See Note 37.2 Breakdown of the change in working capital resource

<sup>(2)</sup> See Note 10 Amortization, depreciation and provisions

## NOTE 24 TRADE ACCOUNTS RECEIVABLES



### ACCOUNTING PRINCIPLES

Trade receivables are considered to be assets issued by the Group and are initially recorded at fair value. They are subsequently valued using the amortized cost method. In addition, they are written off based on the expected loss.

Regarding the impairment of trade receivables, the Group has chosen the simplified method approach in that the automated customer invoicing and settlement processes for the Network business through clearing houses significantly limit the credit risk. The Group also uses credit insurance to reduce the risk of potential default regarding trade receivables concerning the clients of the Maintenance activity.

| (in € millions)       | As of December 31, 2024 | Change in working capital <sup>(1)</sup> | Depreciation expense <sup>(2)</sup> | Use of provisions <sup>(2)</sup> | Reversal of unnecessary provisions <sup>(2)</sup> | Currency translation adjustment | Others     | As of December 31, 2025 |
|-----------------------|-------------------------|--|-------------------------------------|----------------------------------|---|---------------------------------|------------|-------------------------|
| Airlines              | 212                     | 35                                       | –                                   | –                                | –   | (7)                             | (14)       | 226                     |
| <i>Other clients:</i> |                         |  |                                     |                                  |   |                                 |            |                         |
| • Network             | 886                     | (11)                                     | –                                   | –                                | –   | (6)                             | 2          | 871                     |
| • Maintenance         | 1,010                   | 136                                      | –                                   | –                                | –   | (25)                            | 11         | 1,132                   |
| • Leisure             | 69                      | 7  | –                                   | –                                | –   | 1                               | –          | 77                      |
| • Other               | 37                      | (2)                                      | –                                   | –                                | –   | –                               | (1)        | 34                      |
| <b>Gross value</b>    | <b>2,214</b>            | <b>165</b>                               | <b>–</b>                            | <b>–</b>                         | <b>–</b>  | <b>(37)</b>                     | <b>(2)</b> | <b>2,340</b>            |
| Airlines              | (16)                    | –  | –                                   | –                                | –   | –                               | –          | (16)                    |
| <i>Other clients:</i> |                         |  |                                     |                                  |   |                                 |            |                         |
| • Network             | (57)                    | –  | (8)                                 | 23                               | 19  | 6                               | (13)       | (30)                    |
| • Maintenance         | (87)                    | –  | (6)                                 | 4                                | –   | 1                               | 14         | (74)                    |
| • Leisure             | (2)                     | –  | –                                   | –                                | –   | –                               | –          | (2)                     |
| • Other               | –                       | –  | –                                   | –                                | –   | –                               | (1)        | (1)                     |
| <b>Depreciation</b>   | <b>(163)</b>            | <b>–</b>                                 | <b>(14)</b>                         | <b>27</b>                        | <b>19</b>   | <b>7</b>                        | <b>–</b>   | <b>(124)</b>            |
| <b>NET VALUE</b>      | <b>2,051</b>            | <b>165</b>                               | <b>(14)</b>                         | <b>27</b>                        | <b>19</b>   | <b>(30)</b>                     | <b>(2)</b> | <b>2,216</b>            |

| (in € millions)       | As of December 31, 2023 | Change in working capital <sup>(1)</sup> | Depreciation expense <sup>(2)</sup> | Use of provisions <sup>(2)</sup> | Reversal of unnecessary provisions <sup>(2)</sup> | Currency translation adjustment | Others      | As of December 31, 2024 |
|-----------------------|-------------------------|--|-------------------------------------|----------------------------------|---|---------------------------------|-------------|-------------------------|
| Airlines              | 231                     | (25)                                     | –                                   | –                                | –   | 6                               | –           | 212                     |
| <i>Other clients:</i> |                         |  |                                     |                                  |   |                                 |             |                         |
| • Network             | 1,032                   | (147)                                    | –                                   | –                                | –   | 5                               | (4)         | 886                     |
| • Maintenance         | 964                     | 33                                       | –                                   | –                                | –   | 18                              | (5)         | 1,010                   |
| • Leisure             | 82                      | (13)                                     | –                                   | –                                | –   | –                               | –           | 69                      |
| • Other               | 51                      | (11)                                     | –                                   | –                                | –   | –                               | (3)         | 37                      |
| <b>Gross value</b>    | <b>2,360</b>            | <b>(163)</b>                             | <b>–</b>                            | <b>–</b>                         | <b>–</b>  | <b>29</b>                       | <b>(12)</b> | <b>2,214</b>            |
| Airlines              | (15)                    | –  | (1)                                 | –                                | –   | –                               | –           | (16)                    |
| <i>Other clients:</i> |                         |  |                                     |                                  |   |                                 |             |                         |
| • Network             | (74)                    | –  | (12)                                | 53                               | 1   | (6)                             | (19)        | (57)                    |
| • Maintenance         | (117)                   | –  | (1)                                 | 9                                | –   | (1)                             | 23          | (87)                    |
| • Leisure             | (1)                     | –  | (1)                                 | –                                | –   | –                               | –           | (2)                     |
| • Other               | –                       | –  | –                                   | –                                | –   | –                               | –           | –                       |
| <b>Depreciation</b>   | <b>(208)</b>            | <b>–</b>                                 | <b>(15)</b>                         | <b>62</b>                        | <b>1</b>  | <b>(7)</b>                      | <b>4</b>    | <b>(163)</b>            |
| <b>NET VALUE</b>      | <b>2,152</b>            | <b>(163)</b>                             | <b>(15)</b>                         | <b>62</b>                        | <b>1</b>  | <b>22</b>                       | <b>(8)</b>  | <b>2,051</b>            |

<sup>(1)</sup> See Note 37.2 Breakdown of the change in working capital resource

<sup>(2)</sup> See Note 10 Amortization, depreciation and provisions

## NOTE 25 OTHER ASSETS



### ACCOUNTING PRINCIPLES

#### CO<sub>2</sub> quotas

Since January 1, 2012, airlines have been subject to the Emission Trading Scheme (ETS) regulations for all flights to or from the European Economic Area.

Additionally, since January 1, 2020, Air France has been compensating all the CO<sub>2</sub> emissions of its customers on the French domestic routes.

The ICAO has also put in place the CORSIA program, adopted by most countries, including France. This program consists of offsetting, through certified CO<sub>2</sub> reduction projects, any excess – compared with the benchmark of 85% of 2019 emissions – in greenhouse gas emissions produced by commercial flights. All of Air France-KLM airlines participate in this international program.

As from January 1, 2023 and in the absence of IFRS standards or interpretations governing ETS accounting and considering CO<sub>2</sub> quotas as an operating expense linked to fuel expenses, the Group considers that the operating cash flow is the most representative of this outflow. The Group therefore decided to adjust its accounting treatment as described below:

- free CO<sub>2</sub> quotas allocated by the State and the ones purchased on the market recognized as intangible assets is now disclosed in the line “other assets” of the consolidated balance sheet and as an operating cash flow in the consolidated cash flow statement. These assets cannot be amortized;
- the expense corresponding to the obligation to surrender quotas of the period is integrated in the “external expenses” of the consolidated income statement (see Note 7 « External expenses »);
- the obligation to surrender rights valued at acquisition cost for acquired rights – including free quotas – and at market price for rights not yet acquired remains a provision on the liability side (see Note 30 « Return obligation liability and provision for leased aircraft and other provisions »).

When the quotas corresponding to the actual emissions are returned to the State, the provision is cleared in exchange of the returned assets.

| As of December 31<br>(in € millions)     | 2025         |             |              | 2024         |             |              |
|--|--------------|-------------|--------------|--------------|-------------|--------------|
|  | Current      | Non-current | Total        | Current      | Non-current | Total        |
| Suppliers with debit balances            | <b>243</b>   | –           | <b>243</b>   | 231          | –           | 231          |
| State receivables (including tax credit) | <b>169</b>   | –           | <b>169</b>   | 173          | –           | 173          |
| CO <sub>2</sub> quotas                   | <b>277</b>   | <b>270</b>  | <b>547</b>   | 256          | 214         | 470          |
| Prepaid expenses                         | <b>236</b>   | –           | <b>236</b>   | 265          | –           | 265          |
| Other debtors                            | <b>302</b>   | <b>8</b>    | <b>310</b>   | 340          | –           | 340          |
| <b>Gross value</b>                       | <b>1,227</b> | <b>278</b>  | <b>1,505</b> | <b>1,265</b> | <b>214</b>  | <b>1,479</b> |
| Opening valuation allowance              | <b>(5)</b>   | –           | <b>(5)</b>   | (5)          | –           | (5)          |
| Charge to allowance                      | –            | –           | –            | (1)          | –           | (1)          |
| Others                                   | <b>2</b>     | –           | <b>2</b>     | –            | –           | –            |
| <b>Closing valuation allowance</b>       | <b>(3)</b>   | –           | <b>(3)</b>   | <b>(5)</b>   | –           | <b>(5)</b>   |
| <b>TOTAL</b>                             | <b>1,224</b> | <b>278</b>  | <b>1,502</b> | <b>1,260</b> | <b>214</b>  | <b>1,474</b> |

| (in € millions)                          | As of December 31, 2024 | Change in working capital <sup>(1)</sup> | Reversal of unnecessary provisions | Currency translation adjustment | Others      | As of December 31, 2025 |
|--|-------------------------|--|------------------------------------|---------------------------------|-------------|-------------------------|
| Suppliers with debit balances            | 231                     | 13                                       | –                                  | (1)                             | –           | 243                     |
| State receivables (including tax credit) | 173                     | (3)                                      | –                                  | (1)                             | –           | 169                     |
| CO <sub>2</sub> quotas                   | 470                     | 77                                       | –                                  | –                               | –           | 547                     |
| Prepaid expenses                         | 265                     | (30)                                     | –                                  | –                               | 1           | 236                     |
| Other debtors                            | 340                     | 13                                       | –                                  | (1)                             | (42)        | 310                     |
| <b>Gross value</b>                       | <b>1,479</b>            | <b>70</b>                                | <b>–</b>                           | <b>(3)</b>                      | <b>(41)</b> | <b>1,505</b>            |
| CO <sub>2</sub> quotas                   | (4)                     | –  | 4                                  | –                               | –           | –                       |
| Other debtors                            | (1)                     | –  | –                                  | –                               | (3)         | (4)                     |
| <b>Depreciation</b>                      | <b>(5)</b>              | <b>–</b>                                 | <b>4</b>                           | <b>–</b>                        | <b>–</b>    | <b>(1)</b>              |
| <b>NET VALUE</b>                         | <b>1,474</b>            | <b>70</b>                                | <b>4</b>                           | <b>(3)</b>                      | <b>(43)</b> | <b>1,502</b>            |

<sup>(1)</sup> See Note 37.2 Breakdown of the change in working capital resource

| (in € millions)                          | As of December 31, 2023 | Change in working capital <sup>(1)</sup> | Depreciation expense | Currency translation adjustment | Others     | As of December 31, 2024 |
|--|-------------------------|--|----------------------|---------------------------------|------------|-------------------------|
| Suppliers with debit balances            | 223                     | 6  | –                    | 1                               | 1          | 231                     |
| State receivables (including tax credit) | 162                     | 11                                       | –                    | –                               | –          | 173                     |
| CO <sub>2</sub> quotas                   | 395                     | 77                                       | –                    | –                               | (2)        | 470                     |
| Prepaid expenses                         | 262                     | 5  | –                    | –                               | (2)        | 265                     |
| Other debtors                            | 236                     | 106                                      | –                    | 4                               | (6)        | 340                     |
| <b>Gross value</b>                       | <b>1,278</b>            | <b>205</b>                               | <b>–</b>             | <b>5</b>                        | <b>(9)</b> | <b>1,479</b>            |
| CO <sub>2</sub> quotas                   | (4)                     | –  | –                    | –                               | –          | (4)                     |
| Other debtors                            | (1)                     | –  | (1)                  | –                               | 1          | (1)                     |
| <b>Depreciation</b>                      | <b>(5)</b>              | <b>–</b>                                 | <b>(1)</b>           | <b>–</b>                        | <b>1</b>   | <b>(5)</b>              |
| <b>NET VALUE</b>                         | <b>1,273</b>            | <b>205</b>                               | <b>(1)</b>           | <b>5</b>                        | <b>(8)</b> | <b>1,474</b>            |

<sup>(1)</sup> See Note 37.2 Breakdown of the change in working capital resource

## NOTE 26 CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS



### ACCOUNTING PRINCIPLES

Cash and cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

As of December 31

| (in € millions)   | 2025         |                                    | 2024         |                                    |
|---|--------------|------------------------------------|--------------|------------------------------------|
|   | Total        | Of which:<br>pledged or<br>secured | Total        | Of which:<br>pledged or<br>secured |
| Liquidity funds (SICAV) (assets – debt instruments)         | 1,203        | 7                                  | 1,442        | 7                                  |
| Bank deposits (assets – debt instruments) and term accounts | 1,526        | –                                  | 1,543        | –                                  |
| Cash in hand  | 1,985        | –                                  | 1,844        | –                                  |
| <b>CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS</b>           | <b>4,714</b> | <b>7</b>                           | <b>4,829</b> | <b>7</b>                           |

## NOTE 27 ASSETS HELD FOR SALE

The line "Assets held for sale" includes the Group's 5% equity interest in Servair shares and intended to be sold (see Note 20 "Equity affiliates").

## NOTE 28 EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM SA

### 28.1 Issued capital & additional paid-in capital



### ACCOUNTING PRINCIPLES

Additional paid-in capital represents the difference between the nominal value of the equity securities issued and the value of contributions in cash or in kind received by Air France-KLM.

Capital increase costs are deducted from paid-in capital if any.

As of December 31, 2025, the issued capital of Air France-KLM comprised 262,769,869 fully paid-up shares with a par value of €1 and the share capital of the Air France-KLM Group amounts to €263 million.

At December 31, 2025, additional paid-in capital stands at €7,560 million.

Each share is entitled to one vote. However, since April 3, 2016, shareholders who have owned their shares for at least two years have benefited from double voting rights.

The new shares are immediately entitled to double voting rights, provided they have been held in registered form, if at the date of the reverse stock-split each of the old shares from which they were issued was entitled to double voting rights. In the event of a reverse split of existing shares that have been held in

registered form since different dates, the period used to determine the double voting rights of the new shares is deemed to begin on the most recent date on which the existing shares were held in registered form.

### Authorized stock

The Combined General Meeting of June 4, 2025 authorized the Board of Directors, for a period of 26 months from the date of the Meeting of June 4, 2025 (i.e. until August 4, 2027), to issue shares and/or other securities giving immediate or future access to the capital of Air France-KLM and/or to carry out capital increases by offering to qualified investors or a restricted circle of investors.

As of December 31, 2025, the available balance of these authorizations is approximately €131 million, no capital transaction has been carried out during the year 2025.

## Breakdown of the share capital and voting rights

The breakdown of the share capital and voting rights is as follows:

| As of December 31              | Number of shares   |                    | % of capital |            | % of voting rights |            |
|--------------------------------|--------------------|--------------------|--------------|------------|--------------------|------------|
|                                | 2025               | 2024               | 2025         | 2024       | 2025               | 2024       |
| French State                   | <b>73,520,630</b>  | 73,520,630         | <b>28.0</b>  | 28.0       | <b>28.9</b>        | 27.5       |
| Dutch State                    | <b>24,000,000</b>  | 24,000,000         | <b>9.1</b>   | 9.1        | <b>12.8</b>        | 13.3       |
| CMA CGM                        | <b>23,134,825</b>  | 23,134,825         | <b>8.8</b>   | 8.8        | <b>12.3</b>        | 12.8       |
| China Eastern Airlines         | <b>12,023,544</b>  | 12,023,544         | <b>4.6</b>   | 4.6        | <b>6.4</b>         | 6.7        |
| Employees and former employees | <b>7,797,528</b>   | 8,101,493          | <b>3.0</b>   | 3.1        | <b>4.2</b>         | 3.0        |
| Delta Air Lines                | <b>7,340,118</b>   | 7,340,118          | <b>2.8</b>   | 2.8        | <b>3.9</b>         | 4.1        |
| SPAAK <sup>(1)</sup>           | <b>2,241,065</b>   | 2,241,065          | <b>0.9</b>   | 0.9        | <b>1.2</b>         | 1.2        |
| Treasury shares                | <b>148,204</b>     | 111,642            | <b>0.1</b>   | —          | —                  | —          |
| Public                         | <b>112,563,955</b> | 112,296,552        | <b>42.8</b>  | 42.7       | <b>30.3</b>        | 31.4       |
| <b>TOTAL</b>                   | <b>262,769,869</b> | <b>262,769,869</b> | <b>100</b>   | <b>100</b> | <b>100</b>         | <b>100</b> |

<sup>(1)</sup> Stichting Pilotes Aandelen Air France-KLM.

The line "Employees and former employees" includes the shares held by employees and former employees identified in the "Fonds communs de placement d'entreprise (FCPE)".

As of December 31, 2025, all securities have been issued and paid up.

### 28.2 Treasury shares



#### ACCOUNTING PRINCIPLES

Air-France-KLM shares held by the Group are recorded as a deduction from the Group's consolidated equity at the acquisition cost. Subsequent sales are recorded directly in equity. No gains or losses are recognized in the Group's income statement.

As of December 31, 2025, Air France-KLM Group holds 148,204 treasury shares valued at €27 million.

Air France-KLM implemented as of August 1, 2025 a liquidity contract on its own ordinary shares with an initial term of 12 months and renewed automatically for successive 12-month periods. As of December 31, 2025, no treasury share are held by Rothschild Martin Maurel.

All of these treasury shares are classified as a reduction of equity.

### 28.3 Perpetual



#### ACCOUNTING PRINCIPLES

A financial instrument is considered as an equity instrument if it does not include a contractual obligation:

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

| (in € millions)   | Notes   | December 31, 2024 | Repayment – Nominal | Issuance – Nominal | Monetary change – Coupons | Non-monetary change | December 31, 2025 |
|---|---------|-------------------|---------------------|--------------------|---------------------------|---------------------|-------------------|
| 2023 perpetual super-subordinated bonds   | Nominal | 28.3.1            | 727                 | –                  | –                         | –                   | <b>727</b>        |
|   | Coupons |                   | 44                  | –                  | –                         | (55)                | <b>44</b>         |
| Last-rank indefinite subordinated bond convertible into new shares and/or existing shares | Nominal | 28.3.2            | 305                 | (305)              | –                         | –                   | –                 |
|   | Coupons |                   | 2                   | –                  | (19)                      | 17                  | –                 |
| Subordinated bonds 2025   | Nominal | 28.3.3            | –                   | –                  | 494                       | 6                   | <b>500</b>        |
|   | Coupons |                   | –                   |                    | (7)                       | 17                  | <b>10</b>         |
| <b>TOTAL PERPETUAL – ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM</b>                 |         | <b>1,078</b>      | <b>(305)</b>        | <b>494</b>         | <b>(81)</b>               | <b>95</b>           | <b>1,281</b>      |
| 2022 perpetual super-subordinated bonds   | Nominal | 28.6.1            | 497                 | (497)              |                           | –                   | –                 |
|   | Coupons |                   | 13                  | –                  | –                         | (30)                | 17                |
| July 2023 perpetual super-subordinated bonds  | Nominal | 28.6.2            | 498                 | –                  | –                         | –                   | <b>498</b>        |
|   | Coupons |                   | 16                  | –                  | –                         | (34)                | 35                |
| November 2023 perpetual super-subordinated bonds  | Nominal | 28.6.3            | 1,493               | –                  | –                         |                     | <b>1,493</b>      |
|   | Coupons |                   | 13                  | –                  | –                         | (96)                | 101               |
| <b>TOTAL PERPETUAL – NON-CONTROLLING INTERESTS</b>  |         | <b>2,530</b>      | <b>(497)</b>        | <b>–</b>           | <b>(160)</b>              | <b>153</b>          | <b>2,026</b>      |
| Total cash flows  |         | 5.2.5             |                     | (802)              | 494                       | (241)               |                   |

| (in € millions)   | Notes   | December 31, 2023 | Repayment – Nominal | Issuance – Nominal | Monetary change – Coupons | Non-monetary change | December 31, 2024 |
|---|---------|-------------------|---------------------|--------------------|---------------------------|---------------------|-------------------|
| 2023 perpetual super-subordinated bonds   | Nominal | 28.3.2            | 727                 | –                  | –                         | –                   | 727               |
|   | Coupons |                   | 42                  | –                  | –                         | (51)                | 53                |
| Last-rank indefinite subordinated bond convertible into new shares and/or existing shares | Nominal | 28.3.3            | 305                 | –                  | –                         | –                   | 305               |
|   | Coupons |                   | 2                   | –                  | –                         | (20)                | 20                |
| <b>TOTAL PERPETUAL – ATTRIBUTABLE TO EQUITY HOLDERS OF AIR FRANCE-KLM</b>                 |         | <b>1,076</b>      | –                   | –                  | <b>(71)</b>               | <b>73</b>           | <b>1,078</b>      |
| 2022 perpetual super-subordinated bonds   | Nominal | 28.6.1            | 497                 | –                  | –                         | –                   | 497               |
|   | Coupons |                   | 13                  | –                  | –                         | (30)                | 30                |
| July 2023 perpetual super-subordinated bonds  | Nominal | 28.6.2            | 498                 | –                  | –                         | –                   | 498               |
|   | Coupons |                   | 15                  | –                  | –                         | (34)                | 35                |
| November 2023 perpetual super-subordinated bonds  | Nominal | 28.6.3            | 1,493               | –                  | –                         | –                   | 1,493             |
|   | Coupons |                   | 8                   | –                  | –                         | (96)                | 101               |
| <b>TOTAL PERPETUAL – NON-CONTROLLING INTERESTS</b>  |         | <b>2,254</b>      | –                   | –                  | <b>(160)</b>              | <b>166</b>          | <b>2,530</b>      |
| Total cash flows  |         | 5.2.5             |                     |                    | (231)                     |                     |                   |

### 28.3.1 2023 perpetual super-subordinated bonds

The Group refinanced €320 million on March 17, 2023 and €407 million on April 19, 2023 a previous tranche of deeply subordinated notes issued in 2021, by issuing new perpetual subordinated notes with the French State qualified as compensatory aid, for Air France.

These new subordinated notes, which are not subject to operational constraints, carry similar financial conditions to those refinanced (coupons of 7.5% until March 2029, then an increase in the interest rate to 8% from March 2029, followed by a coupon corresponding to a reference rate (12-month Euribor) plus a margin of 10.4% from March 2030).

The coupon paid during the year amounted to €55 million, and at December 31, 2025, the balance of accrued interest on subordinated notes totaled €44 million.

This issuance of super-subordinated notes is part of the aid package authorized by the European Commission in February 2023, which allows the French government to compensate Air France for up to €1.4 billion in Covid-19 related losses incurred between March 17, 2020 and June 30, 2020. This aid can be mobilized for Air France in several tranches and in various form. In this context, the 2026 Finance Act would allow the State to write off €727.8 million in debt under the super-subordinated bonds.

### 28.3.2 Last-rank indefinite subordinated bond convertible into new shares and/or existing shares

On November 16, 2022, Air France-KLM Group issued last-rank indefinite subordinated bonds, convertible into new shares and/or existing shares, for a nominal amount of €301 million, net of issuance costs.

The bonds had been issued at par with a nominal value per bond of €100,000 and with a conversion/exchange premium of 22.5% over the reference Air France-KLM share price.

From the issue date until November 23, 2025, the bonds bear interest at a nominal rate of 6.5% per annum, payable quarterly in arrears. From November 23, 2025, the bonds will bear interest at a rate equal to 1,300 basis points above the applicable three-year Euro Mid-Swap rate as reference rate, subject to review every three years thereafter. Interest is payable quarterly in arrears.

The bonds are for an indefinite period, and the Air France-KLM Group may, at its option, redeem all the bonds early at par plus interest, for the first time on November 23, 2025, or over the period from December 14, 2024 to November 23, 2025 if certain conditions linked to the Air France-KLM share price are met.

Bondholders may exercise their conversion/exchange right at any time until November 10, 2025. The conversion/exchange ratio was initially 65,496.4632 Air France-KLM shares per bond at December 31, 2022.

However, following the reverse stock-split and by decision of the Chief Executive Officer, the conversion ratio of the last-ranking perpetual subordinated bonds, convertible into new shares and/or exchangeable for existing shares, has been adjusted and amounts to 6,549.6463 Air France-KLM shares per bond.

On October 15, 2025, Air France-KLM Group notified the holders of last-rank indefinite subordinated bond convertible into new shares and/or existing shares its intention to redeem all of the outstanding hybrid bonds from the First Hard Call Date at a price per hybrid bond equal to par (€100,000) plus accrued interest of €1,625.

The payment occurred on November 24, 2025 for a nominal value of €305 million to which were added €4,9 million accrued interest.

Lastly, the coupon paid during the year amounted to €19 million, and at December 31, 2025, the balance of accrued coupon is nil.

## 28.4 Reserves and retained earnings

As of December 31

| (in € millions)                                 | Notes | 2025            | 2024            |
|---|-------|-----------------|-----------------|
| Legal reserve                                   |       | <b>70</b>       | 70              |
| Defined pension benefit reserves <sup>(1)</sup> |       | <b>(346)</b>    | (430)           |
| Derivatives reserves <sup>(1)</sup>             | 28.5  | <b>123</b>      | (74)            |
| Equity instrument reserves <sup>(1)</sup>       |       | <b>(49)</b>     | (56)            |
| Equity affiliates reserves                      |       | <b>40</b>       | 4               |
| Other reserves                                  |       | <b>(10,210)</b> | (10,469)        |
| Net income (loss) – Group share                 |       | <b>1,593</b>    | 317             |
| <b>TOTAL</b>                                    |       | <b>(8,779)</b>  | <b>(10,638)</b> |

<sup>(1)</sup> After deferred tax.

As of December 31, 2025, the legal reserve of €70 million represents 27% of Air France-KLM's issued capital. French company law requires a limited company (société anonyme) to allocate 5% of its unconsolidated statutory net income each year to this legal reserve until it reaches 10% the Group's issued capital. The amount allocated to this legal reserve is deducted from the distributable income for the current year.

For details of deeply subordinated notes included in "Non-controlling interests", see Note 28.6.

### 28.3.3 2025 Subordinated bonds

Air France-KLM has placed €500 million of hybrid bonds on May 15, 2025, with a fixed annual coupon of 5.75% (yield of 5.875%) until the first reset date.

The coupon paid during the year amounted to €7 million, and at December 31, 2025, the balance of accrued interest on subordinated notes totaled €10 million

## 28.5 Derivatives instruments reserves

Derivatives instruments reserves are composed as follows (before the effect of deferred tax):

| (in € millions)                           | December 31, 2024 | Variation of fair value | Recycling in income statement | December 31, 2025 | Recycling allocated by heading |
|---|-------------------|-------------------------|-------------------------------|-------------------|--------------------------------|
| Fuel                                      | (116)             | (184)                   | 122                           | <b>(178)</b>      | External expenses              |
| Interest rate                             | 108               | 3                       | (21)                          | <b>90</b>         | Cost of financial debt         |
| Currency exchange – Operating             | 82                | (179)                   | 31                            | <b>(66)</b>       | Other income and expenses      |
| Currency exchange – Financial liabilities | (3)               | 20                      | (12)                          | <b>5</b>          | Other financial expenses       |
| Currency exchange – Capital expenditures  | 19                | 96                      | –                             | <b>115</b>        |                                |
| Revenues                                  | (207)             | 414                     | (4)                           | <b>203</b>        | Revenues                       |
| European carbon emission allowances (ETS) | 18                | (17)                    | –                             | <b>1</b>          |                                |
| Deferred tax                              | 25                | –                       | (73)                          | <b>(48)</b>       | Income tax                     |
| <b>TOTAL</b>                              | <b>(74)</b>       | <b>153</b>              | <b>43</b>                     | <b>122</b>        |                                |

The legal reserve of any company subject to this requirement may only be distributed to shareholders upon liquidation of the company.

## 28.6 Non-controlling interests

### 28.6.1 2022 perpetual super subordinated bonds

On July 13, 2022, following the €500 million investment agreement between Air France-KLM Group and Apollo, the latter subscribed to:

- a capital increase in the Air France operating subsidiary, Air France Spare Engines Management, for an amount of €3 million;
- perpetual bonds issued by the Air France operating subsidiary for an amount of €497 million.

The perpetual bonds, which meet the criteria for equity under IFRS, bear interest at 6% for the first three years, after which gradual step ups and a cap will apply.

The Group had the option to redeem the notes at any time after the third year.

On June 20, 2025, Air France irrevocably notified Apollo Company of the redemption of €497 million of the 2022 super-subordinated notes on July 28, 2025.

The repayment was effective as of July 28, 2025 for a total amount of €527 million. (See Note 3.1 "Significant events occurring during the period").

The coupon paid during the year amounted to €30 million and as of December 31, 2025 the balance of accrued coupon is nil.

### 28.6.2 July 2023 perpetual super subordinated bonds

On July 14, 2023, following the €500 million investment agreement between the Air France-KLM Group and Apollo, the latter subscribed to:

- a capital increase in the Air France operating subsidiary, Air France Component Asset Management, for an amount of €2 million;
- perpetual bonds issued by the Air France operating subsidiary for an amount of €498 million.

The perpetual bonds, which qualify as equity under IFRS, bear interest at 6.9% for the first three years, after which gradual increases and a cap will be applied. The Group has the option of redeeming the securities at any time after the third year.

The coupon paid during the year amounted to €34 million and as of December 31, 2025, the balance of accrued coupon totaled to €17 million.

### 28.6.3 November 2023 perpetual super subordinated bonds

On November 30, 2023, Air France-KLM and Apollo Global Management finalized the investment transaction for an amount of €1,500 million, the latter subscribed to:

- a capital increase in the Air France operating subsidiary, Flying Blue Miles, for an amount of €7 million;
- perpetual bonds issued by the Air France operating subsidiary for an amount of €1,493 million.

The perpetual bonds carry a coupon of 6.4% for the first four years, with the option of repayment at an overall cost of financing of 6.75% up to this first call date.

The coupon paid during the year amounted to €96 million and as of December 31, 2025, the balance of accrued coupon totaled to €18 million.

## NOTE 29 PENSION ASSETS AND RETIREMENT BENEFITS



### ACCOUNTING PRINCIPLES

The Group's obligations in respect of defined benefit pension plans, including termination indemnities, are calculated in accordance with IAS 19 Revised "Employee Benefits", using the projected units of credit method based on actuarial assumptions and considering the specific economic conditions in each country concerned. The commitments are covered either by insurance or pension funds or by provisions recorded on the balance sheet as and when rights are acquired by employees.

The Group recognizes all its pension costs (defined contribution and defined benefit) in recurring operating income under "personnel costs". Changes in plans with a material impact are reported under "Other non current income and expenses". Plan curtailments, when linked to restructuring, are also presented under "Other non current income and expenses".

The Group recognizes in other comprehensive income all actuarial gains and losses on post employment plans, the difference between actual and expected return on pension assets, and the impact of any asset ceiling. When a defined-benefit pension plan is converted to a defined-contribution pension plan or closed, the amounts recognized in other comprehensive income are reclassified to other reserves.

Actuarial gains and losses long term benefit plans (mainly long services awards) are recognized in the income statement.

## Pension Assets

As of December 31, 2025, taking into account the financial conditions, the pension plans in the United Kingdom and in Canada are in a surplus situation according to IAS 19 for an amount of €57 million (€66 million as of December 31, 2024).

Given the plan settlement, the agreement with the trustees and the application of IFRIC 14, this surplus is fully recognised in the balance sheet. The variation is as follows:

| As of December 31<br>(in € millions)                | 2025      | 2024      |
|---|-----------|-----------|
| <b>Opening balance</b>                              | <b>66</b> | <b>45</b> |
| Net periodic pension (cost)/income                  | 2         | (1)       |
| Payments of benefits and contributions to the funds | 3         | 10        |
| Reclassification                                    | –         | 4         |
| Fair value revaluation                              | (10)      | 5         |
| Currency translation adjustment                     | (4)       | 3         |
| <b>CLOSING BALANCE</b>                              | <b>57</b> | <b>66</b> |

## Retirement benefits

| (in € millions)                 | Retirement benefits |
|---------------------------------|---------------------|
| <b>As of December 31, 2023</b>  | <b>1,685</b>        |
| Of which: Non-current           | 1,685               |
| New provision                   | 154                 |
| Reversal of provision           | (63)                |
| Fair value revaluation          | (95)                |
| Currency translation adjustment | 2                   |
| Reclassification                | 3                   |
| <b>As of December 31, 2024</b>  | <b>1,686</b>        |
| Of which: Non-current           | 1,686               |
| New provision                   | 170                 |
| Reversal of provision           | (109)               |
| Fair value revaluation          | (89)                |
| Currency translation adjustment | (4)                 |
| <b>As of December 31, 2025</b>  | <b>1,654</b>        |
| Of which: Non-current           | 1,654               |

### 29.1 Characteristics of the main defined benefit plans

The Group has a large number of retirement and other long-term benefit plans for its employees, several of which are defined benefit plans. The specific characteristics of the plans (benefit formulas, funding policies and types of assets held) vary according to the regulations and laws in the particular countries in which the employees are located.

#### Air France pension plan (CRAF) – France

The employees covered by this plan are the Air France Ground Staff affiliated to the CRAF until December 31, 1992.

The participants receive, or will receive on retirement, an additional pension paid monthly or a lump sum based on the monthly annuity and definitively calculated based on the data known as of December 31, 1992 and expressed in the form of points. The value of each point is adjusted every year based on

the weighted increases seen in the CNAV and AGIRC-ARRCO schemes over the last twelve months.

Until 2009, the CRAF had the legal form of a supplementary pension institution (pursuant to the "Code de la Sécurité sociale"). With this status, the CRAF was responsible, on behalf of the Air France ground staff employed in France, for managing the pension plan resulting from the merging of the Air France ground staff plan with the mandatory pension plan for the private sector.

Following the 2003 law on pension reform foreseeing the disappearance of supplementary pension institutions as of December 31, 2009, the CRAF's Board of Directors opted to transform it into an institution managing supplementary pensions. The CRAF is now responsible for the administrative functions linked to the plan. The pension rights were not amended by this reform. Air France is directly responsible for the pension obligations.

As of December 31, 2009, all the funds managed by the CRAF had been transferred to two insurance companies. On December 31, 2012, one of the insurance contracts was terminated and its funds were transferred to the other, which thus became the only insurer.

This guarantees a capital of 17% equal to the amount of capital invested in units of account in its collective fund, this percentage being automatically set to increase over time. The annual payments made by Air France to the insurance company are governed by the agreement signed with the employee representative bodies on December 14, 2009. The minimum annual payment defined by this agreement amounts to €32.5 million as long as the life annuity guaranteed by the insurer does not reach 85% of the benefits payments for this plan without future revaluations. If the value of the funds falls below 50% of the total obligations calculated for funding purposes, Air France is required to make an additional payment to achieve a minimum 50% coverage rate.

As of December 31, 2025, the coverage of liabilities by reserves is 78% in 2025 (68% in 2024).

The funds are invested in bonds, equities and general assets of the insurance company. Studies of assets/liabilities allocation are carried out regularly, to verify the relevance of the investment strategy.

### **Air France end of service benefit plan (ICS) – France**

Pursuant to French regulations and the Company agreements, every employee receives an end of service indemnity on retirement.

In France, this indemnity depends on the number of years of service, the professional category of the employee (flight deck crew, cabin crew, ground staff, agent, technician and executive) and, in some cases, on the age of the employee at retirement. There is no mandatory minimum funding requirement for this scheme.

On retirement, employees consequently receive an end of service indemnity based on their final salaries over the last twelve-months and on their seniority. The indemnity is only payable to employees on their retirement date.

Air France has nevertheless signed contracts with three insurance companies to partly pre-finance the plan. Air France has sole responsibility for payment of the indemnities, but remains free to make payments to these insurance companies.

The relevant outsourced funds are invested in bonds and equities.

As of December 31, 2025, the two French plans presented above represented a respective 67% (67% in 2024 as well) of the Group's defined benefit obligation and 48% (45% in 2024) of the Group's pension plan assets.

### **29.2 Description of the actuarial assumptions and related sensitivities**

Actuarial valuations of the Group's benefit obligation were made as of December 31, 2025 and 2024.

These calculations include:

- assumptions on staff turnover and the life expectancy of the plan beneficiaries;
- assumptions on salary and pension increases;
- assumptions on retirement ages varying from 55 to 68 years depending on the localization and applicable laws;
- inflation rates determined with reference to the inflation swaps applied to the Group's cash flows and based on the duration of the schemes:

| As of December 31                   | 2025         | 2024  |
|-------------------------------------|--------------|-------|
| Euro zone – Duration 10 to 15 years | <b>2.00%</b> | 2.00% |
| United Kingdom – Duration 13 years  | <b>3.95%</b> | 3.25% |

- discount rates used to determine the actuarial present value of the projected benefit obligations.

The discount rates for the different geographical areas are thus determined based on the duration of each plan, taking into account the average trend in interest rates on investment grade bonds, observed on the main available indices. In some countries, where the market in this type of bond is not sufficiently broad, the discount rate is determined with reference to government bonds. Most of the Group's benefit obligations are located in the Eurozone and in the United Kingdom, where the discount rates used are as follows:

| As of December 31                   | 2025         | 2024  |
|-------------------------------------|--------------|-------|
| Euro zone – Duration 10 to 15 years | <b>3.75%</b> | 3.30% |
| United Kingdom – Duration 13 years  | <b>5.55%</b> | 5.45% |

The duration rates presented concern mainly plans located in France and the United Kingdom:

- discount rates used to determine the actuarial present value of the service cost. Since January 1, 2017, by using adequate flows, the Group has refined its calculations on the discount rate used for the service-cost calculation for the ICS plan in France. As of December 31, 2025, in the euro zone, the discount rates used to calculate the service cost is equal to the rates used to discount the liabilities;

- on average, the main assumptions used to value the liabilities are summarized below;
  - the rate of salary increase is 2.82% for the Group as of December 31, 2025 against 2.90% as of December 31, 2024,
  - the rate of pension increase is 2.56% for the Group as of December 31, 2025 against 2.43% as of December 31, 2024
  - the sensitivity of the pension obligations to a change in assumptions, based on actuarial calculations, is as follows:

#### OBLIGATION SENSITIVITY TO THE INFLATION RATE

(in € millions)

|                                      | Sensitivity of the assumptions for the year ended December 31, 2025 | Sensitivity of the assumptions for the year ended December 31, 2024 |
|--------------------------------------|---|---|
| 25 bp increase in the inflation rate | <b>48</b>   | 51  |
| 25 bp decrease in the inflation rate | <b>(48)</b>   | (49)  |

#### OBLIGATION SENSITIVITY TO THE DISCOUNT RATE

(in € millions)

|                                      | Sensitivity of the assumptions for the year ended December 31, 2025 | Sensitivity of the assumptions for the year ended December 31, 2024 |
|--------------------------------------|---|---|
| 100 bp increase in the discount rate | <b>(205)</b>  | (224)   |
| 100 bp decrease in the discount rate | <b>235</b>  | 257   |

#### OBLIGATION SENSITIVITY TO SALARY INCREASE (EXCLUDING INFLATION)

(in € millions)

|  | Sensitivity of the assumptions for the year ended December 31, 2025 | Sensitivity of the assumptions for the year ended December 31, 2024 |
|--|---|---|
| 25 bp increase in the salary increase rate | <b>37</b>   | 39  |
| 25 bp decrease in the salary increase rate | <b>(36)</b>   | (37)  |

#### OBLIGATION SENSITIVITY TO PENSION INCREASE

(in € millions)

|   | Sensitivity of the assumptions for the year ended December 31, 2025 | Sensitivity of the assumptions for the year ended December 31, 2024 |
|---|---|---|
| 25 bp increase in the pension increase rate | <b>16</b>   | 16  |
| 25 bp decrease in the pension increase rate | <b>(15)</b>   | (15)  |

### 29.3 Evolution of commitments

The following table details the reconciliation between the benefits obligation and the plan assets of the Group and the amounts recorded in the financial statements for the years ended December 31, 2025 and December 31, 2024:

| (in € millions)  | As of December 31, 2025 |                |            |             |                | As of December 31, 2024 |                |            |             |                |
|--|-------------------------|----------------|------------|-------------|----------------|-------------------------|----------------|------------|-------------|----------------|
|  | Netherlands             | France         | UK         | Others      | Total          | Netherlands             | France         | UK         | Others      | Total          |
| <b>Benefit obligation at beginning of year</b>                               | <b>217</b>              | <b>1,913</b>   | <b>502</b> | <b>106</b>  | <b>2,738</b>   | <b>211</b>              | <b>1,947</b>   | <b>531</b> | <b>107</b>  | <b>2,796</b>   |
| Service and administrative costs   | 9                       | 86             | 2          | 3           | 100            | 10                      | 84             | 3          | 3           | 100            |
| Interest cost  | 7                       | 61             | 26         | 5           | 99             | 8                       | 61             | 24         | 5           | 98             |
| Plan amendments, curtailments and settlements                                | –                       | 5              | –          | –           | 5              | –                       | (11)           | –          | –           | (11)           |
| Settlements  | –                       | –              | –          | –           | –              | –                       | –              | –          | –           | –              |
| Benefits paid  | (21)                    | (92)           | (37)       | (8)         | (158)          | (21)                    | (88)           | (31)       | (15)        | (155)          |
| Actuarial loss/(gain) demographic assumptions                                | –                       | 1              | 5          | –           | 6              | (6)                     | (42)           | (3)        | –           | (51)           |
| Actuarial loss/(gain) financial assumptions                                  | (2)                     | (60)           | (14)       | 1           | (75)           | 1                       | (37)           | (50)       | 3           | (83)           |
| Actuarial loss/(gain) experience gap   | 11                      | (17)           | 2          | 1           | (3)            | 15                      | 2              | 3          | –           | 20             |
| Change in currency exchange rates  | –                       | –              | (25)       | (7)         | (32)           | (1)                     | (3)            | 25         | 3           | 24             |
| <b>Benefit obligation at end of year</b>                                     | <b>221</b>              | <b>1,897</b>   | <b>461</b> | <b>101</b>  | <b>2,680</b>   | <b>217</b>              | <b>1,913</b>   | <b>502</b> | <b>106</b>  | <b>2,738</b>   |
| Including benefit obligation resulting from schemes totally or partly funded | –                       | 1,812          | 461        | 67          | 2,340          | –                       | 1,836          | 502        | 69          | 2,407          |
| Including unfunded benefit obligation  | 221                     | 85             | –          | 34          | 340            | 217                     | 77             | –          | 37          | 331            |
| <b>Fair value of plan assets at beginning of year</b>                        | <b>–</b>                | <b>506</b>     | <b>566</b> | <b>47</b>   | <b>1,119</b>   | <b>–</b>                | <b>532</b>     | <b>576</b> | <b>48</b>   | <b>1,156</b>   |
| Actual return on plan assets   | –                       | 29             | 13         | 3           | 45             | –                       | 28             | (16)       | 5           | 17             |
| Employers' contributions   | –                       | 33             | 3          | 1           | 37             | –                       | 33             | 10         | –           | 43             |
| Settlements  | –                       | –              | –          | –           | –              | –                       | –              | –          | –           | –              |
| Benefits paid  | –                       | (46)           | (37)       | (4)         | (87)           | –                       | (86)           | (31)       | (5)         | (122)          |
| Change in currency exchange rates and others                                 | –                       | –              | (28)       | (3)         | (31)           | –                       | (1)            | 27         | (1)         | 25             |
| <b>Fair value of plan assets at the end of year</b>                          | <b>–</b>                | <b>522</b>     | <b>517</b> | <b>44</b>   | <b>1,083</b>   | <b>–</b>                | <b>506</b>     | <b>566</b> | <b>47</b>   | <b>1,119</b>   |
| Pension asset  | –                       | –              | 56         | 1           | 57             | –                       | –              | 64         | 2           | 66             |
| Provision for retirement benefits  | (221)                   | (1,375)        | –          | (58)        | (1,654)        | (217)                   | (1,407)        | –          | (61)        | (1,685)        |
| <b>Net amount recognized</b>   | <b>(221)</b>            | <b>(1,375)</b> | <b>56</b>  | <b>(57)</b> | <b>(1,597)</b> | <b>(217)</b>            | <b>(1,407)</b> | <b>64</b>  | <b>(59)</b> | <b>(1,619)</b> |
| Service and administrative costs   | 9                       | 86             | 2          | 3           | 100            | 10                      | 84             | 3          | 3           | 100            |
| Net interest cost/(income)   | 7                       | 45             | (3)        | 2           | 51             | 8                       | 44             | (2)        | 2           | 52             |
| Plan amendments, curtailment and settlement                                  | –                       | 5              | –          | –           | 5              | –                       | (11)           | –          | –           | (11)           |
| Actuarial losses/ (gain) recognized in income statement                      | 10                      | –              | –          | –           | 10             | 12                      | 1              | –          | –           | 13             |
| <b>Net periodic cost</b>   | <b>26</b>               | <b>136</b>     | <b>(1)</b> | <b>5</b>    | <b>166</b>     | <b>30</b>               | <b>118</b>     | <b>1</b>   | <b>5</b>    | <b>154</b>     |

## Amendments, curtailment and settlement of pension plans

### As of December 31, 2025

A partial buy-in for the pension fund in Great Britain has been carried out for KLM. The plan remains a defined-benefits plan accounted for as of December 31, 2025.

### 29.4 Asset allocation

The weighted average allocation of the funds invested in the Group's pension and other long-term benefit plans is as follows:

| (in %)       | Funds invested as of December 31, 2025 |            | Funds invested as of December 31, 2024 |            |
|--------------|--|------------|--|------------|
|              | France                                 | Other      | France                                 | Other      |
| Equities     | 18                                     | 3          | 18                                     | 6          |
| Bonds        | 50                                     | 19         | 54                                     | 36         |
| Real estate  | –                                      | –          | –                                      | 2          |
| Insurance    | –                                      | 72         | –                                      | 10         |
| Others       | 32                                     | 6          | 28                                     | 46         |
| <b>TOTAL</b> | <b>100</b>                             | <b>100</b> | <b>100</b>                             | <b>100</b> |

The equity portion is mainly invested in active markets in Europe, the United States and emerging countries.

The bonds primarily comprise government bonds, rated at least BBB, and invested in Europe, the United States and emerging countries.

The Group's pension assets do not include assets occupied or used by the Group.

### As of December 31, 2024

As of December 31, 2024, a provision has been recognized for Air France's restructuring domestic offer from Paris Orly and call centers' adaptation plan involving a €11 million impact on the concerned defined benefits plans.

### 29.5 Expected cash outflows and risks linked to the pension obligations

The employer contributions relating to the defined benefit pension plans amount to €36 million for the year ended December 31, 2026. The weighted average duration of the obligation is 8.35 years.

The funding, capitalization and matching strategies implemented by the Group are presented in Note 29.1.

## NOTE 30 RETURN OBLIGATION LIABILITY AND PROVISION FOR LEASED AIRCRAFT AND OTHER PROVISIONS



### ACCOUNTING PRINCIPLES

The Group recognizes return obligation liabilities and provisions in respect of the required maintenance obligations within the framework of the leasing of aircraft from lessors. The constitution of these return obligation liabilities and provisions depends on the type of maintenance obligations to fulfill before returning these aircraft to the lessors: overhaul and restoration work, airframe and engine potential reconstitution as well as the replacement of limited life parts.

Restitutions liabilities and provisions for leased aircraft are revalued each year to take account of changes in the discount rate. This discount rate is determined using free interest rate assumptions, plus a spread on risky debt.

The effect of undiscounting and translation of foreign currency denominated restitution liabilities and provisions are recognized in "other financial income and expenses" (see Note 12 "Cost of financial debt and other financial income and expenses").

#### Overhaul and restoration works (not depending on aircraft utilization)

Costs resulting from work required to be performed just before returning aircraft to the lessors, such as aircraft overhaul ("C Check") are recognized as provisions as of the inception of the contract in accordance with IFRCI. The counterpart of these provisions is booked as a complement through the initial book value of the aircraft right-of-use assets. This complement to the right-of-use asset is depreciated over the lease term.

#### Airframe and engine potentials reconstitution (depending on the utilization of the aircraft and its engines)

In accordance with IFRCI, the airframe and the engine potentials as well as the limited life parts are recognized as a complement to the right-of-use assets since they are considered as fully-fledged components, as distinct from the physical components which are the engine and the airframe. These components are the counterparts of the return obligation liability, recognized in its totality at the inception of the contract. When maintenance events aimed at reconstituting these potentials or replacing the limited life parts take place, the costs incurred are capitalized. These potentials and the limited life parts are depreciated over the period of use of the underlying assets (flight hours for the engine potentials component, straight-line for the airframe potentials component and cycles for the limited life parts).

#### Provisions for CO<sub>2</sub> quota surrenders

Please refer to the accounting principles in Note 25 "Other assets".

#### Others provisions

The Group recognizes a provision in the balance sheet when it has an existing legal or implicit obligation to a third party as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amounts recorded as provisions are discounted when the effect of the passage of time is material. The effect of the time value of money is presented as a component of "Other financial income and expenses".

A provision for onerous contracts is recognised when the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits. Within the Group, the issue of onerous contracts is limited to the Maintenance business.

Restructuring provisions are recognized once the Group has established a detailed and formalized restructuring plan which has been announced to the parties concerned.

| (in € millions)                             | Return obligation liability on leased aircraft | Maintenance on leased aircraft | Restructuring | Litigation | Provisions for CO <sub>2</sub> quota surrenders <sup>(1)</sup> | Others     | <b>Total</b> |
|---|--|--------------------------------|---------------|------------|--|------------|--------------|
| <b>Amount as of January 1, 2024</b>         | <b>3,802</b>                                   | <b>161</b>                     | <b>82</b>     | <b>516</b> | <b>213</b>   | <b>110</b> | <b>4,884</b> |
| Of which: Non-current                       | 3,532  | 148                            | –             | 36         | –  | 89         | 3,805        |
| Current                                     | 270  | 13                             | 82            | 480        | 213  | 21         | 1,079        |
| New provision                               | –  | 8                              | 74            | 65         | 254  | 6          | 407          |
| Use of provision                            | (159)  | (29)                           | (62)          | (103)      | (217)  | (10)       | (580)        |
| Reversal of unnecessary provisions          | –  | –                              | (7)           | (16)       | –  | (3)        | (26)         |
| New lease contract/Change in lease contract | 459  | 15                             | –             | –          | –  | 19         | 493          |
| Currency translation adjustment             | 220  | 1                              | –             | –          | –  | 1          | 222          |
| Accretion impact                            | 267  | 8                              | –             | –          | –  | 4          | 279          |
| Others                                      | (17)   | 5                              | –             | 2          | –  | 5          | (5)          |
| <b>Amount as of December 31, 2024</b>       | <b>4,572</b>                                   | <b>169</b>                     | <b>87</b>     | <b>464</b> | <b>250</b>   | <b>132</b> | <b>5,674</b> |
| Of which: Non-current                       | 4,163  | 153                            | –             | 69         | –  | 108        | 4,493        |
| Current                                     | 409  | 16                             | 87            | 395        | 250  | 24         | 1,181        |
| New provision                               | 1  | 9                              | 53            | 22         | 319  | 37         | 441          |
| Use of provision                            | (161)  | (10)                           | (34)          | (7)        | (244)  | (8)        | (464)        |
| Reversal of unnecessary provisions          | (26)   | –                              | (1)           | (8)        | –  | (1)        | (36)         |
| New lease contract/Change in lease contract | 806  | 16                             | –             | –          | –  | 5          | 827          |
| Currency translation adjustment             | (482)  | (4)                            | –             | –          | –  | (2)        | (488)        |
| Accretion impact                            | 266  | 7                              | –             | –          | –  | 6          | 279          |
| Others                                      | (275)  | (1)                            | (1)           | 1          | 1  | 2          | (273)        |
| <b>Amount as of December 31, 2025</b>       | <b>4,701</b>                                   | <b>186</b>                     | <b>104</b>    | <b>472</b> | <b>326</b>   | <b>171</b> | <b>5,960</b> |
| Of which: Non-current                       | 4,381  | 173                            | –             | 72         | 43   | 149        | 4,818        |
| Current                                     | 320  | 13                             | 104           | 400        | 283  | 22         | 1,142        |

<sup>(1)</sup> Provisions and reversals are presented under the change in working capital resource section in the cash flow statement  
see note 37.2 "Breakdown of the change in working capital resource"

The movements in provisions for litigation and other risks and charges with an impact on the income statement are booked in the lines of the income statement corresponding to the nature of the expenses.

The line "Others" mainly corresponds to reclassification with the right of use for leased aircraft following the restitution of aircraft.

## 30.1 Provisions

### 30.1.1 Return obligation liability and provision on leased aircraft

The discount rate used to calculate these restitution liabilities and provisions is 6,3% as of December 31, 2025 against 6,8% as of December 31, 2024 (see Note 12 "Net cost of financial debt and other financial income and expenses").

The provisions cover costs in euros and in US dollars; therefore, the discount rate is weighted in the same proportions between the two risk-free rates: 2,29% for the euro and 3,69% for the dollar. In addition, a spread of 3,08% is added.

### 30.1.2 Restructuring provisions

The movements in restructuring provisions with a significant impact on the income statement are booked in "Other non-current income and expenses" (see Note 11 "Sales of aircraft equipment and other non-current income and expenses").

### 30.1.3 Litigation

In the normal course of its activities, the Air France-KLM Group, its subsidiaries Air France and KLM (and their subsidiaries) are involved in litigation cases, some of which may be significant.

An assessment of litigation risks with third parties has been carried out with the Group's attorneys and provisions have been recorded whenever circumstances require.

The provisions for disputes also include provisions for tax contingencies that are not covered by IAS 12. Such provisions are created when the Group estimates, in the context of tax audits, that the tax authorities may challenge a tax position taken by the Group or one of its subsidiaries.

### 30.1.4 Litigation concerning anti-trust laws in the air-freight industry

Air France, KLM and Martinair, a wholly-owned subsidiary of KLM since January 1, 2009, have been involved, since February 2006, with up to twenty-five other airlines in investigations initiated by some antitrust authorities around the world, with respect to allegations of anti-competitive agreements or concerted actions in the air freight industry.

As of December 31, 2021, most of these investigations had been terminated following the entry into plea agreements between the three companies of the Group and the appropriate competition authorities, providing for the payment of settlement amounts or fines, with the exception of the proceeding initiated by the European Commission which is still pending.

In Europe, the decision of the European Commission of 2010 against eleven air cargo carriers, including the companies of the Group, Air France, KLM and Martinair, was annulled by the General Court of the European Union on December 16, 2015 because it contained a contradiction regarding the exact scope of the practices sanctioned. On March 17, 2017, the European

Commission issued a new decision against the aforementioned cargo carriers, including Air France, KLM and Martinair. The total amount of fines imposed in respect of this decision at the Air France-KLM Group level was €339 million. This amount was slightly reduced by €15.4 million as compared to the initial decision owing to a lower fine for Martinair due to technical reasons. On May 29 and 30, 2017, the Group companies filed an appeal against this decision before the General Court of the European Union. The hearings before the General Court took place on June and July 2019.

The General Court decision in March 2022 confirmed the fines against Air France-KLM Group companies. The Group companies lodged appeals to the European Union Court of Justice and hearings were held before the European Court of Justice in 2024. In its opinion on September 2024, the Advocate General proposed to the court to dismiss the appeals. Final judgment of the European Court of Justice will be rendered on February 26, 2026. As of June 30, 2025, the Group has maintained a provision of €366 million covering the total amount of these fines (and including interests). Financial assets of the same amount are pledged (See Note 22 "Other financial assets").

### 30.1.5 Case brought against KLM by (former) Martinair pilots

In 2015, a case was brought against KLM by 152 (former) Martinair airline pilots, hereafter called "Vrachtvliegers". In 2016 and 2018, the District Court and Court of Appeal ruled in favor of KLM and rejected all claims of plaintiffs. In November 2019, however, the Supreme Court ruled against KLM on the basis of lack of sufficient motivation and referred the case to another Court of Appeal. On June 8, 2021, this Court of Appeal rendered its judgment in favor of the plaintiffs, the former Martinair pilots, ruling that the transfer of the cargo department qualifies as a transfer of undertaking.

According to the ruling the rights and obligations under the employment contracts of 116 Martinair pilots automatically transfer to KLM as per January 1, 2014. The Court of Appeal rejected the plaintiffs' claim to also transfer the rights regarding seniority accrued at Martinair.

Vrachtvliegers filed complaints on August 8, 2021 at the Supreme Court claiming that the rights regarding seniority accrued at Martinair should transfer to KLM. On June 24, 2022, the General Attorney has given the advice to the Supreme Court that the complaints should be rejected. On January 20, 2023, the Supreme Court ruled that this claim is denied.

The pilots also started a new court case about the implementation by KLM of the "transfer of undertaking". The hearing took place on November 15, 2023. The Court rendered a decision on January 11, 2024, in which all claims have been declined except that seniority built up within Martinair should be respected in case of dismissal (which is in line with current law). The majority (232 persons) of the Vrachtvliegers filed for appeal against the verdict. On April 21, 2026, the court hearing ("pleidooi") will take place (Hof Amsterdam).

As of December 31, 2025 the provision amounted to €22 million (unchanged compared with December 31, 2024).

### 30.1.6 Other provisions

Other provisions relate principally to provisions for onerous contracts and provisions for the dismantling of buildings on non-freehold land.

## 30.2 Contingent liabilities

The Group is involved in governmental, judicial and arbitration procedures for which in some cases provisions have not been recorded in the financial statements in accordance with the applicable accounting rules.

Indeed, at this stage in these procedures, the Group is not in a position to give a reliable financial estimate of the potential loss that could be incurred in connection with these disputes.

Moreover, the Group believes that any additional disclosed information could be harmful to our legal position procedures.

### 30.2.1 Litigations concerning anti-trust laws in the air-freight industry

Following the initiation of various investigations by the competition authorities in February 2006 and the European Commission decision in 2010, several collective and individual actions were brought by forwarders and air-freight shippers in the civil courts against Air France, KLM and Martinair, and other cargo operators, in a number of civil jurisdictions.

Under these civil lawsuits, shippers and freight forwarders are claiming for damages to compensate alleged higher prices due to alleged competition law infringement.

For Air France, KLM and Martinair, certain civil claims are still pending in the Netherlands and in Norway. The Group companies and the other airlines involved in these lawsuits continue to vigorously oppose these civil claims.

### 30.2.2 Other litigations

#### Rio-Paris AF447 flight

On March 28, 2011, Air France and Airbus were indicted for involuntary manslaughter of the 228 victims who died in the crash of the AF447 Rio-Paris flight on June 1, 2009.

The investigating judges of the Court of First Instance ruled in favor of Air France and Airbus by issuing an order dismissing the case on September 4, 2019.

The Public Prosecutor's Office and most of the civil parties (including the Pilots' associations and unions) appealed this decision. The Paris Court of Appeal ruled on May 12, 2021, referring Airbus and Air France to the Criminal Court. The criminal trial took place from October 10 to December 8, 2022 at Paris Criminal Court. After an acquittal by the Public Prosecutor's Office, the Court issued a judgment of acquittal on April 17, 2023, based on the absence of a causal link between the faults found and the accident. On April 27, 2023, the Public Prosecutor's Office appealed against the acquittal of Airbus and Air France.

The Appeal proceedings took place before the Paris Court of Appeal from September 29 to November 27, 2025. The Advocate

Generals requested that the judgment of the Paris Criminal Court be overturned and that a conviction for involuntary manslaughter be handed down against Air France and Airbus, on the grounds of criminal offenses that contributed to the accident in an indirect but certain manner. Each of the two companies faces a maximum fine of 225,000 euros. They have presented arguments seeking acquittal.

The judgment of the Paris Court of Appeal will be issued on May 21, 2026.

#### Litigations on State Aid

In 2020, the implementation of the measures to reinforce the Group's liquidity (i.e. (i) a loan guaranteed by the French State (PGE) in the amount of €4 billion and a €3 billion loan from the French State, as well as (ii) a revolving credit facility of €2.4 billion guaranteed by the Dutch State and a €1 billion loan from the Dutch State), were approved by the European Commission under the Covid-19 State Aid rules (decisions respectively of May 4, 2020 and July 13, 2020), this latter decision having been replaced, after annulment for failure to state reasons, by a decision dated July 16, 2021).

On April 6, 2021, the Group announced the first part of its overall recapitalization plan. Certain measures in this plan contained State Aid (so-called "Covid-19 recapitalization" program) which were accordingly notified by the French authorities to the European Commission, the latter approving them in its decision of April 5, 2021. This decision made the approval of the measures subject to a number of commitments undertaken by the French State and leading notably to the allocation by Air France of landing and take-off slots to a designated third-party carrier at Orly airport.

Like most of the decisions with respect to airlines receiving Covid-19 State Aid, the European Commission's decisions granting support measures to Air France and KLM have been subject to annulment proceedings brought by Ryanair. On December 20, 2023 and February 7, 2024, the General Court of the European Union annulled the decisions of the European Commission mentioned above. These annulments were made solely on the grounds of an incorrect determination of the beneficiary of these aids, which, according to the judgment of the Tribunal, should have been the Group. Air France-KLM, Air France, KLM, and the European commission have lodged appeals for annulment before the Court of Justice of the European Union against the Tribunal's rulings. The Court of Justice of the European Union has yet to rule on these appeals.

Uncertainty remains as to the legal and financial consequences of cancelling the decisions approving State Aid until a final ruling is obtained from the courts of the Union.

It should be noted that, in the course of 2022 and 2023 and pursuant to the applicable legal framework, the Group repaid in full the aforementioned Covid-19 liquidity including the recapitalization State aid, which were subject to the aforementioned commitments and constraints (commitments, behavioral measures, application of interest). As a result, the Air France-KLM holding company, Air France and KLM are therefore fully released, since April 2023, from the aforementioned undertakings and constraints which had been linked to this Covid-19 recapitalization aid.

The European Commission, re-approved on July 10, 2024, the Group's liquidity support measures in a single decision, addressed to the French and Dutch States, confirming their compatibility with Union law. This decision was challenged again before the General Court of the European Union by Ryanair on April 14, 2025. Air France-KLM, Air France and KLM intervened, alongside the French and Dutch governments, in support of the European Commission's defense. The Court of Justice of the European Union has yet to rule on this appeal.

Moreover, as it has done in similar cases, the European Commission may also decide, if necessary, to initiate a formal examination procedure on the recapitalization measures, during which the Group will defend its interests to the best of its ability.

In January 2025, the Group was informed that Ryanair had filed an appeal before the Paris Administrative Court against the French State following the aforementioned 2023 and 2024 annulment rulings of the General Court of the European Union. Ryanair's request seeks to compel the State to recover any advantage granted by the State that is alleged to have not yet been reimbursed, along with illegality interest. On July 3, 2025, Air France-KLM and Air France joined as parties to defend this action with the French State. They oppose any recovery, especially given that the States complied with the rules by notifying the aid and implementing it following the Commission's approval. The proceeding is ongoing.

In April 2025, the Group was also informed of similar proceedings brought by Ryanair against the Dutch authorities

concerning the decision on aid granted to KLM in 2020. The Dutch Ministry of Finance dismissed this appeal, which is now being contested before the Administrative Court of The Hague. The proceeding is ongoing.

In view of the aforementioned new approval in July 2024 as regards the liquidity aid, these appeals could give rise only to the payment of so-called "illegality interest" for the period between the granting of this aid and its new approval in July 2024 (the principal amount of liquidity aid no longer being subject to any recovery), subject to the outcome of a forthcoming judgment of the General Court of the European Union on Ryanair's new appeal of April 2025 against this July 2024 decision. In respect of recapitalization measures, a recovery of an amount to be determined could be added to the amounts already reimbursed.

If the Court of Justice of the European Union were to annul the aforementioned rulings of the General Court of the European Union, Ryanair's appeal would become moot.

Except as indicated in 30.1 and 30.2, the Company is not aware of any litigation, governmental, legal or arbitration proceedings (including any proceedings of which the issuer is aware, which are pending or which it is threatened with) which may have or have recently had a material effect on the Company's financial position, results of operations, assets or profitability, for a period covering at least the last twelve months.

## NOTE 31 FINANCIAL LIABILITIES



### ACCOUNTING PRINCIPLES

#### Convertible bonds

Convertible bonds are deemed to be financial instruments comprising two components: a bond component recorded as debt and a stock component recorded in equity. The bond component is equal to the discounted value of all the coupons due on the bond at the rate of a simple bond that would have been issued at the same time as the convertible bond. The value of the stock component recorded in the Group's equity is calculated by the difference between this value and the bond's nominal value at issuance.

The difference between the financial expense recorded and the amounts effectively paid out is added, at each closing date, to the amount of the debt component so that, at maturity, the amount to be repaid if there is no conversion equals the redemption price.

#### Financial liabilities

Borrowings and financial liabilities are recognized initially at fair value. Subsequent to the initial measurement, they are recorded:

- at their net book value for bonds;
- based on amortized cost calculated using the effective interest rate for the other financial liabilities. Under this principle, any redemption and issue premiums, as well as issue costs, are recorded as debt in the balance sheet and amortized as financial income or expense over the life of the loans using the effective interest method.

| (in € millions)                             | Notes  | 2025         |              |              | 2024         |              |              |
|---|--------|--------------|--------------|--------------|--------------|--------------|--------------|
|   |        | Non current  | Current      | Total        | Non current  | Current      | Total        |
| Perpetual subordinated loan in Yen          | 31.1.1 | <b>109</b>   | –            | <b>109</b>   | 123          | –            | 123          |
| Perpetual subordinated loan in Swiss francs | 31.1.2 | <b>402</b>   | –            | <b>402</b>   | 398          | –            | 398          |
| Sustainability-linked bonds                 | 31.2.2 | <b>500</b>   | <b>500</b>   | <b>1,000</b> | 1,000        | –            | 1,000        |
| Plain vanilla Bonds                         | 31.2.3 | <b>1,150</b> | <b>406</b>   | <b>1,556</b> | 1,078        | 515          | 1,593        |
| Debt on leases with bargain option          |        | <b>3,759</b> | <b>585</b>   | <b>4,344</b> | 3,527        | 642          | 4,169        |
| Other financial liabilities                 | 31.3   | <b>1,344</b> | <b>198</b>   | <b>1,542</b> | 1,127        | 421          | 1,548        |
| Accrued interest                            |        | <b>1</b>     | <b>114</b>   | <b>115</b>   | 1            | 114          | 115          |
| <b>TOTAL – FINANCIAL LIABILITIES</b>        |        | <b>7,265</b> | <b>1,803</b> | <b>9,068</b> | <b>7,254</b> | <b>1,692</b> | <b>8,946</b> |
| Of which secured financial liabilities      |        |              |              | <b>5,618</b> |              |              | 5,547        |

To support their investments in new-generation aircraft, Air France and KLM have also entered into financing with specific clauses linked to compliance with environmental criteria. On December 31, 2025, these financings amount for:

- €573 million booked in the line "Other debt";
- €1326 million booked in the line "Debt on leases with bargain option".

## CHANGE IN FINANCIAL LIABILITY

| (in € millions)                                 | Notes           | December 31, 2024 | New financial debt | Reimbursement of financial debt | Currency translation adjustment | Other <sup>(i)</sup> | December 31, 2025 |
|---|-----------------|-------------------|--------------------|---------------------------------|---------------------------------|----------------------|-------------------|
| Perpetual loan in Japanese Yen and Swiss Francs | 31.1.1 & 31.1.2 | 521               | –                  | –                               | (10)                            | –                    | <b>511</b>        |
| Sustainability-linked bonds                     | 31.2.2          | 1,000             | –                  | –                               | –                               | –                    | <b>1,000</b>      |
| Plain vanilla Bonds                             | 31.2.3          | 1,593             | 500                | (515)                           | (22)                            | –                    | <b>1,556</b>      |
| Debt on leases with bargain option              |                 | 4,169             | 951                | (667)                           | (128)                           | 19                   | <b>4,344</b>      |
| Other financial liabilities                     | 31.3            | 1,548             | 220                | (438)                           | (6)                             | 217                  | <b>1,541</b>      |
| Accrued interest                                |                 | 115               | –                  | –                               | –                               | 1                    | <b>116</b>        |
| <b>TOTAL</b>                                    |                 | <b>8,946</b>      | <b>1,671</b>       | <b>(1,620)</b>                  | <b>(166)</b>                    | <b>237</b>           | <b>9,068</b>      |

<sup>(i)</sup> The “Other” column includes €212 million corresponding to the refinancing of leased aircraft without cash flow.

| (in € millions)                                 | Notes           | December 31, 2023 | New financial debt | Reimbursement of financial debt | Currency translation adjustment | Other     | December 31, 2024 |
|---|-----------------|-------------------|--------------------|---------------------------------|---------------------------------|-----------|-------------------|
| Perpetual loan in Japanese Yen and Swiss Francs | 31.1.1 & 31.1.2 | 533               | –                  | –                               | (12)                            | –         | 521               |
| OCEANE (convertible bonds)                      | 31.2.1          | 498               | –                  | (500)                           | –                               | 2         | –                 |
| Sustainability-linked bonds                     | 31.2.2          | 1,000             | –                  | –                               | –                               | –         | 1,000             |
| Plain vanilla Bonds                             | 31.2.3          | 1,681             | 650                | (753)                           | 15                              | –         | 1,593             |
| Debt on leases with bargain option              |                 | 3,893             | 660                | (441)                           | 10                              | 47        | 4,169             |
| Other financial liabilities                     | 31.3            | 1,478             | 299                | (236)                           | 2                               | 5         | 1,548             |
| Accrued interest                                |                 | 119               | –                  | –                               | –                               | (4)       | 115               |
| <b>TOTAL</b>                                    |                 | <b>9,202</b>      | <b>1,609</b>       | <b>(1,930)</b>                  | <b>15</b>                       | <b>50</b> | <b>8,946</b>      |

## 31.1 Perpetual subordinated debt

### 31.1.1 KLM Perpetual subordinated debt in Japanese Yen

In 1999, the KLM Group issued perpetual subordinated bonds in Japanese Yen (JPY) for a principal amount of JPY 30 billion.

Since August 28, 2019, KLM has partially redeemed an amount of JPY 10 billion, leaving the residual outstanding principal amount at JPY 20 billion, i.e. €109 million as of December 31, 2025. Since this date, the interests rate applicable on the residual nominal amount has been reset at a fixed rate of 4% per annum.

The residual nominal amount of these perpetual bonds can be redeemed at KLM's discretion on each fifth anniversary of the first interest payment date, August 28, 1999. The next option date for redemption at Par is thus August 28, 2029. Note that an indemnity is due if the JPY loan is redeemed in a currency other than the JPY.

This debt is subordinated to all other existing and future debt at KLM.

### 31.1.2 KLM perpetual subordinated debt in Swiss Francs

The perpetual subordinated bond debt in Swiss Francs (CHF) was issued by KLM in two tranches, one in 1985 and one in 1986. The initial nominal amount for these two perpetual bonds combined was CHF 500 million.

Over the years, KLM has proceeded with several partial buy back transactions to partially redeem the debt. As a result, the total amount now outstanding is CHF 375 million, i.e. €402 million as of December 31, 2025.

Concerning the tranche issued in 1985, KLM is entitled to early redeem at Par the then-prevailing outstanding residual amount on each tenth anniversary of the interest payment date. The next “call date” is February 12, 2035. The coupon reset date is fully aligned with the above mentioned frequency. If the call option is not exercised, the next coupon reset date is February 12, 2035. The coupon as of December 31, 2025 was 1% per annum.

Concerning the tranche issued in 1986, the KLM Group is entitled to early redeem the outstanding residual nominal amount at Par on each fifth anniversary of the interest payment date. The next "call date" is May 15, 2026. The call price amount in 2001 was 101.75% of the notional face value, and thereafter with a premium declining by 0.25% on each fifth anniversary of the interest payment date. From May 15, 2036, the amount of early redemption will thus be set at 100% of the residual Par. The debt is subject to the payment of a coupon of 5.75% per annum.

The two CHF perpetual bond debts are ranked "pari passu" with the JPY perpetual loan debt and are subordinated to all other existing and future debt at KLM.

## 31.2 Bonds

### 31.2.1 OCEANE

On March 20, 2019, Air France-KLM issued 27,901,785 bonds convertible and/or exchangeable for new or existing Air France-KLM shares (OCEANE) with a maturity date fixed at March 25, 2026 for a total nominal amount of €500 million. Each bond has a nominal value of €17.92. The annual coupon amounts to 0.125%. The conversion period of these bonds runs from May 4, 2019 to the seventh working day preceding the normal or early reimbursement date.

Repayment at par, plus accrued interest, has been possible on March 25, 2024 at the request of the bond holders. Air France-KLM could enforce the cash reimbursement of these bonds by exercising a call option running from April 15, 2022 if the share price exceeds 130% of the nominal, i.e. €23.29, encouraging OCEANE bond holders to convert their bonds into Air France-KLM shares.

Upon issue of these convertible bonds, Air France-KLM recorded a debt of €446 million, corresponding to the present value of future payments of interest and nominal discounted at the rate of a similar bond without a conversion option. The option value, calculated by deducting this debt value from the total nominal amount of the issue (i.e. €500 million), was recorded in equity.

Following the realization of the capital increase of Air France-KLM Group on June 16, 2022, to ensure that the rights of the OCEANE bond holders are maintained in accordance with the applicable legal and regulatory provisions and the terms and conditions of the OCEANE bonds, the conversion/exchange ratio has been adjusted as from June 16, 2022 from a parity of 1 Air France-KLM share per OCEANE bond to a parity of 1.783 Air France-KLM share per OCEANE bond.

Following the reverse share split and the simultaneous acknowledgment of the capital reduction on August 31, 2023, to ensure that the rights of the OCEANE bond holders are maintained in accordance with the applicable legal and regulatory provisions and the terms and conditions of the OCEANE bonds, the conversion/exchange ratio has been adjusted as from August 31, 2023 from a parity of 1 Air France-KLM share per OCEANE bond to a parity of 0.178 Air France-KLM share per OCEANE bond.

This operation had no impact on the value recorded under financial liabilities.

On March 25, 2024 Air France-KLM has repaid at the request of the bondholders, €452 million of the outstanding €500 million of the bonds convertible into new shares and/or exchangeable for existing shares due March 25, 2026.

This amount is equivalent of 25,246,843 of bonds. This early redemption option on March 25, 2024 was part of the terms and conditions of the bonds.

The remaining €48 million of bonds due March 25, 2026 have been repaid in cash on May 10, 2024 under the conditions set out in the Terms and Conditions of the said OCEANE 2026 for cancellation in accordance with the applicable law. The residual redemption amount is equivalent of 2,654,942 of bonds.

There is no outstanding OCEANE bonds as of December 31, 2024.

### 31.2.2 Sustainability-linked bonds

On January 9, 2023, Air France-KLM has placed a sustainability-linked bonds, for a nominal amount of €1 billion, linked to the Company's target to reduce its jet fuel greenhouse gas (GHG) emission per revenue tonne kilometer (RTK) up to 10% by 2025, compared to a 2019 baseline.

The emission is composed of two tranches:

- a €500 million with a maturity as of May 31, 2026 and a coupon of 7.250%; and
- a €500 million with a maturity as of May 31, 2028 and a coupon of 8.125%. This second tranche has been accounted for in non current financial liabilities in the balance sheet as of December 31, 2025.

Air France-KLM and its airlines faced some headwinds to its GHG intensity progression including delays in fleet renewal plan due to constraints in the supply chain; engine issues with part of

its new generation aircraft fleet (such as several Airbus A220's) not allowing the Group to operate them to their maximum capacity; higher fuel consumption due to longer flight time on certain routes caused by different geopolitical circumstances.

Air France-KLM has not achieved the sustainability performance target of reduction of its GHG emission intensity by 10% from a 2019 baseline by 2025, as defined in the final terms of the Sustainability Linked Bonds issued in January 2023.

It results in the following consequences :

- For bonds maturing on May 31, 2026 : payment of a €750 redemption premium per bond on May 31, 2026
- For bonds maturing on May 31, 2028 : a 0.375% step-up on the coupons to be paid on 31 May 2027 and on 31 May 2028

### 31.2.3 Plain vanilla bonds

| Bond                                  | Issuing date   | Amount issued<br>(in millions) | Amount issued<br>in euros<br>(in millions) | Amount<br>outstanding in<br>euros<br>(in millions) | Maturity date  | Coupon |
|---------------------------------------|----------------|--------------------------------|--|--|----------------|--------|
| \$ Bond issued in 2016 <sup>(1)</sup> | Dec. 15, 2016  | \$145                          | € 137                                      | € 124  | Dec. 15, 2026  | 4.35%  |
| € Bond issued in 2020                 | Jan. 16, 2020  | €750                           | €750                                       | €0   | Jan. 16, 2025  | 1.875% |
| € Bond issued in 2021                 | Jul. 1, 2021   | €500                           | €500                                       | €282   | Jul. 1, 2026   | 3.875% |
| € Bond issued in 2024                 | May 23, 2024   | €650                           | €650                                       | €650   | May 23, 2029   | 4.625% |
| € Bond issued in 2025                 | Sept. 04, 2025 | €500                           | €500                                       | €500   | Sept. 04, 2030 | 3.750% |
| <b>Total</b>                          |                |                                |  | <b>€1.556</b>                                      |                |        |

<sup>(1)</sup> Bonds issued to Asian institutional investors via an unlisted private placement.

#### Issuance of a €650 million bonds and tender offer on two series of existing notes

##### Issuance of a €650 million bonds

On May 23, 2024 Air France-KLM has made the issuance of new notes for a total principal amount of €650 million with a five-year maturity and bearing coupon at an annual rate of 4.265% under its Euro Medium Term Notes Program.

The net proceeds has been used to finalize the tender offer launched on May 13, 2024 as described in the paragraph below.

##### Tender offer on two series of existing notes

On May 24, 2024, Air France-KLM finalized the tender offer on two series of existing notes announced on May 13, 2024:

- €750 million notes with a 1.875% coupon due January 16, 2025;
- €500 million notes with 3.875% coupon due July 1, 2026.

On these two series of existing notes for a total principal amount of €452.7 million, representing 36.2% of the outstanding existing notes, have been tendered for purchase in the tender offer and €452.7 million have been accepted, of which €234.8 million of 2025 notes and €217.9 million of 2026 notes.

As a result, the principal amount of these outstanding existing notes after completion of the tender offer will be €797.3 million, of which €512.2 million of 2025 notes and €282.1 of 2026 notes.

##### Issuance of the €500 million bond issued in 2025

On August 28, 2025, Air France-KLM has successfully placed €500 million of senior unsecured bonds as part of its EMTN (Euro Medium Term Notes) programme. The bonds have a maturity of five years and offer a fixed annual coupon of 3.75% (yield of 3.866%). The proceeds from the issue will be used for the group's general financing needs.

##### Repayment of the €750 million bond issued in 2020

On January 16, 2025, Air France-KLM has repaid a the outstanding €515 million from a bond issued in 2020.

### 31.3 Other debt

Other debt breaks down as follows:

| As of December 31<br>(in € millions)              | 2025         | 2024         |
|---|--------------|--------------|
| Reservation of ownership clause and mortgage debt | <b>1,273</b> | 1,336        |
| Other debt  | <b>269</b>   | 212          |
| <b>TOTAL</b>                                      | <b>1,542</b> | <b>1,548</b> |

Sales with retention of title clause (ROT) and mortgage debt are debts secured by aircraft. The mortgage is filed with the national Civil Aviation Authority (the DGAC in France) in order to be publicly available to third parties. A mortgage grants to its beneficiary a right to enforce the security (by order of a judge), the sale of the asset and a priority claim on the sale proceeds in line with the amount of the loan, the balance reverting to the other creditors.

Besides, to support their investments in new-generation aircraft, Air France and KLM have also entered into financing contracts with specific clauses linked to compliance with environmental criteria, notably the incorporation of SAF and the share of new-generation aircraft in the fleet. These financings amount for €573 million as of December 31, 2025. There are no elements in the aircraft financing agreements that could cause the group to be in default as of December 31, 2025.

### 31.4 Maturity analysis

The financial liabilities maturities break down as follows:

| As of December 31<br>(in € millions) | 2025          | 2024          |
|--------------------------------------|---------------|---------------|
| Maturities in                        |               |               |
| Y+1                                  | <b>2,113</b>  | 2,065         |
| Y+2                                  | <b>959</b>    | 1,848         |
| Y+3                                  | <b>1,364</b>  | 823           |
| Y+4                                  | <b>1,626</b>  | 1,132         |
| Y+5                                  | <b>1,266</b>  | 1,481         |
| Over 5 years                         | <b>3,176</b>  | 3,188         |
| <b>TOTAL</b>                         | <b>10,504</b> | <b>10,537</b> |
| Including:                           |               |               |
| • Principal                          | <b>9,068</b>  | 8,946         |
| • Interests                          | <b>1,436</b>  | 1,591         |

As of December 31, 2025, the expected financial costs amount to €310 million for the 2025 financial year, €704 million for the 2026 to 2029 financial years, and €422 million thereafter.

The bonds issued in 2016, 2020, 2021, 2024 and 2025 will be reimbursed on their contractual maturity dates (see Note 31.2 "Bonds").

As of December 31, 2025, the KLM perpetual subordinated notes are included in the line "Over 5 years".

### 31.5 Currency analysis

The breakdown of financial liabilities by currency after the impact of derivative instruments is as follows:

| As of December 31<br>(in € millions) | 2025         | 2024         |
|--------------------------------------|--------------|--------------|
| Euro                                 | <b>7,267</b> | 7,003        |
| US Dollar                            | <b>579</b>   | 652          |
| Swiss franc                          | <b>414</b>   | 409          |
| Yen                                  | <b>808</b>   | 882          |
| <b>TOTAL</b>                         | <b>9,068</b> | <b>8,946</b> |

### 31.6 Credit lines

On April 18, 2023 Air France-KLM, Air France and KLM have signed two ESG ("Environmental, Social and Governance") KPI-Linked Revolving Credit Facilities ("RCF") with a pool of international financial institutions, for a total amount of €2.2 billion.

For each facility, a set of ESG linked Key Performance Indicators are embedded in the financing cost. These indicators are in line with Air France-KLM and the two airlines' commitment to sustainable development and a gradual decarbonization of activities. The two RCF's include a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated Indicators (reduction of the unit CO<sub>2</sub> emission, increase of the share of SAF, among others).

#### Air France-KLM and Air France

Air France-KLM and Air France as combined borrowers, signed a €1.2 billion Sustainability-Linked RCF. This facility included an accordion increase option executed during the first quarter of 2024 for an amount of €90 million bringing the amount available to €1.3 billion.

The RCF also had an initial maturity in 2026 and two one-year extension options. In April 2024, one extension option has been executed, extending the maturity to 2027.

On July 18, 2024, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2028 associated with a one-year extension option and an increase of the facility from €1.3 to €1.4 billion.

On June 27, 2025, a new amendment has been signed for Air France-KLM and Air France credit facility involving an extension of the maturity to July 2029.

In addition, certain financial covenants also apply to this credit facility :

- Interest Coverage Ratio (ICR), defined as consolidated EBITDA to consolidated net cost of financial debt. The ICR is calculated over a period of 12 months ending on the testing date. The ICR should be greater than 2.5;
- Asset Cover (AS), defined as the ratio of consolidated unsecured assets to consolidated unsecured net debt. The AS calculation should not be between 0 and 1;
- Any new unsecured financing raised by a subsidiary of the group must not represent more than 30% of the group's unsecured debt.

Moreover, some Environmental, Social and Governance ('ESG') dedicated indicators, related to reduction of the unit CO<sub>2</sub> emission, increase of the share of SAF and increase of females in management positions, are applicable. This results in a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated indicators.

As per December 31, 2025, these financial covenants and ESG dedicated indicators are met, and no amounts have been drawn under the revolving credit facility.

#### KLM

KLM signed in 2023 an ESG KPI-Linked Revolving Credit Facility for an amount of €1 billion indexed to ESG (Environmental, Social and Governance) performance indicators..

This new facility has an initial 2027 maturity, includes two one-year extension options, executed in 2023 and 2025, extending the maturity to 2029.

In addition, certain financial covenants also apply to this credit facility :

- Interest Coverage Ratio (ICR), defined as consolidated EBITDA to consolidated net cost of financial debt. The ICR is calculated over a period of 12 months ending on the testing date. The ICR should be greater than 2.5;
- Asset Cover (AS), defined as the ratio of consolidated unsecured assets to consolidated unsecured net debt. The AS calculation should not be between 0 and 1;
- Guarantee Cover (GC), defined as, that at all times, the aggregate EBITDA, the aggregate revenues and the aggregates gross assets of the Company, (excluding intragroup), must exceed 75 per cent of the consolidated parameters.

Moreover, some Environmental, Social and Governance ('ESG') dedicated indicators, related to reduction of the unit CO<sub>2</sub> emission, increase of the share of SAF and increase of females in management positions, are applicable. This results in a financing cost margin adjustment mechanism (upward or downward) conditional to the independent achievement of these dedicated indicators.

As per December 31, 2025, these financial covenants and ESG dedicated indicators are met, and no amounts have been drawn under the revolving credit facility.

On top of this credit line, KLM has three other credit lines amounting to €0.1 billion.

The total undrawn portion as of December 31, 2025 amounts to €2.5 billion for the Group.

### 31.7 Market value of financial liabilities

Market values are estimated for most of the Group's financial liabilities using a variety of methods that are theoretical in nature:

- based on market prices as of December 31, 2025 and December 31, 2024;
- by discounting future flows at market interest rates for instruments with similar characteristics.

However the estimated amounts as of December 31, 2025 and December 31, 2024 are not representative of the gains or losses that would be recorded at maturity.

The application of different methods and assumptions could therefore have a significant impact on the estimated market value.

The table below indicates the estimated market value and net book value of the financial liabilities:

| As of December 31<br>(in € millions)         | 2025           |                        | 2024           |                        |
|--|----------------|------------------------|----------------|------------------------|
|  | Net book value | Estimated market value | Net book value | Estimated market value |
| Perpetual subordinated loans                 | 511            | 451                    | 521            | 451                    |
| Sustainability-linked bonds                  | 1,000          | 1,063                  | 1,000          | 1,090                  |
| Plain vanilla Bonds                          | 1,556          | 1,574                  | 1,593          | 1,602                  |
| Debt on financial leases with bargain option | 4,344          | 5,215                  | 4,169          | 5,106                  |
| Other loans                                  | 1,542          | 1,538                  | 1,378          | 1,371                  |
| Other financial liabilities                  | 115            | 115                    | 285            | 285                    |
| <b>TOTAL – FINANCIAL LIABILITIES</b>         | <b>9,068</b>   | <b>9,956</b>           | <b>8,946</b>   | <b>9,905</b>           |

## NOTE 32 NET DEBT

As of December 31

| (in € millions)                               | Notes   | 2025          | 2024          |
|---|---------|---------------|---------------|
| Current and non-current financial liabilities | 31      | 9,068         | 8,946         |
| Current and non-current lease debt            | 19      | 6,445         | 5,696         |
| Accrued interest                              | 31 & 19 | (142)         | (138)         |
| Deposits related to financial liabilities     | 22      | (85)          | (97)          |
| Deposits related to lease debt                | 22      | (80)          | (98)          |
| Derivatives impact on debt                    |         | 44            | (45)          |
| <b>Gross financial liabilities (I)</b>        |         | <b>15,250</b> | <b>14,264</b> |
| Cash and cash equivalents                     | 26      | 4,714         | 4,829         |
| Marketable securities > 3 months              | 22      | 988           | 1,046         |
| Bonds   | 22      | 1,156         | 1,057         |
| <b>Net cash (II)</b>                          |         | <b>6,858</b>  | <b>6,932</b>  |
| <b>NET DEBT (I-II)</b>                        |         | <b>8,392</b>  | <b>7,332</b>  |

As of December 31, 2025, net cash and cash equivalents included €426 million (compared with €428 million as of December 31, 2024) pledged or blocked (see Notes 22 "Other financial assets" and 26 "Cash, cash equivalents and bank overdrafts").

In addition, the Group has undertaken to maintain a level of cash in some operating subsidiaries. As of December 31, 2025, this represented a total amount of €700 million (compared with €725 million as of December 31, 2024).

As of December 31

| (in € millions)   | Notes               | 2025         | 2024         |
|---|---------------------|--------------|--------------|
| <b>Opening net debt</b>   |                     | <b>7,332</b> | 5,041        |
| Operating free cash flow  | Cash Flow Statement | (1,997)      | (446)        |
| Interest paid   | Cash Flow Statement | 670          | 664          |
| Interest received   | Cash Flow Statement | (170)        | (285)        |
| Dividends received  |                     | (9)          | –            |
| Paid coupon on perpetual and on subordinated bonds convertible into new share and/or exchangeable for existing shares | 28.3 & 28.6         | 241          | 231          |
| Purchase of SAS shares (equity affiliate)   | 3.1                 | –            | 88           |
| Other various purchase of shares  |                     | –            | 5            |
| Proceeds of disposal of non-consolidated entities   |                     | (24)         | (32)         |
| Refinancing from leased to owned aircraft without cash outflow  | 31                  | 212          | –            |
| Issuance of perpetual   | 28.3 & 28.6         | (494)        | –            |
| Repayment of perpetual  | 28.3 & 28.6         | 802          | –            |
| Investment in Westjet (value of the shares - non consolidated)  | 3.1                 | 38           | –            |
| New lease debts (new and renewed contracts)   | 19                  | 2,320        | 1,925        |
| Unrealized exchange gains and losses on lease financial debts through OCI   |                     | (410)        | 156          |
| Impact of derivatives on net debt   |                     | 88           | (45)         |
| Currency translation adjustment in the income statement   |                     | (239)        | 10           |
| Other non-monetary variations of the net debt   |                     | 32           | 20           |
| <b>CLOSING NET DEBT</b>   |                     | <b>8,392</b> | <b>7,332</b> |

## NOTE 33 LOYALTY PROGRAM



### ACCOUNTING PRINCIPLES

The airlines of the Group have a common frequent flyer program "Flying Blue". This program enables members to acquire Miles as they fly with Air France, KLM and airline partners and from transactions with non-airline partners (credit card companies, hotels, car rental agencies). These Miles entitle members to a range of benefits such as free flights with Air France, KLM and their airline partners or other free services with non-airline partners.

Miles are considered as separate elements of a sale of a ticket with multiple elements and one part of the price of the initial sale of the ticket is allocated to these Miles and deferred until the Group's commitments relating to these Miles have been met.

The deferred amount due in relation to the acquisition of Miles by members is estimated:

- according to the fair value of the Miles, defined as the amount for which the benefits could be sold separately;
- after taking into account the redemption rate, corresponding to the probability that the Miles will be used by members, using a statistical method.

With regard to the re-invoicing of Miles between the partners in the program, the margins realized on sales of these Miles are recorded immediately in the income statement.

Within Air-France-KLM, there are two loyalty programs: Flying Blue and BlueBiz. For those two programs, the amount recognized in liabilities is as follows:

| (in € millions) | 2025       | 2024       |
|-----------------|------------|------------|
| Flying Blue     | <b>855</b> | 831        |
| BlueBiz         | <b>66</b>  | 75         |
| <b>TOTAL</b>    | <b>921</b> | <b>906</b> |

As of December 31, 2025 the deferred revenues relating to Flying Blue miles loyalty program expected to be used amount to €855 million, after taking into account a redemption rate.

The liabilities have evolved as follows:

| Flying Blue – Deferred revenues<br>(in € millions) | 2025         | 2024       |
|--|--------------|------------|
| <b>As of January 1</b>                             | <b>831</b>   | <b>802</b> |
| Accumulation                                       | <b>531</b>   | 486        |
| Redemption   | <b>(507)</b> | (457)      |
| <b>As of December 31</b>                           | <b>855</b>   | <b>831</b> |

## NOTE 34 OTHER LIABILITIES

| As of December 31<br>(in € millions) | 2025         |             |              | 2024         |             |              |
|--------------------------------------|--------------|-------------|--------------|--------------|-------------|--------------|
|                                      | Current      | Non-current | Total        | Current      | Non-current | Total        |
| Tax liabilities                      | 465          | 181         | 646          | 469          | 413         | 882          |
| Airlines taxes                       | 1,011        | –           | 1,011        | 879          | –           | 879          |
| Employee-related liabilities         | 1,500        | 55          | 1,555        | 1,409        | 328         | 1,737        |
| Liabilities on fixed assets          | 40           | –           | 40           | 47           | 9           | 56           |
| Deferred income                      | 1,192        | 215         | 1,407        | 982          | 29          | 1,011        |
| Prepayments received                 | 573          | –           | 573          | 576          | –           | 576          |
| Other                                | 266          | 94          | 360          | 306          | 125         | 431          |
| <b>TOTAL</b>                         | <b>5,047</b> | <b>545</b>  | <b>5,592</b> | <b>4,668</b> | <b>904</b>  | <b>5,572</b> |

Non-current deferred income mainly relates to long-term contracts in the maintenance business (see Note 39.5 "Order book").

The variation of the other liabilities as of December 31, 2025 is as follows:

| (in € millions)              | As of December 31, 2024 | Change in working capital <sup>(i)</sup> | Investing cash flow | Currency translation adjustment | Others      | As of December 31, 2025 |
|------------------------------|-------------------------|--|---------------------|---------------------------------|-------------|-------------------------|
| Tax liabilities              | 882                     | (196)                                    | –                   | –                               | (40)        | 646                     |
| Airlines taxes               | 879                     | 132                                      | –                   | –                               | –           | 1,011                   |
| Employee-related liabilities | 1,737                   | (188)                                    | –                   | –                               | 6           | 1,555                   |
| Liabilities on fixed assets  | 56                      | –  | (7)                 | –                               | (9)         | 40                      |
| Deferred income              | 1,011                   | 335                                      | –                   | (1)                             | 62          | 1,407                   |
| Prepayments received         | 576                     | 89                                       | –                   | (27)                            | (65)        | 573                     |
| Other debts                  | 431                     | (9)                                      | –                   | (22)                            | (40)        | 360                     |
| <b>TOTAL</b>                 | <b>5,572</b>            | <b>163</b>                               | <b>(7)</b>          | <b>(50)</b>                     | <b>(86)</b> | <b>5,592</b>            |

<sup>(i)</sup> See Note 37.2 Breakdown of the change in working capital resource

The variation of the other liabilities as of December 31, 2024 is as follows:

| (in € millions)              | As of December 31, 2023 | Change in working capital <sup>(i)</sup> | Investing cash flow | Currency translation adjustment | Others      | As of December 31, 2024 |
|------------------------------|-------------------------|--|---------------------|---------------------------------|-------------|-------------------------|
| Tax liabilities              | 1,049                   | (158)                                    | –                   | –                               | (9)         | 882                     |
| Airlines taxes               | 908                     | (28)                                     | –                   | –                               | (1)         | 879                     |
| Employee-related liabilities | 2,588                   | (844)                                    | –                   | –                               | (7)         | 1,737                   |
| Liabilities on fixed assets  | 63                      | –  | (15)                | 1                               | 7           | 56                      |
| Deferred income              | 951                     | 63                                       | –                   | –                               | (3)         | 1,011                   |
| Prepayments received         | 464                     | 102                                      | –                   | 11                              | (1)         | 576                     |
| Other debts                  | 355                     | 82                                       | –                   | 10                              | (16)        | 431                     |
| <b>TOTAL</b>                 | <b>6,378</b>            | <b>(783)</b>                             | <b>(15)</b>         | <b>22</b>                       | <b>(30)</b> | <b>5,572</b>            |

<sup>(i)</sup> See Note 37.2 Breakdown of the change in working capital resource

## NOTE 35 FINANCIAL RISK MANAGEMENT



### ACCOUNTING PRINCIPLES

#### Derivative financial instruments

The Group uses various derivative financial instruments to hedge its exposure to the risks incurred on shares, exchange rates, changes of interest rates or fuel prices and ETS (Emission Trading Scheme).

Forward currency contracts and options are used to hedge exposure to exchange rates.

The Group also uses interest rate swaps to manage its exposure to interest rate risk. Most of the swaps traded convert floating-rate debt to fixed-rate debt.

The exposure to fuel risk is hedged by swaps or options on jet fuel, diesel or Brent.

Finally, the risk related to the ETS is hedged by forwards.

Most of these derivatives are classified as hedging instruments if the derivative is eligible as a hedging instrument and if the hedging relationships are documented as required by IFRS 9 "Financial Instruments".

These derivative instruments are recorded on the Group's consolidated balance sheet at their fair value adjusted for the market value of the Group's credit risk (DVA) and the credit risk of the counterparty (CVA). The method of accounting for changes in fair value depends on the classification of the derivative instruments.

There are three classifications:

- Derivatives classified as fair value hedge

Changes in the fair value of the derivative are recorded through the income statement and offset within the limit of its effective portion against the changes in the fair value of the underlying item (asset, liability or firm commitment), which are also recognized through the income statement.

- Derivatives classified as cash flow hedge

Changes in fair value of the derivative are recorded in other comprehensive income for the effective portion and are reclassified as income when the hedged element affects earnings. The ineffective portion is recorded as financial income or losses until the termination of the derivative. When the termination occurs, the residual ineffective portion is recycled on the hedged item.

- Derivatives classified as trading

Changes in the fair value of the derivative are recorded as financial income or losses.

For options, only the intrinsic risk can be hedged. The time value is excluded as it is considered as a cost of hedging. The change in fair value of the option time value is recognized in other comprehensive income in so far as it relates to the hedged item. When the latter occurs (if the hedged item is transaction related), the change in fair value is then recycled and impacts the hedged item or is amortized over the hedging period (if the hedged item is time-related).

The difference in time value between non-aligned structured options and the related "vanilla" ("aligned") options is recognized in the profit and loss account.

Regarding forward contracts, only the spot component is considered as a hedging instrument, since the forward element is considered as a hedging cost and accounted for similarly to the option time value.

The currency swap basis spread is also excluded from the hedging instrument and considered to be a hedging cost.

#### Non-current derivative financial assets

The Group considers that the change in credit risk on the non-current derivative financial assets since their initial recognition is limited due to the current selection criteria (e.g. type of instrument, counterparty rating, maturity). The impairment recorded by the Group consists of the expect credit loss over the 12 months following the closing date.

Purchases and sales of financial assets are booked as of the transaction date.

The aim of the Air France-KLM Group's risk management strategy is to reduce its exposure to such risks. Market risk coordination and management is the responsibility of the Risk Management Committee (RMC) which is composed of the Chief Financial Officer of Air France-KLM, and the Deputy Chief Financial Officer, head of Financial Operations of Air France-KLM, and the Chief Financial Officers of Air France and of KLM.

The RMC decides on the derivative instruments to be implemented, the targets for hedging ratios and the periods and instrument types.

To implement the most appropriate strategy to each circumstance, any type of instrument may be used provided it qualifies as hedging within IFRS. As a general rule, no trading or speculation is allowed. Any exception to this rule must be approved by the Risk Management Committee.

As of December 31, 2025, the fair value of the Group's derivative financial assets and liabilities and their expected maturities are as follows:

| (in € millions)                                      | Notes | Total            | Y+1          | Y+2          | Y+3          | Y+4         | Y+5         | > Y+5       |
|--|-------|------------------|--------------|--------------|--------------|-------------|-------------|-------------|
| Fuel – derivative instruments                        | 35.1  | Asset            | 5            | 5            | –            | –           | –           | –           |
|  |       | Liability        | (169)        | (149)        | (20)         | –           | –           | –           |
| Interest rate – derivative instruments               | 35.2  | Asset            | 46           | 4            | 3            | –           | 2           | 8           |
|  |       | Liability        | (14)         | (1)          | (2)          | –           | –           | (11)        |
| Currency exchange – debt derivative instruments      | 35.3  | Asset            | 12           | 5            | 4            | 3           | –           | –           |
|  |       | Liability        | (55)         | (21)         | (13)         | (8)         | –           | (13)        |
| Currency exchange – operating derivative instruments | 35.3  | Asset            | 24           | 17           | 7            | –           | –           | –           |
|  |       | Liability        | (88)         | (63)         | (25)         | –           | –           | –           |
| Currency exchange – Capex                            | 35.3  | Asset            | 8            | 1            | 5            | 1           | 1           | –           |
|  |       | Liability        | (128)        | (21)         | (41)         | (16)        | (22)        | (28)        |
| Carbon credit – derivative instruments               | 35.4  | Asset            | 1            | 1            | –            | –           | –           | –           |
|  |       | Liability        | –            | –            | –            | –           | –           | –           |
| Other – derivative instruments                       |       | Asset            | 55           | –            | –            | –           | –           | 55          |
|  |       | Liability        | –            | –            | –            | –           | –           | –           |
| <b>TOTAL</b>   |       | <b>ASSET</b>     | <b>151</b>   | <b>33</b>    | <b>19</b>    | <b>4</b>    | <b>3</b>    | <b>8</b>    |
|  |       | <b>LIABILITY</b> | <b>(454)</b> | <b>(255)</b> | <b>(101)</b> | <b>(24)</b> | <b>(22)</b> | <b>(28)</b> |
|  |       |                  |              |              |              |             |             | <b>(24)</b> |

See Note 36 "Valuation methods for financial assets and liabilities at their fair value" for the fair value valuation method.

As of December 31, 2024, the fair value of the Group's derivative financial assets and liabilities and their expected maturities were as follows:

| (in € millions)                                      | Notes | Total            | Y+1          | Y+2          | Y+3         | Y+4        | Y+5      | > Y+5       |
|--|-------|------------------|--------------|--------------|-------------|------------|----------|-------------|
| Fuel – derivative instruments                        | 35.1  | Asset            | 27           | 22           | 5           | –          | –        | –           |
|  |       | Liability        | (115)        | (110)        | (5)         | –          | –        | –           |
| Interest rate – derivative instruments               | 35.2  | Asset            | 78           | 27           | 6           | 2          | –        | 2           |
|  |       | Liability        | (21)         | –            | –           | (3)        | –        | (18)        |
| Currency exchange – derivative instruments           | 35.3  | Asset            | 36           | 19           | 11          | 5          | 1        | –           |
|  |       | Liability        | –            | –            | –           | –          | –        | –           |
| Currency exchange – operating derivative instruments | 35.3  | Asset            | 93           | 62           | 31          | –          | –        | –           |
|  |       | Liability        | (22)         | (17)         | (5)         | –          | –        | –           |
| Currency exchange – Capex                            | 35.3  | Asset            | 137          | 100          | 16          | 12         | 4        | 3           |
|  |       | Liability        | (9)          | (8)          | (1)         | –          | –        | –           |
| Carbon credit – derivative instruments               | 35.4  | Asset            | 19           | 19           | –           | –          | –        | –           |
|  |       | Liability        | (2)          | (2)          | –           | –          | –        | –           |
| Other – derivative instruments                       |       | Asset            | 53           | –            | –           | 53         | –        | –           |
|  |       | Liability        | –            | –            | –           | –          | –        | –           |
| <b>TOTAL</b>   |       | <b>ASSET</b>     | <b>443</b>   | <b>249</b>   | <b>69</b>   | <b>72</b>  | <b>5</b> | <b>5</b>    |
|  |       | <b>LIABILITY</b> | <b>(169)</b> | <b>(137)</b> | <b>(11)</b> | <b>(3)</b> | <b>–</b> | <b>(18)</b> |

See Note 36 "Valuation methods for financial assets and liabilities at their fair value" for the fair value valuation method.

### 35.1 Risk linked to fuel prices

The fuel bill is one of the largest cost items for airlines, making oil price volatility a risk for the air transport industry. A sharp increase in the oil price can have a very material negative impact on the profitability of airlines, particularly if the economic environment does not enable them to adjust their pricing strategies. Similarly, a sharp decline in fuel prices is favorable for airline profitability. However, the way in which airlines pass on a sharp fall in the fuel price in their fares is a factor of significant uncertainty.

In addition to fare adjustments and permanent efforts to reduce fuel consumption, the Group has implemented a policy of systematically hedging the fuel price risk.

The hedging strategy:

- sets the time span of the hedges;
- sets the target hedging ratios to be reached for the coming quarters;
- the hedging uses simple futures or option-based instruments, eligible for hedging pursuant to the accounting standards in force.

The Group's commitments on Brent, Gas Oil and Jet CIF are presented below, at their nominal value:

| As of December 31, 2025<br>(in € millions) | Nominal      | Maturity<br>below<br>1 year | Maturities between 1 and 5 years |           |           |           |          | Fair value   |
|--|--------------|-----------------------------|----------------------------------|-----------|-----------|-----------|----------|--------------|
|  |              |                             | 1-2 years                        | 2-3 years | 3-4 years | 4-5 years | +5 years |              |
| <b>CASH FLOW HEDGING OPERATING FLOWS</b>   |              |                             |                                  |           |           |           |          |              |
| Forward purchases                          | 75           | 74                          | 1                                | –         | –         | –         | –        | (3)          |
| Options                                    | 4,140        | 3,364                       | 776                              | –         | –         | –         | –        | (138)        |
| Others                                     | 134          | 124                         | 10                               | –         | –         | –         | –        | (8)          |
| <b>Sub-total</b>                           | <b>4,349</b> | <b>3,562</b>                | <b>787</b>                       | –         | –         | –         | –        | <b>(149)</b> |
| Receivables/payables on fuel hedges        | –            | –                           | –                                | –         | –         | –         | –        | (15)         |
| <b>TOTAL</b>                               | <b>4,349</b> | <b>3,562</b>                | <b>787</b>                       | –         | –         | –         | –        | <b>(164)</b> |
| Price after hedge USD/Metric Tons (*)      | –            | 733                         | –                                | –         | –         | –         | –        | –            |

(\*) The price after hedge of the total fuel expenses is equal to the market price, to which unitary into-plane costs and hedge results have been added. The hedge results reflect the payout of the hedging strategy based on the forward curve as of December 31, 2025.

| As of December 31, 2024<br>(in € millions) | Nominal      | Maturity<br>below<br>1 year | Maturities between 1 and 5 years |           |           |           |          | Fair value  |
|--|--------------|-----------------------------|----------------------------------|-----------|-----------|-----------|----------|-------------|
|  |              |                             | 1-2 years                        | 2-3 years | 3-4 years | 4-5 years | +5 years |             |
| <b>CASH FLOW HEDGING OPERATING FLOWS</b>   |              |                             |                                  |           |           |           |          |             |
| Forward purchases                          | 54           | 54                          | –                                | –         | –         | –         | –        | 1           |
| Options                                    | 2,835        | 2,507                       | 328                              | –         | –         | –         | –        | (71)        |
| Other                                      | 278          | 241                         | 37                               | –         | –         | –         | –        | –           |
| <b>Sub-total</b>                           | <b>3,167</b> | <b>2,802</b>                | <b>365</b>                       | –         | –         | –         | –        | <b>(70)</b> |
| Receivables/payables on fuel hedges        | –            | –                           | –                                | –         | –         | –         | –        | (18)        |
| <b>TOTAL</b>                               | <b>3,167</b> | <b>2,802</b>                | <b>365</b>                       | –         | –         | –         | –        | <b>(88)</b> |
| Price after hedge USD/Metric Tons          | –            | 797                         | –                                | –         | –         | –         | –        | –           |

In respect of the application of IFRS 9, hedging by component is applied. Since the Group's fuel procurement is strongly correlated to the Jet Kerosene Cargoes CIF NWE Index, components specific to this fuel risk are used (Brent ICE, Gasoil ICE, Jet CIF NWE) to align the fuel hedging accounting and the Group's risk management policy more effectively.

In a context of high volatility and tension in the commodity market due to the geopolitical events since 2022, the Air France-KLM Group has incorporated new hedging instruments on crack spreads in order to better cover the risk associated with the decoupling between indices reflecting the price of crude oil (Brent ice) and indices reflecting the price of refined products (Gasoil ICE and Jet CIF NEW).

The fuel hedging policy in place since the first quarter of 2024 has been updated at the Audit Committee meeting in December 2025, and came into effect in the first quarter of 2026. The hedging strategy, which had previously been based on a rolling 18-month period, has been extended to 24 months. The hedging portfolio will represent 87% of annual consumption.

## Fuel hedge sensitivity

At closing date a +/-10 USD variation in the price of a barrel of Brent generates a variation of fair value of derivatives which has the following impact on income before tax and on "gains/(losses) taken to equity":

| As of December 31<br>(in € millions) | 2025   |  | 2024   |  |
|--------------------------------------|--|--|--|--|
|                                      | Increase of<br>USD 10 per<br>barrel of Brent | Decrease of<br>USD 10 per<br>barrel of Brent | Increase of USD<br>10 per barrel of<br>Brent | Decrease of<br>USD 10 per<br>barrel of Brent |
| Gains/(losses) taken to equity       | 460  | (496)  | 387  | (418)  |

## 35.2 Interest rate risk

A portion of the financial liabilities (including lease debt) is contracted at floating rates. However, to limit its volatility, Air France-KLM has used option and swap strategies involving the use of derivatives to convert a significant proportion of its floating-rate debt into fixed rates.

To manage the interest rate risk on its short and long-term borrowings, the Group uses instruments with the following nominal values:

| As of December 31, 2025<br>(In € millions)           | Nominal      | Balance sheet<br>item of<br>underlying items | Maturity<br>below 1<br>year | Maturities between 1 and 5 years |           |           |            | Fair<br>value |
|--|--------------|--|-----------------------------|----------------------------------|-----------|-----------|------------|---------------|
|  |              |  |                             | 1-2 years                        | 2-3 years | 3-4 years | 4-5 years  |               |
| <b>Operations qualified as cash flow<br/>hedging</b> | <b>3,013</b> |  | <b>399</b>                  | <b>258</b>                       | <b>31</b> | <b>62</b> | <b>256</b> | <b>2,007</b>  |

|            |       |                          |     |     |    |    |     |       |     |
|------------|-------|--------------------------|-----|-----|----|----|-----|-------|-----|
| Rate swaps | 2,025 | Financial<br>liabilities | 349 | 208 | 31 | 62 | 256 | 1,119 | 39  |
| Options    | 988   | Financial<br>liabilities | 50  | 50  | –  | –  | –   | 888   | (5) |

|   |              |     |            |            |           |           |            |              |            |
|---|--------------|-----|------------|------------|-----------|-----------|------------|--------------|------------|
| <b>Operations qualified as fair value<br/>hedging</b> | <b>12</b>    |     | <b>12</b>  | –          | –         | –         | –          | –            | <b>(2)</b> |
| Rate swaps  | 12           | N/A | 12         | –          | –         | –         | –          | –            | (2)        |
| <b>TOTAL</b>  | <b>3,025</b> |     | <b>411</b> | <b>258</b> | <b>31</b> | <b>62</b> | <b>256</b> | <b>2,007</b> | <b>32</b>  |

| As of December 31, 2024<br>(In € millions)           | Nominal      | Balance sheet<br>item of<br>underlying items | Maturity<br>below 1<br>year | Maturities between 1 and 5 years |            |           |           | Fair<br>value |
|--|--------------|--|-----------------------------|----------------------------------|------------|-----------|-----------|---------------|
|  |              |  |                             | 1-2 years                        | 2-3 years  | 3-4 years | 4-5 years |               |
| <b>Operations qualified as cash flow<br/>hedging</b> | <b>2,539</b> |  | <b>561</b>                  | <b>230</b>                       | <b>109</b> | <b>31</b> | <b>70</b> | <b>1,538</b>  |

|            |       |                          |     |     |    |    |    |       |     |
|------------|-------|--------------------------|-----|-----|----|----|----|-------|-----|
| Rate swaps | 2,112 | Financial<br>liabilities | 561 | 130 | 59 | 31 | 70 | 1,261 | 59  |
| Options    | 427   | Financial<br>liabilities | –   | 100 | 50 | –  | –  | 277   | (6) |

|   |              |     |            |            |            |           |           |              |           |
|---|--------------|-----|------------|------------|------------|-----------|-----------|--------------|-----------|
| <b>Operations qualified as fair value<br/>hedging</b> | <b>34</b>    |     | <b>22</b>  | <b>12</b>  | –          | –         | –         | –            | <b>4</b>  |
| Rate swaps  | 34           | N/A | 22         | 12         | –          | –         | –         | –            | 4         |
| <b>TOTAL</b>  | <b>2,573</b> |     | <b>583</b> | <b>242</b> | <b>109</b> | <b>31</b> | <b>70</b> | <b>1,538</b> | <b>57</b> |

Due to hedging, interest rate exposure based on net debt items is shown below. This table breaks down net book value before and after hedging, according to fixed rate, floating rate and without rate:

| As of December 31<br>(in € million)    | 2025          |               | 2024          |               |
|--|---------------|---------------|---------------|---------------|
|  | Before hedge  | After hedge   | Before hedge  | After hedge   |
| Financial liabilities at fixed rate    | 11,732        | 13,450        | 10,744        | 12,136        |
| Financial liabilities at variable rate | 3,630         | 1,912         | 3,780         | 2,388         |
| Financial liabilities without rate     | (112)         | (112)         | (260)         | (260)         |
| <b>Total Financial liabilities</b>     | <b>15,250</b> | <b>15,250</b> | <b>14,264</b> | <b>14,264</b> |
| Net liquidity at fixed rate            | 2,071         | 2,071         | 2,046         | 2,046         |
| Net liquidity at variable rate         | 2,828         | 2,828         | 3,715         | 3,715         |
| Net liquidity without rate             | 1,959         | 1,959         | 1,171         | 1,171         |
| <b>Total Net liquidity</b>             | <b>6,858</b>  | <b>6,858</b>  | <b>6,932</b>  | <b>6,932</b>  |
| Net debt at fixed rate                 | 9,662         | 11,379        | 8,698         | 10,090        |
| Net debt at floating rate              | 802           | (915)         | 65            | (1,327)       |
| Net debt without rate                  | (2,072)       | (2,072)       | (1,431)       | (1,431)       |
| <b>TOTAL NET DEBT</b>                  | <b>8,392</b>  | <b>8,392</b>  | <b>7,332</b>  | <b>7,332</b>  |

Net debt items are detailed in Note 32 "Net debt".

As of December 31, 2025, without-rate financial assets mainly include cash as in December 31, 2024.

### Interest rate sensitivity

The Group is exposed to the risk of interest rate variations. A 100 basis point variation (increase or decrease) in interest rates would have an impact of €17 million on the financial income for the year ended December 31, 2025 versus €17 million for the year ended December 31, 2024.

### 35.3 Exchange rate risk

Most of the Air France-KLM Group's revenues are generated in euros. However, because of its international activities, the Group incurs a foreign exchange risk. The principal exposure relates to the US dollar. Since the expenditure on items such as fuel and components exceeds the amount of revenues in dollars, the Group is a net buyer of US dollars. As a result, any significant appreciation in the dollar against the euro could result in a negative impact on the Group's financial results.

On the other hand, Air France-KLM Group is a net seller of other currencies, the level of revenues in these currencies exceeding its expenditure. This exposure is far less significant than on the US dollar. As a result, any significant decline in these currencies against the euro would have a negative effect on the Group's financial results.

The management of the Group's exchange rate risk is carried out based on the forecasted net exposure for each currency. Currencies which are highly correlated to the US dollar are aggregated with the US dollar exposure.

For each currency hedged, the time span of the hedging is a rolling 12 to 24-month period, the first four quarters having more hedging than the following four.

Aircraft are mostly paid for in US dollars, meaning that the Group is exposed to an appreciation in the dollar relative to the euro in terms of its investments in flight equipment. The hedging strategy provides the gradual implementation of hedging between the aircraft order date and their delivery.

The exchange rate risk on the Group's financial debt is limited. As of December 31, 2025, 80% of the Group's financial debt, after taking into account derivative instruments, was euro-denominated, thereby significantly reducing the risk of currency fluctuation on the debt. The exchange rate risk on debt denominated in other currencies mostly concerns the Yen for 9%, the US dollar for 6% and the Swiss franc for 5% (see note 31.5).

Since the application of IFRS 16 by the Group as of January 1, 2018, the aircraft operating leases, which are mostly denominated in US dollars, have been recognized in the Group's debt. This debt is recognized as hedge of future operating revenues in USD. For airlines not generating US dollar revenues, US dollar-denominated assets and currency hedges are in place to mitigate this exchange rate risk.

The nominal amounts of forwards and options linked to exchange rates are detailed below given the nature of the hedging operations:

| As of December 31, 2025<br>(in € millions)                         | Hedged item  |                       | Maturity<br>below 1<br>year | Maturities between 1 and 5 years |            |            |            |          | Fair<br>value |
|--|--------------|-----------------------|-----------------------------|----------------------------------|------------|------------|------------|----------|---------------|
|  | Nominal      | Balance sheet item    |                             | 1-2 years                        | 2-3 years  | 3-4 years  | 4-5 years  | +5 years |               |
| <b>Cash flow hedging of operating flows</b>                        | <b>2,872</b> |                       | <b>1,874</b>                | <b>998</b>                       | —          | —          | —          | —        | <b>(64)</b>   |
| Exchange rate options  | 1,478        | N/A                   | 975                         | 503                              | —          | —          | —          | —        | (22)          |
| Forward purchases  | 1,149        | N/A                   | 657                         | 492                              | —          | —          | —          | —        | (44)          |
| Forward sales  | 245          | N/A                   | 242                         | 3                                | —          | —          | —          | —        | 2             |
| <b>Fair value hedging of flight equipment acquisition</b>          | <b>4,222</b> |                       | <b>894</b>                  | <b>1,227</b>                     | <b>618</b> | <b>730</b> | <b>753</b> | —        | <b>(120)</b>  |
| Forward purchases  | 3,641        | Other commitments     | 832                         | 927                              | 591        | 538        | 753        | —        | (125)         |
| Forward sales  | 581          | Other commitments     | 62                          | 300                              | 27         | 192        | —          | —        | 5             |
| <b>Cash flow hedges on debt</b>                                    | <b>155</b>   |                       | <b>155</b>                  | —                                | —          | —          | —          | —        | <b>(16)</b>   |
| Forward purchases  | 31           | Financial liabilities | 31                          | —                                | —          | —          | —          | —        | (3)           |
| Cross Currency Swap  | 124          | Financial liabilities | 124                         | —                                | —          | —          | —          | —        | (13)          |
| <b>Fair value hedges on debt</b>                                   | <b>391</b>   |                       | <b>137</b>                  | <b>108</b>                       | <b>83</b>  | <b>63</b>  | —          | —        | <b>(17)</b>   |
| Forward purchases  | 391          | Lease debt            | 137                         | 108                              | 83         | 63         | —          | —        | (17)          |
| <b>Operations on debt qualified in fair value through P&amp;L</b>  | <b>256</b>   |                       | <b>102</b>                  | <b>61</b>                        | <b>57</b>  | <b>36</b>  | —          | —        | <b>(10)</b>   |
| Forward purchases  | 256          | Lease debt            | 102                         | 61                               | 57         | 36         | —          | —        | (10)          |
| <b>Trading of flight equipment acquisition and operating flows</b> | <b>510</b>   |                       | <b>510</b>                  | —                                | —          | —          | —          | —        | <b>(1)</b>    |
| Forward purchases  | 510          | N/A                   | 510                         |                                  |            |            |            |          | (1)           |
| <b>TOTAL</b>   | <b>8,406</b> |                       | <b>3,672</b>                | <b>2,394</b>                     | <b>758</b> | <b>829</b> | <b>753</b> | —        | <b>(228)</b>  |

| As of December 31, 2024<br>(in € millions)                        | Hedged item  |                       | Maturity<br>below 1<br>year | Maturities between 1 and 5 years |            |            |            |            | Fair<br>value |
|---|--------------|-----------------------|-----------------------------|----------------------------------|------------|------------|------------|------------|---------------|
|   | Nominal      | Balance sheet item    |                             | 1-2 years                        | 2-3 years  | 3-4 years  | 4-5 years  | +5 years   |               |
| <b>Cash flow hedging of operating flows</b>                       | <b>3,013</b> |                       | <b>1,963</b>                | <b>1,050</b>                     | —          | —          | —          | —          | <b>71</b>     |
| Exchange rate options   | 1,656        | N/A                   | 1,043                       | 613                              | —          | —          | —          | —          | 31            |
| Forward purchases   | 1,010        | N/A                   | 632                         | 378                              | —          | —          | —          | —          | 53            |
| Forward sales   | 347          | N/A                   | 288                         | 59                               | —          | —          | —          | —          | (13)          |
| <b>Fair value hedging of flight equipment acquisition</b>         | <b>3,343</b> |                       | <b>2,353</b>                | <b>334</b>                       | <b>240</b> | <b>137</b> | <b>108</b> | <b>171</b> | <b>128</b>    |
| Forward purchases   | 2,904        | Other commitments     | 1,945                       | 303                              | 240        | 137        | 108        | 171        | 137           |
| Forward sales   | 439          | Other commitments     | 408                         | 31                               | —          | —          | —          | —          | (9)           |
| <b>Cash flow hedges on debts</b>                                  | <b>177</b>   |                       | <b>31</b>                   | —                                | <b>146</b> | —          | —          | —          | <b>2</b>      |
| Forward purchases   | 31           | Financial liabilities | 31                          | —                                | —          | —          | —          | —          | —             |
| Cross Currency Swap   | 146          | Financial liabilities | —                           | —                                | 146        | —          | —          | —          | 2             |
| <b>Fair value hedges on debt</b>                                  | <b>453</b>   |                       | <b>139</b>                  | <b>133</b>                       | <b>103</b> | <b>78</b>  | —          | —          | <b>22</b>     |
| Forward purchases   | 453          | Lease debt            | 139                         | 133                              | 103        | 78         | —          | —          | 22            |
| <b>Operations on debt qualified in fair value through P&amp;L</b> | <b>189</b>   |                       | <b>118</b>                  | <b>56</b>                        | <b>15</b>  | —          | —          | —          | <b>12</b>     |
| Forward purchases   | 189          | Lease debt            | 118                         | 56                               | 15         | —          | —          | —          | 12            |
| <b>TOTAL</b>  | <b>7,175</b> |                       | <b>4,604</b>                | <b>1,573</b>                     | <b>504</b> | <b>215</b> | <b>108</b> | <b>171</b> | <b>235</b>    |

### Currency hedge sensitivity

The value in euros of the monetary assets and liabilities is presented below:

| As of December 31<br>(in € millions) | Monetary assets |       | Monetary liabilities |       |
|--------------------------------------|-----------------|-------|----------------------|-------|
|                                      | 2025            | 2024  | 2025                 | 2024  |
| US dollar                            | <b>1,334</b>    | 1,165 | <b>5,173</b>         | 5,613 |
| Pound sterling                       | <b>45</b>       | 47    | <b>15</b>            | 16    |
| Yen                                  | <b>26</b>       | 27    | <b>795</b>           | 866   |
| Swiss francs                         | <b>9</b>        | 12    | <b>419</b>           | 414   |
| Others                               | <b>22</b>       | 15    | <b>20</b>            | 21    |

The amounts of monetary assets and liabilities disclosed above do not include the effect of the revaluation of assets and liabilities documented in fair value hedge.

The impact on "income before tax" and on "gains/(losses) taken to equity" of a 10% appreciation in foreign currencies relative to the euro is presented below:

| As of December 31<br>(in € millions) | US dollar    |       | Pound sterling |      | Yen         |      |
|--------------------------------------|--------------|-------|----------------|------|-------------|------|
|                                      | 2025         | 2024  | 2025           | 2024 | 2025        | 2024 |
| Income before tax                    | <b>(119)</b> | (178) | <b>3</b>       | 10   | <b>(75)</b> | (83) |
| Gains/(losses) taken to equity       | <b>382</b>   | 676   | <b>(31)</b>    | (79) | —           | (12) |

The impact of the change in fair value of currency derivatives on "income before tax" and on "gains/(losses) taken to equity" of a 10% depreciation in foreign currencies relative to the euro is presented below:

| As of December 31<br>(in € millions) | US dollar    |       | Pound sterling |      | Yen       |      |
|--------------------------------------|--------------|-------|----------------|------|-----------|------|
|                                      | 2025         | 2024  | 2025           | 2024 | 2025      | 2024 |
| Income before tax                    | <b>122</b>   | 174   | (3)            | 3    | <b>74</b> | 81   |
| Gains/(losses) taken to equity       | <b>(360)</b> | (595) | <b>25</b>      | 40   | –         | 11   |

### 35.4 Carbon credit risk

As an air transport operator, the Air France-KLM Group emits carbon dioxide. As such, it fully complies with regulatory measures to reduce carbon emissions (see Note 25). These include the EU Emissions Trading Scheme (EU ETS), which has been in force at European level since 2012 for aviation. The European institutions have confirmed the intra-European scope of the EU-ETS, thus reinforcing CORSIA's future role in defining clearing solutions for international flights.

They have also programmed the gradual end of allowances allocated free of charge to air operators. From 2026 onwards, this new measure will require the Air France-KLM Group to purchase emission rights (credits) for all its flights to and from the European Union (intra-European flights).

To minimize the consequences of the necessary strengthening of the European carbon market and the gradual increase in the price of credits, Air France-KLM is responding through a proactive financial policy based on the purchase of forward credits.

As of 1 January 2025, the Group applies the exemption provided for in IFRS 9 for own use and no longer recognises instruments traded since that date.

As of December 31, 2025, the Group has hedged its future purchases of CO<sub>2</sub> quotas as follows:

| As of December 31, 2025<br>(In € millions)  | Nominal    | Maturity<br>below 1<br>year | Maturities between 1 and 5 years |           |           |           |          |
|---|------------|-----------------------------|----------------------------------|-----------|-----------|-----------|----------|
|   |            |                             | 1-2 years                        | 2-3 years | 3-4 years | 4-5 years | +5 years |
| <b>Operating flows as cash flow hedging</b> | <b>214</b> | <b>214</b>                  | –                                | –         | –         | –         | –        |
| Forwards                                    | 214        | 214                         | –                                | –         | –         | –         | –        |
| <b>TOTAL</b>                                | <b>214</b> | <b>214</b>                  | –                                | –         | –         | –         | –        |

| As of December 31, 2024<br>(In € millions)  | Nominal    | Maturity<br>below 1<br>year | Maturities between 1 and 5 years |           |           |           |          | Fair<br>value |
|---|------------|-----------------------------|----------------------------------|-----------|-----------|-----------|----------|---------------|
|   |            |                             | 1-2 years                        | 2-3 years | 3-4 years | 4-5 years | +5 years |               |
| <b>Operating flows as cash flow hedging</b> | <b>240</b> | <b>235</b>                  | <b>5</b>                         | –         | –         | –         | –        | <b>17</b>     |
| Forwards                                    | 240        | 235                         | 5                                | –         | –         | –         | –        | 17            |
| <b>TOTAL</b>                                | <b>240</b> | <b>235</b>                  | <b>5</b>                         | –         | –         | –         | –        | <b>17</b>     |

### 35.5 Counterpart risk

The transactions involving potential counterparty risk are as follows:

- financial investments measured at fair market value;
- derivative instruments measured at fair value;
- trade receivables: risk limited due to the large number and geographical diversity of the customers.

Counterparty risk linked to financial investments and derivative instruments is managed by the Risk Management Committee which establishes limits by counterparty based on the quality of their financial position.

In order to assess financial position of its counterparties, the Group relies on their financial data, as well as on any public information providing analysis on those. Regarding mutual funds (OPCVM) the risk is considered as negligible thanks to large diversification and regulatory provisions applicable to these supports. The RMC also monitors the trend in the respective proportion each counterparty represents of the overall hedging portfolio (fuel, currency and interest rate) and investments. The positions of both Air France and KLM, together with those of the Air France-KLM parent company, are taken into account in the assessment of the overall exposure. Any exceeding of a limit immediately results in the implementation of corrective measures.

## NOTE 36 VALUATION METHODS FOR FINANCIAL ASSETS AND LIABILITIES AT THEIR FAIR VALUE



### ACCOUNTING PRINCIPLES

#### Fair value hierarchy of the financial assets and liabilities

The table presenting a breakdown of financial assets and liabilities categorized by value meets the amended requirements of IFRS 7 "Financial Instruments: Disclosures". The fair values are classified using a scale which reflects the nature of the market data used to make the valuations.

This scale has three levels of fair value:

- Level 1: Fair value calculated from the exchange rate/price quoted on an active market for identical instruments;
- Level 2: Fair value calculated from valuation methods based on observable data such as the prices of similar assets and liabilities or scopes quoted on an active market;
- Level 3: Fair value calculated from valuation methods which rely completely or partly on non observable data such as market prices from an inactive market or valuation based on multiples for non listed stocks.

The Group's financial assets and liabilities are broken down into the three classification levels as follows:

| As of December 31<br>(In € millions) | Notes | Level 1 – quoted<br>prices and cash |              | Level 2 – internal<br>modeling using<br>observable factors |              | Level 3 – internal<br>modeling using<br>non-observable<br>factors |           | Total        |              |
|--------------------------------------|-------|-------------------------------------|--------------|--|--------------|---|-----------|--------------|--------------|
|                                      |       | 2025                                | 2024         | 2025   | 2024         | 2025  | 2024      | 2025         | 2024         |
| Equity instruments                   | 22    | <b>42</b>                           | 42           | <b>14</b>  | 14           | <b>47</b>   | –         | <b>103</b>   | 56           |
| Debt instruments                     | 22    | <b>1,134</b>                        | 1,062        | <b>976</b>   | 1,007        | <b>35</b>   | 34        | <b>2,145</b> | 2,103        |
| Derivative instruments assets        | 35    | –                                   | –            | <b>151</b>   | 443          | –   | –         | <b>151</b>   | 443          |
| Cash equivalents                     | 26    | <b>3</b>                            | –            | <b>2,726</b>   | 2,985        | –   | –         | <b>2,729</b> | 2,985        |
| Cash in hand                         | 26    | <b>1,985</b>                        | 1,844        | –  | –            | –   | –         | <b>1,985</b> | 1,844        |
| <b>TOTAL ASSETS</b>                  |       | <b>3,164</b>                        | <b>2,948</b> | <b>3,867</b>   | <b>4,449</b> | <b>82</b>   | <b>34</b> | <b>7,113</b> | <b>7,431</b> |
| Derivative instruments liabilities   | 35    | –                                   | –            | (454)  | (169)        | –   | –         | (454)        | (169)        |
| <b>TOTAL LIABILITIES</b>             |       | –                                   | –            | (454)  | (169)        | –   | –         | (454)        | (169)        |

## NOTE 37 CONSOLIDATED STATEMENT OF CASH FLOW AND OPERATING FREE CASH FLOW

### 37.1 Other non-monetary items and impairment

Other non-monetary items and impairment can be analyzed as follows:

| As of December 31<br>(in € millions)                   | Notes | 2025        | 2024        |
|--|-------|-------------|-------------|
| Variation of provisions relating to restructuring plan |       | <b>13</b>   | (6)         |
| Variation of provisions relating to pension            |       | <b>60</b>   | 93          |
| Variation of other provisions                          |       | <b>(2)</b>  | (98)        |
| Changes to the pension plans                           | 29.3  | <b>5</b>    | (11)        |
| Share-based payment                                    |       | <b>2</b>    | 3           |
| Other  |       | <b>(24)</b> | 5           |
| <b>TOTAL OTHER NON MONETARY ITEMS</b>                  |       | <b>54</b>   | <b>(14)</b> |
| Impairment   |       | <b>(1)</b>  | –           |
| <b>TOTAL – IMPAIRMENT</b>                              |       | <b>(1)</b>  | –           |

### 37.2 Breakdown of the change in working capital resource

| As of December 31<br>(in € millions)                        | Notes | 2025         | 2024         |
|---|-------|--------------|--------------|
| Monetary (increase) / decrease in inventories               | 23    | <b>(52)</b>  | (111)        |
| Monetary (increase) / decrease in trade receivables         | 24    | <b>(165)</b> | 163          |
| Monetary increase / (decrease) in trade payables            |       | <b>154</b>   | 148          |
| Monetary increase / (decrease) in advanced ticket sales     |       | <b>153</b>   | 250          |
| Monetary increase / (decrease) in miles for loyalty program | 33    | <b>15</b>    | 7            |
| Monetary (increase) / decrease in other assets              | 25    | <b>(70)</b>  | (205)        |
| Monetary increase / (decrease) in other liabilities         | 34    | <b>163</b>   | (783)        |
| Change in provision for CO <sub>2</sub> quota surrenders    | 30    | <b>77</b>    | 37           |
| Change in receivables/payables on fuel hedging              |       | <b>(2)</b>   | 15           |
| <b>CHANGE IN WORKING CAPITAL RESOURCE</b>                   |       | <b>273</b>   | <b>(479)</b> |

The line "Monetary increase / (decrease) in other liabilities" is impacted by the reimbursement of deferred social charges during Covid (€493 million in 2025 and €1,095 million in 2024).

Differences between balance sheet items and monetary changes specified in the chart are mainly due to foreign exchange impact.

## NOTE 38 FLIGHT EQUIPMENT ORDERS

Due dates of firm orders commitments for the purchase of aircraft equipment are as follows:

| As of December 31<br>(in € millions) | 2025          | 2024          |
|--------------------------------------|---------------|---------------|
| Y+1                                  | <b>2,307</b>  | 2,505         |
| Y+2                                  | <b>3,181</b>  | 2,398         |
| Y+3                                  | <b>3,110</b>  | 3,682         |
| Y+4                                  | <b>2,933</b>  | 3,087         |
| Y+5                                  | <b>1,915</b>  | 2,064         |
| > Year Y+5                           | <b>1,146</b>  | 661           |
| <b>TOTAL</b>                         | <b>14,592</b> | <b>14,397</b> |

These commitments mainly relate to amounts in US dollars, converted into euros at the closing date exchange rate. All these amounts are hedged.

The number of aircraft under firm order as of December 31, 2025 increased by 24 units compared with December 31, 2024, due to 29 aircraft deliveries, 54 purchase options conversion, and 1 order cancellation, and stood at 215 aircraft.

### Delivery calendar as of December 31, 2025

| Aircraft type                      | To be delivered in |           |           |           |           |            | <b>Total</b> |
|------------------------------------|--------------------|-----------|-----------|-----------|-----------|------------|--------------|
|                                    | Y+1                | Y+2       | Y+3       | Y+4       | Y+5       | Beyond Y+5 |              |
| <b>LONG-HAUL FLEET – PASSENGER</b> |                    |           |           |           |           |            |              |
| A350                               | 7                  | 11        | 9         | 15        | 11        | 3          | <b>56</b>    |
| B787                               | 1                  | –         | –         | –         | –         | –          | <b>1</b>     |
| <b>LONG-HAUL FLEET – CARGO</b>     |                    |           |           |           |           |            |              |
| A350F                              | –                  | 1         | 2         | –         | 3         | –          | <b>6</b>     |
| <b>MEDIUM-HAUL FLEET</b>           |                    |           |           |           |           |            |              |
| A220                               | 10                 | 10        | 5         | –         | –         | –          | <b>25</b>    |
| A320neo / A 321neo                 | 15                 | 28        | 32        | 21        | 21        | –          | <b>117</b>   |
| <b>REGIONAL FLEET</b>              |                    |           |           |           |           |            |              |
| E195-2                             | –                  | –         | –         | 5         | 5         | –          | <b>10</b>    |
| <b>TOTAL</b>                       | <b>33</b>          | <b>50</b> | <b>48</b> | <b>41</b> | <b>40</b> | <b>3</b>   | <b>215</b>   |

## NOTE 39 OTHER COMMITMENTS

### 39.1 Commitments made

| As of December 31<br>(in € millions)                 | 2025       | 2024  |
|--|------------|-------|
| Commitments to leased aircraft, not yet in operation | <b>271</b> | 1,253 |
| Warranties, sureties and guarantees                  | <b>383</b> | 393   |
| Other purchase commitments                           | <b>342</b> | 180   |

### 39.2 Commitments given subject to variable conditions and not valued

#### Strengthened Stake in SAS AB

Air France-KLM has begun a process aimed at taking a majority stake in the capital of SAS. The Group currently holds 19.9% of the Scandinavian airline's capital and, in the summer of 2024, initiated a commercial cooperation between Air France, KLM, and SAS, based on expanded code-sharing and interline marketing agreements. This cooperation has been strengthened by SAS joining the SkyTeam alliance.

Subject to the fulfillment of all required conditions, Air France-KLM would proceed to acquire all shares held by Castlelake and Lind Invest, thus increasing its own stake in SAS to 60.5%. The Danish State would retain its 26.4% stake as well as its seats on the Board of Directors (see Note 3.1 "Significant events occurring during the period").

#### SAF Supply Contracts

As part of its decarbonization strategy, the Air France-KLM Group has entered into SAF supply contracts with the following partners:

- Neste: the contract covers 0.4 million tons of SAF until 2030;
- DG Fuels: the contract covers 0.6 million tons of SAF over the period 2027 to 2036;
- SkyNRG: the contract covers 1 million tons of SAF over the period 2028 to 2043;
- TotalEnergies: the contract provides for up to 1.5 million tonnes until 2035.

#### Servair

The Servair group is a French company in aviation catering (see Note 20 "Equity affiliates").

Following the acquisition of Gategroup by HNA on December 22, 2016, Air France Finance and Gategroup finalized the agreement for the sale to Gategroup of 49.99% of the Servair share capital. On conclusion of this transaction, the operational control of Servair was transferred to Gategroup in application of the governance planned in the agreements between Air France Finance and Gategroup.

As of December 31, 2025, the 25% not yet sold to Gategroup have not been valued in the commitments given (or received).

### 39.3 Commitments received

| As of December 31<br>(in € millions) | 2025      | 2024 |
|--------------------------------------|-----------|------|
| Warranties, sureties and guarantees  | <b>10</b> | 12   |

### 39.4 Restrictions and pledges

The restrictions and pledges as of December 31, 2025 are as follows:

| (in € millions)        | Amount pledged | NBV of balance sheet entry concerned | Corresponding % |
|------------------------|----------------|--------------------------------------|-----------------|
| Intangible assets      | –              | 1,199                                | – %             |
| Tangible assets        | 5,812          | 15,330                               | 37.9 %          |
| Other financial assets | 593            | 2,627                                | 22.6 %          |
| <b>TOTAL</b>           | <b>6,405</b>   | <b>19,156</b>                        | <b>33.4 %</b>   |

## 39.5 Order book

### Long term contracts of the maintenance business

On December 31, 2025, the future revenues from long-term contracts in the maintenance business amount to €9,714 million. The Group expects around 56% of the order book to be recognized as revenue over the next four years.

The table below presents the reconciliation between the order book according to accounting principles and the order book as described in the Management report:

|  |              |
|--|--------------|
| As of December 31  |              |
| (in € millions)  | <b>2025</b>  |
| <b>Maintenance order book according to accounting definition</b>   | <b>9,714</b> |
| Contracts with no client' obligations                              | 198          |
| Cash received not recognized in revenues <sup>(1)</sup>            | (794)        |
| <b>PUBLISHED ORDER BOOK IN THE MANAGEMENT REPORT<sup>(2)</sup></b> | <b>9,118</b> |

<sup>(1)</sup> Included in the deferred income (Note 34 "Other liabilities").

<sup>(2)</sup> Representing \$10,714 million (see section 1.3.3 "Maintenance business").

### Passenger and freight transportation

As indicated in Note 6 "Information by activity and geographical area", the Group applies the exemption provided by IFRS 15 considering the tickets and freight transport vouchers' validity period up to one year.

### Loyalty program

Information on the loyalty program is presented in Note 33 "Loyalty program".

## NOTE 40 RELATED PARTIES

### 40.1 Transactions with the principal executives

The total compensation recorded as costs for the members of the Group Executive Committee in respect of their functions within the group breaks down as follows:

| Period from January 1 to December 31<br>(in € millions) | 2025        | 2024        |
|---|-------------|-------------|
| Short-term employee benefits                            | <b>9.9</b>  | 9.8         |
| Post-employment benefits                                | <b>2.1</b>  | 2.0         |
| Share-based payment                                     | <b>1.2</b>  | 2.8         |
| <b>TOTAL</b>  | <b>13.2</b> | <b>14.6</b> |

The compensation of the non-executive Chairwomen of the Board amounts to €0.35 million.

Directors' fees booked in expenses and paid amount to €1.39 million as of December 31, 2025, versus €0.84 million as of December 31, 2024.

### 40.2 Transactions with the other related parties

The total amounts of transactions with related parties are as follows:

| As of December 31<br>(in € millions) | 2025         | 2024         |
|--------------------------------------|--------------|--------------|
| <b>ASSETS</b>                        |              |              |
| Trade receivables                    | <b>185</b>   | 206          |
| Other current assets                 | <b>7</b>     | 10           |
| Other non-current assets             | <b>2</b>     | 2            |
| <b>TOTAL</b>                         | <b>194</b>   | <b>218</b>   |
| <b>LIABILITIES AND EQUITY</b>        |              |              |
| Perpetual                            | <b>1,228</b> | 1,033        |
| Trade payables                       | <b>210</b>   | 179          |
| Other current liabilities            | <b>302</b>   | 232          |
| Other non-current liabilities        | –            | (1)          |
| <b>TOTAL</b>                         | <b>1,740</b> | <b>1,443</b> |

| As of December 31<br>(in € millions) | 2025         | 2024         |
|--------------------------------------|--------------|--------------|
| Sales                                | <b>396</b>   | 323          |
| Landing fees and air route charges   | <b>(548)</b> | (449)        |
| Other external expenses              | <b>(12)</b>  | (10)         |
| Passenger service                    | <b>(313)</b> | (310)        |
| Other                                | <b>(269)</b> | (225)        |
| <b>TOTAL</b>                         | <b>(746)</b> | <b>(671)</b> |

As a part of its normal business, the Group enters into transactions with related parties including transactions with State-owned and governmental entities such as the French Defense Ministry, the Paris Airport Authority ("Aéroports de Paris", or "ADP"), Amsterdam Airport Schiphol, the Dutch and French States and the French civil aviation regulator ("DGAC"). Air France-KLM considers that such transactions are concluded on terms equivalent to those on transactions with third parties.

The most significant transactions are described below:

- Aéroports de Paris (ADP):

- land and property rental agreements,
- airport and passenger-related fee arrangements.

In addition, ADP collects airport landing fees on behalf of the French State.

Total expenses incurred by the Group in connection with the aforementioned arrangements amounted to a respective €324 million and €358 million for the periods ended December 31, 2025 and December 31, 2024;

- Amsterdam Airport Schiphol (AAS):

- land and property rental agreements,
- airport and passenger-related fee arrangements.

In addition, AAS collects airport fees on behalf of the Dutch State.

Total expenses incurred by the Group in connection with the aforementioned arrangements amounted to €295 million for the period ended December 31, 2025 versus €203 million as of December 31, 2024;

- French Defense Ministry:

Air France-KLM has entered into contracts with the French Defense Ministry concerning the maintenance of aircraft of the French Air Force. The net revenue derived from this activity amounts to €109 million for the year ended December 31, 2025 versus €72 million as of December 31, 2024;

- Direction générale de l'aviation civile (DGAC):

This civil aviation regulator is under the authority of the French Ministry of Transport, which manages security and safety in the French air space and at airports. As a result, the DGAC charges fees to Air France-KLM for the use of installations and services which amounts to €96 million as of December 31, 2025 versus €87 million for the year ended December 31, 2024;

- CMA-CGM:

As part of the Air France-KLM capital increase carried out on June 16, 2022, CMA-CGM became a new shareholder of the Group. The commercial partnership between CMA-CGM and the Group relating to the Cargo business has started in 2023. As of December 31, 2024, transactions with this CMA-CGM amount to €(20) million. Air France-KLM and CMA CGM have decided to terminate the agreements signed in May 2022 with effect from March 31, 2024. CMA CGM stepped down from the Air France-KLM Board of Directors on March 31, 2024. The revenue as of December 31, 2025 with CMA-CGM is not significant;

- China Eastern Airlines:

The net revenue derived by the Group in connection with the aforementioned arrangement amounted to €12 million for the periods ended December 31, 2025 compared to €12 million as of December 31, 2024;

- Delta Air Lines:

The net revenue derived by the Group in connection with the aforementioned arrangement amounted to a respective €225 million and €191 million for the periods ended December 31, 2025 and December 31, 2024;

- French States:

As of December 31, 2025 the line "Perpetual" corresponds to the perpetual granted by the French State (see Note 28.3.1 "2023 perpetual super-subordinated bonds");

- Westjet:

On 22 October 2025, Air France-KLM finalised the acquisition of a 2.3% stake in Canadian airline WestJet for €35 million, as described in Note 3.1 "Significant events occurring during the period". The revenue with Westjet is not significant for the period ended December 31, 2025.

- SAS AB

The Air France-KLM Group has initiated a process to acquire a majority stake in SAS. The Group currently holds 19.9% of the Scandinavian airline's capital and, in the summer of 2024, initiated commercial cooperation between Air France, KLM and SAS, based on expanded code-sharing and interline marketing agreements. This cooperation was strengthened by SAS's entry into the SkyTeam alliance. For the financial year ended 31 December 2025, revenue relating to this company amounted to €6 million and was not significant in 2024.

## NOTE 41 STATUTORY AUDITORS' FEES

KPMG

As of December 31

(in € millions)

|  | 2025              |            |            |             | 2024              |      |            |      |
|--|-------------------|------------|------------|-------------|-------------------|------|------------|------|
|  | Statutory auditor |            | Network    |             | Statutory auditor |      | Network    |      |
|  | Amount            | %          | Amount     | %           | Amount            | %    | Amount     | %    |
| <b>Statutory audit, certification, review of stand-alone and consolidated accounts</b> | <b>2.0</b>        | <b>77%</b> | <b>1.4</b> | <b>88%</b>  | 2.1               | 78%  | 1.6        | 89%  |
| • Air France-KLM S.A.  | <b>0.5</b>        | —          | —          | —           | 0.6               | —    | —          | —    |
| • Consolidated subsidiaries  | <b>1.5</b>        | —          | <b>1.4</b> | —           | 1.5               | —    | 1.6        | —    |
| <b>Sustainability Statement audit fees</b>   | <b>0.4</b>        | <b>15%</b> | —          | — %         | 0.4               | 15 % | —          | — %  |
| • Air France-KLM S.A.  | <b>0.4</b>        | —          | —          | —           | 0.4               | —    | —          | —    |
| <b>Other ancillary services and audit services<sup>(1)</sup></b>                       | <b>0.2</b>        | <b>8%</b>  | <b>0.2</b> | <b>12 %</b> | 0.2               | 7 %  | 0.2        | 11 % |
| • Air France-KLM S.A.  | <b>0.1</b>        | —          | —          | —           | 0.1               | —    | —          | —    |
| • Consolidated subsidiaries  | <b>0.1</b>        | —          | <b>0.2</b> | —           | 0.1               | —    | 0.2        | —    |
| <b>TOTAL – AIR FRANCE-KLM</b>  | <b>2.6</b>        | —          | <b>1.6</b> | —           | <b>2.7</b>        | —    | <b>1.8</b> | —    |

PwC

As of December 31

(in € millions)

|  | 2025              |            |            |             | 2024              |      |            |      |
|--|-------------------|------------|------------|-------------|-------------------|------|------------|------|
|  | Statutory auditor |            | Network    |             | Statutory auditor |      | Network    |      |
|  | Amount            | %          | Amount     | %           | Amount            | %    | Amount     | %    |
| <b>Statutory audit, certification, review of stand-alone and consolidated accounts</b> | <b>1.8</b>        | <b>78%</b> | <b>1.3</b> | <b>100%</b> | 1.8               | 75%  | 1.4        | 100% |
| • Air France-KLM S.A.  | <b>0.6</b>        | —          | —          | —           | 0.6               | —    | —          | —    |
| • Consolidated subsidiaries  | <b>1.2</b>        | —          | <b>1.3</b> | —           | 1.2               | —    | 1.4        | —    |
| <b>Sustainability Statement audit fees</b>   | <b>0.4</b>        | <b>18%</b> | —          | — %         | 0.4               | 17 % | —          | — %  |
| • Air France-KLM S.A.  | <b>0.4</b>        | —          | —          | —           | 0.4               | —    | —          | —    |
| <b>Other ancillary services and audit services<sup>(1)</sup></b>                       | <b>0.1</b>        | <b>4%</b>  | —          | — %         | 0.2               | 8 %  | —          | — %  |
| • Air France-KLM S.A.  | <b>0.1</b>        | —          | —          | —           | 0.2               | —    | —          | —    |
| • Consolidated subsidiaries  | —                 | —          | —          | —           | —                 | —    | —          | —    |
| <b>TOTAL – AIR FRANCE-KLM</b>  | <b>2.3</b>        | —          | <b>1.3</b> | —           | <b>2.4</b>        | —    | <b>1.4</b> | —    |

<sup>(1)</sup> Other ancillary services and audit services mainly relate to issuance of attestations.

## NOTE 42 CONSOLIDATION SCOPE

As of December 31, 2025, the scope includes 80 fully consolidated entities, 21 equity affiliates and 1 joint operation.

Based on the Air France-KLM ownership in terms of both voting rights and equity interest, and on the functioning mode of the Group's Executive Committee, Air France-KLM has the power to

manage the KLM Group's financial and operational strategies and controls KLM. As a result, KLM is fully consolidated in Air France-KLM's consolidated financial statements.

The interest percentage in KLM is calculated based on the ordinary shares.

### 42.1 Consolidated entities

| Entity  | Country        | Segment      | % interest | % control |
|---|----------------|--------------|------------|-----------|
| AIR FRANCE SA                                 | France         | Multisegment | 100        | 100       |
| KONINKLIJKE LUCHTVAART MAATSCHAPPIJ N.V.      | Netherlands    | Multisegment | 100        | 49        |
| AIR FRANCE BRAND HOUSE                        | France         | Network      | 100        | 100       |
| AIRTRADE HOLDINGS B.V.                        | Netherlands    | Network      | 100        | 100       |
| BLUE CONNECT                                  | Mauritius      | Network      | 70         | 70        |
| BLUE TEAM VIII                                | France         | Network      | 100        | 100       |
| BLuelink                                      | France         | Network      | 100        | 100       |
| BLuelink International                        | France         | Network      | 100        | 100       |
| BLuelink International Australia              | Australia      | Network      | 100        | 100       |
| BLuelink International Chile                  | Chile          | Network      | 100        | 100       |
| BLuelink International CZ s.r.o.              | Czech Rep.     | Network      | 100        | 100       |
| BLuelink International Mauritius              | Mauritius      | Network      | 100        | 100       |
| BLuelink International Strasbourg             | France         | Network      | 100        | 100       |
| CYGNIFIC B.V.                                 | Netherlands    | Network      | 100        | 49        |
| CYGNIFIC CURACAO B.V.                         | Netherlands    | Network      | 100        | 49        |
| FLYINGBLUE MILES SAS                          | France         | Network      | 98         | 98        |
| HABADO SAS                                    | France         | Network      | 100        | 100       |
| HADABA B.V.                                   | Netherlands    | Network      | 100        | 49        |
| HOP!  | France         | Network      | 100        | 100       |
| IASA INCORPORATED                             | Philippines    | Network      | 100        | 49        |
| INTERNATIONAL AIRLINE SERVICES LIMITED        | United Kingdom | Network      | 100        | 49        |
| KLM CITYHOPPER B.V.                           | Netherlands    | Network      | 100        | 49        |
| KLM CITYHOPPER UK LTD                         | United Kingdom | Network      | 100        | 49        |
| KLM LUCHTVAARTSCHOOL B.V.                     | Netherlands    | Network      | 100        | 49        |
| MARTINAIR HOLLAND N.V.                        | Netherlands    | Network      | 100        | 49        |
| MEXICO CARGO HANDLING                         | Mexico         | Network      | 100        | 100       |
| REGIONAL JET CENTER B.V.                      | Netherlands    | Network      | 100        | 49        |
| SODEXI  | France         | Network      | 65         | 65        |
| STICHTING STUDENTENHUISVESTINGVLIEGVELD EELDE | Netherlands    | Network      | 100        | 49        |
| AFI KLM E&M (BEIJING) LINE MAINTENANCE CO LTD | China          | Maintenance  | 100        | 100       |
| AFI KLM E&M TEARDOWN MANAGEMENT SAS           | France         | Maintenance  | 100        | 100       |
| AFI SPARE ENGINE MANAGEMENT                   | France         | Maintenance  | 100        | 100       |
| AIR FRANCE COMPONENT ASSET MANAGEMENT         | France         | Maintenance  | 98         | 98        |
| AIR FRANCE INDUSTRIE US                       | United States  | Maintenance  | 100        | 100       |
| AIR FRANCE KLM COMPONENT SERVICES CO LTD      | China          | Maintenance  | 100        | 100       |
| AIR ORIENT SERVICES                           | France         | Maintenance  | 100        | 100       |

| Entity                                       | Country        | Segment     | % interest | % control |
|--|----------------|-------------|------------|-----------|
| ALPHA COMPONENT SOLUTIONS                    | France         | Maintenance | 100        | 100       |
| BARFIELD INC                                 | United States  | Maintenance | 100        | 100       |
| BARFIELD PRECISION ELECTRONICS INC           | United States  | Maintenance | 100        | 100       |
| CRMA   | France         | Maintenance | 100        | 100       |
| EUROPEAN PNEUMATIC COMPONENT                 | Netherlands    | Maintenance | 100        | 49        |
| KLM E&M INDIA                                | India          | Maintenance | 100        | 49        |
| KLM E&M MALAYSIA SDN BHD                     | Malaysia       | Maintenance | 100        | 49        |
| KLM LINE MAINTENANCE NIGERIA LTD.            | Nigeria        | Maintenance | 100        | 49        |
| KLM UK ENGINEERING LTD.                      | United Kingdom | Maintenance | 100        | 49        |
| TRANSAVIA AIRLINES B.V.                      | Netherlands    | Transavia   | 100        | 49        |
| TRANSAVIA AIRLINES C.V.                      | Netherlands    | Transavia   | 100        | 49        |
| TRANSAVIA COMPANY SAS                        | France         | Transavia   | 100        | 100       |
| TRANSAVIA FRANCE SAS                         | France         | Transavia   | 100        | 100       |
| TRANSAVIA VENTURES B.V.                      | Netherlands    | Transavia   | 100        | 49        |
| AIR FRANCE FINANCE SAS                       | France         | Other       | 100        | 100       |
| AIR FRANCE KLM E&M PARTICIPATIONS SAS        | France         | Other       | 100        | 100       |
| AIR FRANCE KLM FINANCE SAS                   | France         | Other       | 100        | 100       |
| AIRPORT MEDICAL SERVICES B.V.                | Netherlands    | Other       | 80         | 39        |
| AIRPORT MEDICAL SERVICES C.V.                | Netherlands    | Other       | 80         | 39        |
| AMSTERDAM SCHIPHOL PIJPLEIDING C.V.          | Netherlands    | Other       | 76         | 49        |
| ASP BEHEER B.V.                              | Netherlands    | Other       | 60         | 49        |
| B.V. KANTOORGEBOUW MARTINAIR                 | Netherlands    | Other       | 100        | 49        |
| BIGBLANK                                     | France         | Other       | 100        | 100       |
| BLUE TEAM V SAS                              | France         | Other       | 100        | 100       |
| BLUE TEAM XI                                 | France         | Other       | 100        | 100       |
| BLUE TEAM XII                                | France         | Other       | 100        | 100       |
| BLUE TEAM XIV                                | France         | Other       | 100        | 100       |
| BLUE TEAM XVI                                | France         | Other       | 100        | 100       |
| BLUE TEAM XVII                               | France         | Other       | 100        | 100       |
| BLUE YONDER XIV B.V.                         | Netherlands    | Other       | 100        | 49        |
| INTERNATIONALE FINANCIERING EN MANAGEMENT    | Netherlands    | Other       | 100        | 49        |
| KLM AIR CHARTER B.V.                         | Netherlands    | Other       | 100        | 49        |
| KLM CATERING SERVICES SCHIPHOL B.V.          | Netherlands    | Other       | 100        | 49        |
| KLM HEALTH SERVICES B.V.                     | Netherlands    | Other       | 100        | 49        |
| KLM INTERNATIONAL CHARTER B.V.               | Netherlands    | Other       | 100        | 49        |
| KLM OLIEMAATSCHAPPIJ B.V.                    | Netherlands    | Other       | 100        | 49        |
| MARTINAIR VLIEGSCHOOL VLIEGVELD LELYSTAD BV  | Netherlands    | Other       | 100        | 49        |
| ORION-STAETE B.V.                            | Netherlands    | Other       | 100        | 49        |
| PELICAN                                      | Luxemburg      | Other       | 100        | 100       |
| PYRHELIOS-STAETE B.V.                        | Netherlands    | Other       | 100        | 49        |
| RIGEL-STAETE B.V.                            | Netherlands    | Other       | 100        | 49        |
| STICHTING GARANTIEFONDS KLM LUCHTVAARTSCHOOL | Netherlands    | Other       | 100        | 49        |
| TRAVEL INDUSTRY SYSTEMS B.V.                 | Netherlands    | Other       | 100        | 49        |
| TREASURY SERVICES KLM B.V.                   | Netherlands    | Other       | 100        | 49        |
| WEBLOK B.V.                                  | Netherlands    | Other       | 100        | 49        |

## 42.2 Equity affiliates

| Entity  | Country       | Segment     | % interest | % control |
|---|---------------|-------------|------------|-----------|
| ADM BLUE  | Madagascar    | Network     | 40         | 40        |
| ADM BLUE SENEGAL SA                                 | Senegal       | Network     | 40         | 40        |
| SAS SCANDINAVIAN AIRLINES                           | Sweden        | Network     | 20         | 20        |
| AAF SPARES LIMITED                                  | Ireland       | Maintenance | 50         | 50        |
| AEROSTRUCTURES MIDDLE EAST SERVICES                 | United Arab   | Maintenance | 50         | 50        |
| AEROTECHNIC INDUSTRIES                              | Morocco       | Maintenance | 50         | 50        |
| BONUS TECH  | United States | Maintenance | 50         | 50        |
| BONUS TECH SERVICES                                 | United States | Maintenance | 50         | 50        |
| IGO SOLUTIONS SAS                                   | France        | Maintenance | 33         | 33        |
| MAX MRO SERVICE                                     | India         | Maintenance | 26         | 26        |
| SHS TECHNICS  | Senegal       | Maintenance | 49         | 49        |
| SINGAPOUR COMPONENT SOLUTIONS PTE                   | Singapore     | Maintenance | 50         | 50        |
| SPAIRLINERS   | Germany       | Maintenance | 50         | 50        |
| TURBINE SUPPORT INTERNATIONAL LLC                   | United States | Maintenance | 50         | 50        |
| XCELLE AMERICAS LLC                                 | United States | Maintenance | 50         | 50        |
| INTERNATIONAL AEROSPACE MANAGEMENT COMPANY S.C.R.L. | Italia        | Other       | 25         | 25        |
| MAINPORT INNOVATION FUND                            | Netherlands   | Other       | 25         | 25        |
| MAINPORT INNOVATION FUND BV II                      | Netherlands   | Other       | 24         | 24        |
| SCHIPHOL LOGISTICS PARK CV                          | Netherlands   | Other       | 53         | 45        |
| SERVAIR   | France        | Other       | 25         | 25        |
| TERMINAL ONE GROUPE ASSOCIATION                     | United States | Other       | 33         | 33        |

## 42.3 Joint operations

| Entity                          | Country | Segment     | % interest | % control |
|---------------------------------|---------|-------------|------------|-----------|
| AIRFOILS ADVANCES SOLUTIONS SAS | France  | Maintenance | 49         | 49        |