



## Volaris Reports Financial Results for the Second Quarter 2024: Net Income of USD \$10 million

**Mexico City, Mexico, July 22, 2024** – Controladora Vuela Compañía de Aviación, S.A.B. de C.V. (NYSE: VLRS and BMV: VOLAR) (“Volaris” or “the Company”), the ultra-low-cost carrier (ULCC) serving Mexico, the United States, Central, and South America, today reports its unaudited financial results for the second quarter of 2024<sup>1</sup>.

### Second Quarter 2024 Highlights

(All figures are reported in U.S. dollars and compared to 2Q 2023 unless otherwise noted)

- **Net income** of \$10 million. Earnings per American Depositary Shares (ADS) of \$9 cents.
- **Total operating revenue** of \$726 million, a 7.2% decrease.
- **Total revenue per available seat mile (TRASM)** increased 12% to \$8.89 cents.
- **Available seat miles (ASMs)** decreased by 17% to 8.2 billion.
- **Total operating expenses** of \$660 million, representing 91% of total operating revenue.
- **Total operating expenses per available seat mile (CASM)** increased 9.1% to \$8.08 cents.
- **Average economic fuel cost** increased 6.1% to \$2.86 per gallon.
- **CASM ex fuel** increased 11% to \$5.33 cents.
- **EBITDAR** of \$261 million, a 23% increase.
- **EBITDAR margin** was 35.9%, an increase of 8.8 percentage points.
- **Total cash, cash equivalents, restricted cash, and short-term investments** totaled \$774 million, representing 24% of the last twelve months’ total operating revenue.
- **Net debt-to-LTM EBITDAR**<sup>2</sup> ratio decreased to 2.9x, compared to 3.1x in the previous quarter.

**Enrique Beltranena, President & Chief Executive Officer, said:** “Volaris continues to perform positively, achieving our highest absolute EBITDAR for a second quarter despite the fleet groundings due to accelerated engine inspections. Volaris’ unwavering focus on execution and efficient cost control has enabled us to deliver strong results. Our mitigation plan is on track with favorable outcomes, and we have largely achieved our goals since the inspections began. In fact, we are improving our full-year ASM guidance to -14%<sup>3</sup>. We currently have a well-balanced market mix, with an increased presence in the cross-border market that has strengthened our TRASM, and our booking curves indicate ongoing robust performance for the summer high season.

With recent updates from Pratt & Whitney, we are cautiously optimistic about this evolving situation, but we recognize that the engine’s time on wing remains a challenge. Looking ahead, as grounded aircraft gradually return to our productive fleet, we expect recent unit revenue levels to remain resilient and remain committed to prudent and rational growth, prioritizing profitability.”

<sup>1</sup> The financial information, unless otherwise indicated, is presented in accordance with the International Financial Reporting Standards (IFRS).

<sup>2</sup> Includes short-term investments.

<sup>3</sup> See detailed guidance on page 5.

## Second Quarter 2024 Consolidated Financial and Operating Highlights

(All figures are reported in U.S. dollars and compared to 2Q 2023 unless otherwise noted)

Consolidated Financial Highlights	Second Quarter		
	2024	2023	Var.
<b>Total operating revenue (millions)</b>	<b>726</b>	<b>782</b>	<b>(7.2%)</b>
TRASM (cents)	8.89	7.92	12.2%
ASMs (million, scheduled & charter)	8,173	9,873	(17.2%)
Load Factor (RPMs/ASMs)	85.5%	84.6%	0.9 pp
Passengers (thousand, scheduled & charter)	7,087	8,373	(15.4%)
Fleet (at the end of the period)	136	123	13
<b>Total operating expenses (millions)</b>	<b>660</b>	<b>731</b>	<b>(9.7%)</b>
CASM (cents)	8.08	7.40	9.1%
CASM ex fuel (cents)	5.33	4.82	10.7%
Adjusted CASM ex fuel (cents) <sup>4</sup>	4.86	4.43	9.6%
<b>Operating income (EBIT) (millions)</b>	<b>66</b>	<b>51</b>	<b>29.4%</b>
<i>% EBIT Margin</i>	9.1%	6.5%	2.6 pp
<b>Net income (millions)</b>	<b>10</b>	<b>6</b>	<b>66.7%</b>
<i>% Net income Margin</i>	1.4%	0.7%	0.7 pp
<b>EBITDAR (millions)</b>	<b>261</b>	<b>212</b>	<b>23.1%</b>
<i>% EBITDAR Margin</i>	35.9%	27.1%	8.8 pp
<b>Net debt-to-EBITDAR<sup>5</sup></b>	<b>2.9x</b>	<b>3.5x</b>	<b>(0.6x)</b>

### Reconciliation of CASM to Adjusted CASM ex fuel:

Reconciliation of CASM	Second Quarter		
	2024	2023	Var.
<b>CASM (cents)</b>	<b>8.08</b>	<b>7.40</b>	9.1%
Fuel expense	(2.75)	(2.58)	6.9%
<b>CASM ex fuel</b>	<b>5.33</b>	<b>4.82</b>	10.7%
Aircraft and engine variable lease expenses <sup>6</sup>	(0.56)	(0.41)	36.2%
Sale and lease back gains	0.09	0.02	>100%
<b>Adjusted CASM ex fuel</b>	<b>4.86</b>	<b>4.43</b>	9.6%

Note: Figures are rounded for convenience purposes. Further detail found in financial and operating indicators.

<sup>4</sup> Excludes fuel expense, aircraft and engine variable lease expenses and sale and lease-back gains.

<sup>5</sup> Includes short-term investments.

<sup>6</sup> Aircraft redeliveries.



## Second Quarter 2024

(All figures are reported in U.S. dollars and compared to 2Q 2023 unless otherwise noted)

**Total operating revenue** amounted to \$726 million in the quarter, driven by strong domestic demand and an improvement in total operating revenue per passenger. This represents a 7.2% decrease, notwithstanding the 17% reduction in total capacity resulting from aircraft-on-ground (AOG) due to Pratt & Whitney's accelerated engine inspections.

Total capacity, in terms of **available seat miles (ASMs)**, was 8.2 billion.

Booked **passengers** totaled 7.1 million, a 15% decrease. Mexican domestic and international booked passengers decreased 18% and 4.9%, respectively.

The **load factor** for the quarter reached 85.5%, representing an increase of 0.9 percentage points.

**TRASM** rose 12% to \$8.89 cents, and total operating revenue per passenger stood at \$102, representing a 9.8% increase.

The average base fare was \$49, a 4.3% increase. The total ancillary revenue per passenger was \$53, reflecting a 15% improvement. Ancillary revenue represented 52% of total operating revenue, up by 2.6 percentage points.

**Total operating expenses** were \$660 million, representing 91% of total operating revenue.

**CASM** totaled \$8.08 cents, a 9.1% increase when compared to the same period of 2023.

The **average economic fuel cost** rose 6.1% to \$2.86 per gallon.

**CASM ex fuel** increased 11% to \$5.33 cents, mainly due to the AOG due to Pratt and Whitney's engine preventive accelerated inspections.

**Comprehensive financing result** represented an expense of \$52 million, compared to a \$43 million expense in the same period of the previous year.

**Income tax expense** was \$4 million, compared to a \$2 million expense registered in the second quarter of 2023.

**Net income** in the quarter was \$10 million, with an earnings per ADS of \$9 cents.

**EBITDAR** for the quarter was \$261 million, a 23% improvement, primarily attributable to strong unit revenues and efficient cost control, partially offset by an increase in fuel prices. **EBITDAR margin** stood at 35.9%, up by 8.8 percentage points.



## Balance Sheet, Liquidity, and Capital Allocation

For the quarter, net cash flow provided by operating activities was \$304 million. Net cash flow used in investing and financing activities was \$141 million and \$149 million, respectively.

As of June 30, 2024, cash, cash equivalents, restricted cash, and short-term investments were \$774 million, representing 24% of the last twelve months' total operating revenue.

The financial debt amounted to \$638 million, while total lease liabilities stood at \$3,003 million, resulting in a net debt of \$2,867<sup>7</sup> million.

**Net debt-to-LTM EBITDAR<sup>7</sup>** ratio stood at 2.9x, compared to 3.1x in the previous quarter and 3.5x in the same period of 2023.

The average exchange rate for the period was Ps.17.21 per U.S. dollar, a 2.9% appreciation. At the end of the second quarter, the exchange rate stood at Ps.18.38 per U.S. dollar.

<sup>7</sup> Includes short-term investments.

## 2024 Guidance

For the third quarter of 2024, the Company expects:

	3Q'24	3Q'23 <sup>(1)</sup>
<b>3Q'24 Guidance</b>		
ASM growth (YoY)	~ -14%	+8.2%
TRASM	~\$9.3 cents	\$8.37 cents
CASM ex fuel	~\$5.6 cents	\$4.91 cents
EBITDAR margin	~33%	24.4%
Average USD/MXN rate	Ps.18.40 to 18.60	Ps.17.06
Average U.S. Gulf Coast jet fuel price	\$2.60 to \$2.70	\$2.77

(1) For convenience purposes, actual reported figures for 3Q'23 are included.

For the full year 2024, the Company expects:

	Updated Guidance	Prior Guidance
<b>Full Year 2024 Guidance</b>		
ASM growth (YoY)	~ -14%	-16% to -18%
EBITDAR margin	32% to 34%	32% to 34%
CAPEX <sup>(2)</sup>	\$400 million	\$400 million
Average USD/MXN rate	Ps.17.80 to 18.00	Ps.17.30 to 17.50
Average U.S. Gulf Coast jet fuel price	\$2.60 to \$2.70	\$2.60 to \$2.70

(2) CAPEX net of financed fleet predelivery payments.

The third quarter and full year 2024 outlook presented above includes the compensation that Volaris expects to receive for the projected grounded aircraft resulting from the GTF engine removals, in accordance with the Company's agreement with Pratt & Whitney.

The Company's outlook is subject to unforeseen disruptions, macroeconomic factors, or other negative impacts that may affect its business and is based on several assumptions, including the foregoing, which are subject to change and may be outside the control of the Company and its management. The Company's expectations may change if actual results vary from these assumptions. There can be no assurances that Volaris will achieve these results.



## Fleet

During the second quarter, Volaris added two A321neo aircraft to its fleet, bringing the total number of aircraft to 136. At the end of the quarter, Volaris' fleet had an average age of 6.1 years and an average seating capacity of 197 passengers per aircraft. Of the total fleet, 60% of the aircraft are New Engine Option (NEO) models.

Total Fleet	Second Quarter			First Quarter	
	2024	2023	Var.	2024	Var.
<b>CEO</b>					
A319	3	3	-	3	-
A320	42	40	2	42	-
A321	10	10	-	10	-
<b>NEO</b>					
A320	51	51	-	51	-
A321	30	19	11	28	2
<b>Total aircraft at the end of the period</b>	<b>136</b>	<b>123</b>	<b>13</b>	<b>134</b>	<b>2</b>

*Investors are urged to carefully read the Company's periodic reports filed with or provided to the Securities and Exchange Commission, for additional information regarding the Company.*

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### Conference Call Details

**Date:** Tuesday, July 23, 2024  
**Time:** 9:00 am Mexico City / 11:00 am New York (USA) (ET)  
**Webcast link:** [Volaris Webcast](#) (View the live webcast)  
**Dial-in & Live Q&A link:** [Volaris Dial-in and Live Q&A](#)

1. Click on the call link and complete the online registration form.
2. Upon registering you will receive the dial-in info and a unique PIN to join the call, as well as an email confirmation with the details.
3. Select a method for joining the call:
  - i. Dial-In: A dial-in number and unique PIN are displayed to connect directly from your phone.
  - ii. Call Me: Enter your phone number and click "Call Me" for an immediate callback from the system.



## About Volaris

\*Controladora Vuela Compañía de Aviación, S.A.B. de C.V. ("Volaris" or "the Company") (NYSE: VLRS and BMV: VOLAR) is an ultra-low-cost carrier, with point-to-point operations, serving Mexico, the United States, Central, and South America. Volaris offers low base fares to build its market, providing quality service and extensive customer choice. Since the beginning of operations in March 2006, Volaris has increased its routes from 5 to more than 201 and its fleet from 4 to 137 aircraft. Volaris offers more than 500 daily flight segments on routes that connect 44 cities in Mexico and 29 cities in the United States, Central, and South America, with one of the youngest fleets in Mexico. Volaris targets passengers who are visiting friends and relatives, cost-conscious business and leisure travelers in Mexico, the United States, Central, and South America. Volaris has received the ESR Award for Social Corporate Responsibility for fifteen consecutive years. For more information, please visit [ir.volaris.com](http://ir.volaris.com). Volaris routinely posts information that may be important to investors on its investor relations website. The Company encourages investors and potential investors to consult the Volaris website regularly for important information about Volaris.

## Forward-Looking Statements

Statements in this release contain various forward-looking statements within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the US Securities Exchange Act of 1934, as amended, which represent the Company's expectations, beliefs, or projections concerning future events and financial trends affecting the financial condition of our business. When used in this release, the words "expects," "intends," "estimates," "predicts," "plans," "anticipates," "indicates," "believes," "forecast," "guidance," "potential," "outlook," "may," "continue," "will," "should," "seeks," "targets" and similar expressions are intended to identify forward-looking statements. Similarly, statements describing the Company's objectives, plans or goals, or actions the Company may take in the future are forward-looking. Forward-looking statements include, without limitation, statements regarding the Company's outlook, the expectation of receiving certain compensation in connection with the GTF engine removals, and the anticipated execution of its business plan and focus on its priorities. Forward-looking statements should not be read as a guarantee or assurance of future performance or results. They will not necessarily be accurate indications of the times at or by which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time concerning future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Forward-looking statements are subject to several factors that could cause the Company's actual results to differ materially from the Company's expectations, including the competitive environment in the airline industry, the Company's ability to keep costs low; changes in fuel costs, the impact of worldwide economic conditions on customer travel behavior; the Company's ability to generate non-ticket revenue; and government regulation. The Company's US Securities and Exchange Commission filings contain additional information concerning these and other factors. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements speak only as of the date of this release. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions, or changes in other factors affecting forward-looking information except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

## Supplemental Information on Non-IFRS Measures

We evaluate our financial performance by using various financial measures that are not performance measures under International Financial Reporting Standards ("non-IFRS measures"). These non-IFRS measures include CASM, CASM ex fuel, Adjusted CASM ex fuel, EBITDAR, Net debt-to-LTM EBITDAR, Total cash, cash equivalents, restricted cash, and short-term investments. We define CASM as total operating expenses by available seat mile. We define CASM ex fuel as total operating expenses by available seat mile, excluding fuel expense. We define Adjusted CASM ex fuel as total operating expenses by available seat mile, excluding fuel expense, aircraft and engine variable lease expenses and sale and lease back gains. We define EBITDAR as earnings before interest, income tax, depreciation and amortization, depreciation of right of use assets and aircraft and engine variable lease expenses. We define Net debt-to-LTM EBITDAR as Net debt divided by LTM EBITDAR. We define Total cash, cash equivalents, restricted cash, and short-term investments as the sum of cash, cash equivalents, restricted cash, and short-term investments.

These non-IFRS measures are provided as supplemental information to the financial information presented in this release that is calculated and presented in accordance with International Financial Reporting Standards ("IFRS") because we believe that they, in conjunction with the IFRS financial information, provide useful information to management's, analysts and investors overall understanding of our operating performance.

Because non-IFRS measures are not calculated in accordance with IFRS, they should not be considered superior to and are not intended to be considered in isolation or as a substitute for the related IFRS measures presented in this release and may not be the same as or comparable to similarly titled measures presented by other companies due to possible differences in the method of calculation and the items being adjusted.

We encourage investors to review our financial statements and other filings with the Securities and Exchange Commission in their entirety for additional information regarding the Company and not to rely on any single financial measure.

Shareholders have the ability to receive a hard copy of the 2023 audited consolidated financial statements free of charge upon request.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Financial and Operating Indicators

Unaudited (U.S. dollars, except otherwise indicated)	Three months ended June 30, 2024	Three months ended June 30, 2023	Variance
Total operating revenues (millions)	726	782	(7.2%)
Total operating expenses (millions)	660	731	(9.7%)
EBIT (millions)	66	51	29.4%
EBIT margin	9.1%	6.5%	2.6 pp
Depreciation and amortization (millions)	150	121	24.0%
Aircraft and engine variable lease expenses (millions)	45	40	12.5%
Net income (millions)	10	6	66.7%
Net income margin	1.4%	0.7%	0.7 pp
<b>Earnings per share <sup>(1)</sup>:</b>			
Basic	0.01	0.00	89.6%
Diluted	0.01	0.00	89.1%
<b>Earnings per ADS*:</b>			
Basic	0.09	0.05	89.6%
Diluted	0.09	0.05	89.1%
<b>Weighted average shares outstanding:</b>			
Basic	1,150,766,440	1,152,974,446	(0.2%)
Diluted	1,165,976,677	1,165,244,334	0.1%
<b>Financial Indicators</b>			
Total operating revenue per ASM (TRASM) (cents) <sup>(2)</sup>	8.89	7.92	12.2%
Average base fare per passenger	49	47	4.3%
Total ancillary revenue per passenger <sup>(3)</sup>	53	46	15.3%
Total operating revenue per passenger	102	93	9.8%
Operating expenses per ASM (CASM) (cents) <sup>(2)</sup>	8.08	7.40	9.1%
CASM ex fuel (cents) <sup>(2)</sup>	5.33	4.82	10.7%
Adjusted CASM ex fuel (cents) <sup>(2) (4)</sup>	4.86	4.43	9.6%
<b>Operating Indicators</b>			
Available seat miles (ASMs) (millions) <sup>(2)</sup>	8,173	9,873	(17.2%)
Domestic	4,868	6,614	(26.4%)
International	3,305	3,260	1.4%
Revenue passenger miles (RPMs) (millions) <sup>(2)</sup>	6,988	8,348	(16.3%)
Domestic	4,388	5,643	(22.2%)
International	2,600	2,705	(3.9%)
Load factor <sup>(5)</sup>	85.5%	84.6%	0.9 pp
Domestic	90.1%	85.3%	4.9 pp
International	78.7%	83.0%	(4.3 pp)
Booked passengers (thousands) <sup>(2)</sup>	7,087	8,373	(15.4%)
Domestic	5,324	6,518	(18.3%)
International	1,763	1,855	(4.9%)
Departures <sup>(2)</sup>	42,495	51,127	(16.9%)
Block hours <sup>(2)</sup>	109,638	132,965	(17.5%)
Aircraft at end of period	136	123	13
Average aircraft utilization (block hours)	13.05	13.27	(1.7%)
Fuel gallons accrued (millions)	77.93	94.04	(17.1%)
Average economic fuel cost per gallon <sup>(6)</sup>	2.86	2.70	6.1%
Average exchange rate	17.21	17.72	(2.9%)
Exchange rate at the end of the period	18.38	17.07	7.6%

\*Each ADS represents ten CPOs and each CPO represents a financial interest in one Series A share.

(1) The basic and diluted loss or earnings per share are calculated in accordance with IAS 33. Basic loss or earnings per share is calculated by dividing net loss or earnings by the average number of shares outstanding (excluding treasury shares). Diluted loss or earnings per share is calculated by dividing net loss or earnings by the average number of shares outstanding adjusted for dilutive effects.

(2) Includes schedule and charter.

(3) Includes "Other passenger revenues" and "Non-passenger revenues".

(4) Excludes fuel expense, aircraft and engine variable lease expenses and sale and lease-back gains.

(5) Includes schedule.

(6) Excludes Non-creditable VAT.



## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Financial and Operating Indicators

Unaudited (U.S. dollars, except otherwise indicated)	Six months ended June 30, 2024	Six months ended June 30, 2023	Variance
Total operating revenues (millions)	1,494	1,513	(1.3%)
Total operating expenses (millions)	1,324	1,493	(11.3%)
EBIT (millions)	170	20	>100%
EBIT margin	11.4%	1.3%	10.1 pp
Depreciation and amortization (millions)	283	240	17.9%
Aircraft and engine variable lease expenses (millions)	42	76	(44.7%)
Net income (loss) (millions)	44	(65)	N/A
Net income (loss) margin	2.9%	(4.3%)	7.2 pp
<b>Earnings (loss) per share (1):</b>			
Basic	0.04	(0.06)	N/A
Diluted	0.04	(0.06)	N/A
<b>Earnings (loss) per ADS*:</b>			
Basic	0.38	(0.57)	N/A
Diluted	0.37	(0.56)	N/A
<b>Weighted average shares outstanding:</b>			
Basic	1,151,108,712	1,152,750,608	(0.1%)
Diluted	1,165,976,677	1,165,147,164	0.1%
<b>Financial Indicators</b>			
Total operating revenue per ASM (TRASM) (cents) (2)	9.12	7.81	16.7%
Average base fare per passenger	52	47	9.4%
Total ancillary revenue per passenger (3)	55	44	24.5%
Total operating revenue per passenger	107	91	16.7%
Operating expenses per ASM (CASM) (cents) (2)	8.08	7.71	4.8%
CASM ex fuel (cents) (2)	5.25	4.74	10.8%
Adjusted CASM ex fuel (cents) (2) (4)	5.09	4.36	16.8%
<b>Operating Indicators</b>			
Available seat miles (ASMs) (millions) (2)	16,390	19,362	(15.3%)
Domestic	9,636	13,151	(26.7%)
International	6,754	6,211	8.7%
Revenue passenger miles (RPMs) (millions) (2)	14,134	16,415	(13.9%)
Domestic	8,717	11,189	(22.1%)
International	5,417	5,226	3.7%
Load factor (5)	86.2%	84.8%	1.4 pp
Domestic	90.5%	85.1%	5.4 pp
International	80.2%	84.2%	(4.0 pp)
Booked passengers (thousands) (2)	14,010	16,559	(15.4%)
Domestic	10,309	12,958	(20.4%)
International	3,702	3,601	2.8%
Departures (2)	82,923	101,318	(18.2%)
Block hours (2)	219,001	263,514	(16.9%)
Aircraft at end of period	136	123	13
Average aircraft utilization (block hours)	12.89	13.39	(3.8%)
Fuel gallons accrued (millions)	157.15	186.27	(15.6%)
Average economic fuel cost per gallon (6)	2.93	3.07	(4.5%)
Average exchange rate	17.10	18.21	(6.1%)
Exchange rate at the end of the period	18.38	17.07	7.6%

\*Each ADS represents ten CPOs and each CPO represents a financial interest in one Series A share

(1) The basic and diluted loss or earnings per share are calculated in accordance with IAS 33. Basic loss or earnings per share is calculated by dividing net loss or earnings by the average number of shares outstanding (excluding treasury shares). Diluted loss or earnings per share is calculated by dividing net loss or earnings by the average number of shares outstanding adjusted for dilutive effects.

(2) Includes schedule and charter.

(3) Includes "Other passenger revenues" and "Non-passenger revenues".

(4) Excludes fuel expense, aircraft and engine variable lease expenses and sale and lease-back gains.

(5) Includes schedule.

(6) Excludes Non-creditable VAT.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Operations

Unaudited (In millions of U.S. dollars)	Three months ended June 30, 2024	Three months ended June 30, 2023	Variance
<b>Operating revenues:</b>			
<b>Passenger revenues</b>	<b>693</b>	<b>746</b>	<b>(7.1%)</b>
Fare revenues	349	396	(11.9%)
Other passenger revenues	344	350	(1.7%)
<b>Non-passenger revenues</b>	<b>33</b>	<b>36</b>	<b>(8.3%)</b>
Cargo	5	5	0.0%
Other non-passenger revenues	28	31	(9.7%)
<b>Total operating revenues</b>	<b>726</b>	<b>782</b>	<b>(7.2%)</b>
Other operating income	(48)	(3)	>100%
Fuel expense	224	255	(12.2%)
Aircraft and engine variable lease expenses	45	40	12.5%
Salaries and benefits	99	96	3.1%
Landing, take-off and navigation expenses	117	127	(7.9%)
Sales, marketing and distribution expenses	32	38	(15.8%)
Maintenance expenses	11	25	(56.0%)
Depreciation and amortization	50	31	61.3%
Depreciation of right of use assets	100	90	11.1%
Other operating expenses	30	32	(6.3%)
<b>Operating expenses</b>	<b>660</b>	<b>731</b>	<b>(9.7%)</b>
<b>Operating income</b>	<b>66</b>	<b>51</b>	<b>29.4%</b>
Finance income	12	9	33.3%
Finance cost	(72)	(57)	26.3%
Exchange gain, net	8	5	60.0%
<b>Comprehensive financing result</b>	<b>(52)</b>	<b>(43)</b>	<b>20.9%</b>
<b>Income before income tax</b>	<b>14</b>	<b>8</b>	<b>75.0%</b>
Income tax expense	(4)	(2)	100.0%
<b>Net income</b>	<b>10</b>	<b>6</b>	<b>66.7%</b>

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Operations

Unaudited (In millions of U.S. dollars)	Six months ended June 30, 2024	Six months ended June 30, 2023	Variance
<b>Operating revenues:</b>			
<b>Passenger revenues</b>	<b>1,425</b>	<b>1,447</b>	<b>(1.5%)</b>
Fare revenues	724	782	(7.4%)
Other passenger revenues	701	665	5.4%
<b>Non-passenger revenues</b>	<b>69</b>	<b>66</b>	<b>4.5%</b>
Cargo	11	10	10.0%
Other non-passenger revenues	58	56	3.6%
<b>Total operating revenues</b>	<b>1,494</b>	<b>1,513</b>	<b>(1.3%)</b>
Other operating income	(93)	(4)	>100%
Fuel expense	464	576	(19.4%)
Aircraft and engine variable lease expenses	42	76	(44.7%)
Salaries and benefits	201	187	7.5%
Landing, take-off and navigation expenses	244	237	3.0%
Sales, marketing and distribution expenses	78	74	5.4%
Maintenance expenses	48	51	(5.9%)
Depreciation and amortization	85	63	34.9%
Depreciation of right of use assets	198	177	11.9%
Other operating expenses	57	56	1.8%
<b>Operating expenses</b>	<b>1,324</b>	<b>1,493</b>	<b>(11.3%)</b>
<b>Operating income</b>	<b>170</b>	<b>20</b>	<b>&gt;100%</b>
Finance income	24	16	50.0%
Finance cost	(134)	(115)	16.5%
Exchange gain (loss), net	2	(8)	N/A
<b>Comprehensive financing result</b>	<b>(108)</b>	<b>(107)</b>	<b>0.9%</b>
<b>Income (loss) before income tax</b>	<b>62</b>	<b>(87)</b>	<b>N/A</b>
Income tax (expense) benefit	(18)	22	N/A
<b>Net income (loss)</b>	<b>44</b>	<b>(65)</b>	<b>N/A</b>

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Reconciliation of Total Ancillary Revenue per Passenger

The following table provides additional details about the components of total ancillary revenue for the quarter:

Unaudited (In millions of U.S. dollars)	Three months ended June 30, 2024	Three months ended June 30, 2023	Variance
Other passenger revenues	344	350	(1.7%)
Non-passenger revenues	33	36	(8.3%)
<b>Total ancillary revenues</b>	<b>377</b>	<b>386</b>	<b>(2.3%)</b>
Booked passengers (thousands) <sup>(1)</sup>	7,087	8,373	(15.4%)
<b>Total ancillary revenue per passenger</b>	<b>53</b>	<b>46</b>	<b>15.3%</b>

(1) Includes schedule and charter.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Reconciliation of Total Ancillary Revenue per Passenger

The following table provides additional details about the components of total ancillary revenue for the first half of the year:

Unaudited (In millions of U.S. dollars)	Six months ended June 30, 2024	Six months ended June 30, 2023	Variance
Other passenger revenues	701	665	5.4%
Non-passenger revenues	69	66	4.5%
<b>Total ancillary revenues</b>	<b>770</b>	<b>731</b>	<b>5.3%</b>
Booked passengers (thousands) <sup>(1)</sup>	14,010	16,559	(15.4%)
<b>Total ancillary revenue per passenger</b>	<b>55</b>	<b>44</b>	<b>24.5%</b>

(1) Includes schedule and charter.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Financial Position

(In millions of U.S. dollars)	As of June 30, 2024 Unaudited	As of December 31, 2023 Audited
<b>Assets</b>		
Cash, cash equivalents and restricted cash	758	774
Short-term investments	16	15
<b>Total cash, cash equivalents, restricted cash, and short-term investments <sup>(1)</sup></b>	<b>774</b>	<b>-</b>
Accounts receivable, net	226	251
Inventories	16	16
Guarantee deposits	200	148
Prepaid expenses and other current assets	57	44
<b>Total current assets</b>	<b>1,273</b>	<b>1,248</b>
Right of use assets	2,436	2,338
Rotable spare parts, furniture and equipment, net	954	805
Intangible assets, net	21	16
Derivatives financial instruments	1	2
Deferred income taxes	249	236
Guarantee deposits	441	462
Other long-term assets	43	39
<b>Total non-current assets</b>	<b>4,145</b>	<b>3,898</b>
<b>Total assets</b>	<b>5,418</b>	<b>5,146</b>
<b>Liabilities and equity</b>		
Unearned transportation revenue	459	343
Accounts payable	209	250
Accrued liabilities	184	163
Other taxes and fees payable	271	262
Income taxes payable	14	8
Financial debt	325	220
Lease liabilities	357	373
Other liabilities	6	2
<b>Total short-term liabilities</b>	<b>1,825</b>	<b>1,621</b>
Financial debt	313	433
Accrued liabilities	10	14
Employee benefits	15	15
Deferred income taxes	16	16
Lease liabilities	2,646	2,518
Other liabilities	307	286
<b>Total long-term liabilities</b>	<b>3,307</b>	<b>3,282</b>
<b>Total liabilities</b>	<b>5,132</b>	<b>4,903</b>
<b>Equity</b>		
Capital stock	248	248
Treasury shares	(12)	(12)
Contributions for future capital increases	-	-
Legal reserve	17	17
Additional paid-in capital	284	282
Accumulated deficit	(104)	(148)
Accumulated other comprehensive loss	(147)	(144)
<b>Total equity</b>	<b>286</b>	<b>243</b>
<b>Total liabilities and equity</b>	<b>5,418</b>	<b>5,146</b>

(1) Non-GAAP measure.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Cash Flows – Cash Flow Data Summary

Unaudited (In millions of U.S. dollars)	Three months ended June 30, 2024	Three months ended June 30, 2023
Net cash flow provided by operating activities	304	159
Net cash flow used in investing activities	(141)	(102)
Net cash flow used in financing activities*	(149)	(109)
<b>Increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>14</b>	<b>(52)</b>
Net foreign exchange differences	(8)	3
Cash, cash equivalents and restricted cash at beginning of period	752	704
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>758</b>	<b>655</b>

\*Includes aircraft rental payments of \$143 million and \$131 million for the three months ended June 30, 2024, and 2023, respectively.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Cash Flows – Cash Flow Data Summary

Unaudited (In millions of U.S. dollars)	Six months ended June 30, 2024	Six months ended June 30, 2023
Net cash flow provided by operating activities	549	367
Net cash flow used in investing activities	(238)	(211)
Net cash flow used in financing activities*	(320)	(219)
<b>Decrease in cash, cash equivalents and restricted cash</b>	<b>(9)</b>	<b>(63)</b>
Net foreign exchange differences	(7)	6
Cash, cash equivalents and restricted cash at beginning of period	774	712
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>758</b>	<b>655</b>

\*Includes aircraft rental payments of \$284 million and \$258 million for the six months ended June 30, 2024, and 2023, respectively.