



Volaris Reports Financial Results for the Third Quarter 2024: EBITDAR of USD \$315 million, a 52% increase

Mexico City, Mexico, October 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 third quarter of 2024¹.

Third Quarter 2024 Highlights

(All figures are reported in U.S. dollars and compared to 3Q 2023 unless otherwise noted)

- **Net income** of \$37 million. Earnings per American Depositary Shares (ADS) of \$32 cents.
- **Total operating revenues** of \$813 million, a 4% decrease.
- **Total revenue per available seat mile (TRASM)** increased 12% to \$9.38 cents.
- **Available seat miles (ASMs)** decreased by 14% to 8.7 billion.
- **Total operating expenses** of \$687 million, representing 85% of total operating revenue.
- **Total operating expenses per available seat mile (CASM)** remained relatively flat at \$7.92 cents.
- **Average economic fuel cost** decreased 17% to \$2.64 per gallon.
- **CASM ex fuel** increased 10% to \$5.39 cents.
- **EBITDAR** of \$315 million, a 52% increase.
- **EBITDAR margin** was 38.7%, an increase of 14 percentage points.
- **Total cash, cash equivalents, restricted cash, and short-term investments** totaled \$830 million, representing 26% of the last twelve months’ total operating revenue.
- **Net debt-to-LTM EBITDAR²** ratio decreased to 2.7x, compared to 2.9x in the previous quarter.

Enrique Beltranena, President & Chief Executive Officer, said: “Volaris’ third quarter results demonstrate the resilience of our business model and our focus on execution as we have successfully navigated one year of Pratt & Whitney’s engine inspections. Despite the challenges, we delivered our fourth consecutive quarter of net income and generated Total Operating Revenues of \$3.2 billion U.S. dollars for the last twelve months, matching the full-year revenues of 2023. We strategically managed capacity while providing great ULCC service to our customers and reinforcing our position as the preferred airline in our core markets. Booking trends continue to show strength throughout the fall and the holiday high season, therefore we remain committed to achieving our updated full-year guidance.”

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

² Includes short-term investments.

Third Quarter 2024 Consolidated Financial and Operating Highlights

(All figures are reported in U.S. dollars and compared to 3Q 2023 unless otherwise noted)

Consolidated Financial Highlights	Third Quarter		
	2024	2023	Var.
Total operating revenues (millions)	813	848	(4.1%)
TRASM (cents)	9.38	8.37	12.0%
ASMs (million, scheduled & charter)	8,670	10,126	(14.4%)
Load Factor (RPMs/ASMs)	87.4%	86.4%	1.0 pp
Passengers (thousand, scheduled & charter)	7,614	8,691	(12.4%)
Fleet (at the end of the period)	137	125	12
Total operating expenses (millions)	687	809	(15.1%)
CASM (cents)	7.92	7.98	(0.8%)
CASM ex fuel (cents)	5.39	4.91	9.9%
Adjusted CASM ex fuel (cents) ³	4.94	4.49	10.2%
Operating income (EBIT) (millions)	126	39	>100.0%
% EBIT Margin	15.5%	4.6%	10.9 pp
Net income (loss) (millions)	37	(39)	N/A
% Net income (loss) margin	4.6%	(4.6%)	9.1 pp
EBITDAR (millions)	315	207	52.2%
% EBITDAR Margin	38.7%	24.4%	14.3 pp
Net debt-to-LTM EBITDAR⁴	2.7x	3.5x	(0.9x)

Reconciliation of CASM to Adjusted CASM ex fuel:

Reconciliation of CASM	Third Quarter		
	2024	2023	Var.
CASM (cents)	7.92	7.98	(0.8%)
Fuel expense	(2.53)	(3.07)	(17.6%)
CASM ex fuel	5.39	4.91	9.9%
Aircraft and engine variable lease expenses ⁵	(0.47)	(0.42)	12.8%
Sale and lease back gains	0.02	0.00	N/A
Adjusted CASM ex fuel	4.94	4.49	10.2%

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

³ Excludes fuel expense, aircraft and engine variable lease expenses and sale and lease-back gains.

⁴ Includes short-term investments.

⁵ Aircraft redeliveries.



Third Quarter 2024

(All figures are reported in U.S. dollars and compared to 3Q 2023 unless otherwise noted)

Total operating revenues amounted to \$813 million in the quarter, driven by an increase in base fares and ancillary revenue per passenger. This represents only a 4.1% decrease, despite a double-digit reduction in total capacity resulting from aircraft-on-ground (AOGs) due to Pratt & Whitney's (P&W) engine inspections.

Total capacity, in terms of **available seat miles (ASMs)**, was 8.7 billion, representing a 14.4% reduction.

Booked **passengers** totaled 7.6 million, a 12.4% decrease. Mexican domestic booked passengers decreased 16.0%, while international booked passengers remained practically unchanged year-over-year.

The **load factor** for the quarter reached 87.4%, representing an increase of 1.0 percentage point.

TRASM rose 12.0% to \$9.38 cents, and total operating revenue per passenger stood at \$107, representing a 9.4% increase.

The average base fare per passenger stood at \$53, a 9.3% increase. The total ancillary revenue per passenger was \$54, reflecting a 9.6% improvement. Ancillary revenue accounted for 50.4% of total operating revenue.

Total operating expenses were \$687 million, representing 84.5% of total operating revenue.

CASM totaled \$7.92 cents, representing a 0.8% decrease.

The **average economic fuel cost** decreased by 16.6% to \$2.64 per gallon.

CASM ex fuel increased 9.9% to \$5.39 cents, mainly due to reduced operating leverage as a result of the AOGs caused by the P&W engine inspections, with an average of 34 aircraft-on-ground during the quarter.

Comprehensive financing result represented an expense of \$46 million, compared to a \$73 million expense in the same period of 2023.

Income tax expense was \$43 million, compared to a \$5 million expense registered in the third quarter of 2023.

Net income in the quarter was \$37 million, with an earnings per ADS of \$32 cents, compared to a \$39 million net loss in the same period of 2023.

EBITDAR for the quarter was \$315 million, a 52.2% improvement, primarily driven by solid unit revenues, strict cost control, and more favorable jet fuel prices. **EBITDAR margin** stood at 38.7%, up by 14.3 percentage points.



Balance Sheet, Liquidity, and Capital Allocation

For the quarter, net cash flow provided by operating activities was \$233 million. Net cash flow used in investing and financing activities was \$149 million and \$54 million, respectively.

As of September 30, 2024, cash, cash equivalents, restricted cash, and short-term investments were \$830 million, representing 25.9% of the last twelve months' total operating revenue.

The financial debt amounted to \$740 million, an increase of 30.5% year-over-year, due to pre-delivery payments related to 2026 aircraft deliveries and spare engine financing. Total lease liabilities stood at \$2,986 million, an increase of 5.7% due to the increase in the total fleet.

Net debt-to-LTM EBITDAR⁶ ratio stood at 2.7x, compared to 2.9x in the previous quarter and 3.5x in the same period of 2023.

The average exchange rate for the period was Ps.18.92 per U.S. dollar and Ps.19.63 per U.S. dollar at the end of the third quarter, reflecting depreciations of 10.9% and 11.4% of the Mexican peso, respectively.

⁶ Includes short-term investments.

2024 Guidance

For the fourth quarter of 2024, the Company expects:

	4Q'24	4Q'23 ⁽¹⁾
4Q'24 Guidance		
ASM growth (YoY)	~ -7%	-1.1%
TRASM	~\$9.6 cents	\$9.56 cents
CASM ex fuel	~\$5.5 cents	\$4.86 cents
EBITDAR margin	~39%	31.3%
Average USD/MXN rate	\$20.30 to \$20.50	\$17.58
Average U.S. Gulf Coast jet fuel price	\$2.20 to \$2.30	\$2.70

(1) For convenience purposes, actual reported figures for 4Q'23 are included.

For the full year 2024, the Company expects:

	Updated Guidance	Prior Guidance
Full Year 2024 Guidance		
ASM growth (YoY)	~ -13%	~ -14%
EBITDAR margin	~36%	32% to 34%
CAPEX ⁽²⁾	\$400 million	\$400 million

(2) CAPEX net of financed fleet predelivery payments.

The fourth 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 inspections, 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 third quarter, Volaris added one A320neo aircraft to its fleet, bringing the total number of aircraft to 137. At the end of the quarter, Volaris' fleet had an average age of 6.3 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	Third Quarter			Second Quarter	
	2024	2023	Var.	2024	Var.
CEO					
A319	3	3	-	3	-
A320	42	40	2	42	-
A321	10	10	-	10	-
NEO					
A320	52	51	1	51	1
A321	30	21	9	30	-
Total aircraft at the end of the period	137	125	12	136	1

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.

Investor Relations Contact

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Conference Call Details

Date: Wednesday, October 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 220 and its fleet from 4 to 138 aircraft. Volaris offers more than 450 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. 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.

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 September 30, 2024	Three months ended September 30, 2023	Variance
Total operating revenues (millions)	813	848	(4.1%)
Total operating expenses (millions)	687	809	(15.1%)
EBIT (millions)	126	39	>100.0%
EBIT margin	15.5%	4.6%	10.9 pp
Depreciation and amortization (millions)	148	126	17.5%
Aircraft and engine variable lease expenses (millions)	41	42	(2.4%)
Net income (loss) (millions)	37	(39)	N/A
Net income (loss) margin	4.6%	(4.6%)	9.1 pp
Earnings (loss) per share ⁽¹⁾:			
Basic	0.03	(0.03)	N/A
Diluted	0.03	(0.03)	N/A
Earnings (loss) per ADS*:			
Basic	0.32	(0.34)	N/A
Diluted	0.32	(0.33)	N/A
Weighted average shares outstanding:			
Basic	1,150,640,059	1,153,301,262	(0.2%)
Diluted	1,165,976,677	1,165,651,409	0.0%
Financial Indicators			
Total operating revenue per ASM (TRASM) (cents) ⁽²⁾	9.38	8.37	12.0%
Average base fare per passenger	53	48	9.3%
Total ancillary revenue per passenger ⁽³⁾	54	49	9.6%
Total operating revenue per passenger	107	98	9.4%
Operating expenses per ASM (CASM) (cents) ⁽²⁾	7.92	7.98	(0.8%)
CASM ex fuel (cents) ⁽²⁾	5.39	4.91	9.9%
Adjusted CASM ex fuel (cents) ^{(2) (4)}	4.94	4.49	10.2%
Operating Indicators			
Available seat miles (ASMs) (millions) ⁽²⁾	8,670	10,126	(14.4%)
Domestic	5,201	6,647	(21.8%)
International	3,468	3,479	(0.3%)
Revenue passenger miles (RPMs) (millions) ⁽²⁾	7,575	8,744	(13.4%)
Domestic	4,682	5,874	(20.3%)
International	2,892	2,871	0.8%
Load factor ⁽⁵⁾	87.4%	86.4%	1.0 pp
Domestic	90.0%	88.4%	1.7 pp
International	83.4%	82.5%	0.9 pp
Booked passengers (thousands) ⁽²⁾	7,614	8,691	(12.4%)
Domestic	5,651	6,726	(16.0%)
International	1,963	1,965	(0.1%)
Departures ⁽²⁾	44,720	52,387	(14.6%)
Block hours ⁽²⁾	114,771	135,025	(15.0%)
Aircraft at end of period	137	125	12
Average aircraft utilization (block hours)	13.19	13.45	(1.9%)
Fuel gallons accrued (millions)	82.17	97.89	(16.1%)
Average economic fuel cost per gallon ⁽⁶⁾	2.64	3.17	(16.6%)
Average exchange rate	18.92	17.06	10.9%
Exchange rate at the end of the period	19.63	17.62	11.4%

*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)	Nine months ended September 30, 2024	Nine months ended September 30, 2023	Variance
Total operating revenues (millions)	2,307	2,360	(2.2%)
Total operating expenses (millions)	2,011	2,302	(12.6%)
EBIT (millions)	296	58	>100.0%
EBIT margin	12.8%	2.5%	10.3 pp
Depreciation and amortization (millions)	431	365	18.1%
Aircraft and engine variable lease expenses (millions)	83	118	(29.7%)
Net income (loss) (millions)	81	(104)	N/A
Net income (loss) margin	3.5%	(4.4%)	7.9 pp
Earnings (loss) per share ⁽¹⁾:			
Basic	0.07	(0.09)	N/A
Diluted	0.07	(0.09)	N/A
Earnings (loss) per ADS*:			
Basic	0.70	(0.90)	N/A
Diluted	0.69	(0.89)	N/A
Weighted average shares outstanding:			
Basic	1,150,951,354	1,152,936,177	(0.2%)
Diluted	1,165,976,677	1,165,317,093	0.1%
Financial Indicators			
Total operating revenue per ASM (TRASM) (cents) ⁽²⁾	9.21	8.00	15.0%
Average base fare per passenger	52	48	9.4%
Total ancillary revenue per passenger ⁽³⁾	55	46	19.0%
Total operating revenue per passenger	107	93	14.1%
Operating expenses per ASM (CASM) (cents) ⁽²⁾	8.02	7.81	2.8%
CASM ex fuel (cents) ⁽²⁾	5.30	4.80	10.5%
Adjusted CASM ex fuel (cents) ^{(2) (4)}	5.04	4.40	14.4%
Operating Indicators			
Available seat miles (ASMs) (millions) ⁽²⁾	25,060	29,488	(15.0%)
Domestic	14,837	19,798	(25.1%)
International	10,223	9,690	5.5%
Revenue passenger miles (RPMs) (millions) ⁽²⁾	21,709	25,161	(13.7%)
Domestic	13,399	17,065	(21.5%)
International	8,309	8,096	2.6%
Load factor ⁽⁵⁾	86.6%	85.3%	1.3 pp
Domestic	90.3%	86.2%	4.1 pp
International	81.3%	83.6%	(2.3 pp)
Booked passengers (thousands) ⁽²⁾	21,625	25,250	(14.4%)
Domestic	15,960	19,683	(18.9%)
International	5,665	5,566	1.8%
Departures ⁽²⁾	127,643	153,705	(17.0%)
Block hours ⁽²⁾	333,772	398,540	(16.3%)
Aircraft at end of period	137	125	12
Average aircraft utilization (block hours)	12.99	13.41	(3.1%)
Fuel gallons accrued (millions)	239.32	284.16	(15.8%)
Average economic fuel cost per gallon ⁽⁶⁾	2.83	3.11	(8.7%)
Average exchange rate	17.71	17.82	(0.6%)
Exchange rate at the end of the period	19.63	17.62	11.4%

*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 September 30, 2024	Three months ended September 30, 2023	Variance
Operating revenues:			
Passenger revenues	782	812	(3.7%)
Fare revenues	403	421	(4.3%)
Other passenger revenues	379	391	(3.1%)
Non-passenger revenues	31	36	(13.9%)
Cargo	5	5	0.0%
Other non-passenger revenues	26	31	(16.1%)
Total operating revenues	813	848	(4.1%)
Other operating income	(49)	-	N/A
Fuel expense	219	312	(29.8%)
Aircraft and engine variable lease expenses	41	42	(2.4%)
Salaries and benefits	98	99	(1.0%)
Landing, take-off and navigation expenses	121	130	(6.9%)
Sales, marketing and distribution expenses	55	49	12.2%
Maintenance expenses	24	23	4.3%
Depreciation and amortization	46	35	31.4%
Depreciation of right of use assets	102	91	12.1%
Other operating expenses	30	28	7.1%
Total operating expenses	687	809	(15.1%)
Operating income	126	39	>100.0%
Finance income	13	8	62.5%
Finance cost	(73)	(60)	21.7%
Exchange gain (loss), net	14	(21)	N/A
Comprehensive financing result	(46)	(73)	(37.0%)
Income (loss) before income tax	80	(34)	N/A
Income tax expense	(43)	(5)	>100.0%
Net income (loss)	37	(39)	N/A

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

Consolidated Statement of Operations

Unaudited (In millions of U.S. dollars)	Nine months ended September 30, 2024	Nine months ended September 30, 2023	Variance
Operating revenues:			
Passenger revenues	2,208	2,259	(2.3%)
Fare revenues	1,128	1,204	(6.3%)
Other passenger revenues	1,080	1,055	2.4%
Non-passenger revenues	99	101	(2.0%)
Cargo	15	14	7.1%
Other non-passenger revenues	84	87	(3.4%)
Total operating revenues	2,307	2,360	(2.2%)
Other operating income	(143)	(4)	>100.0%
Fuel expense	683	888	(23.1%)
Aircraft and engine variable lease expenses	83	118	(29.7%)
Salaries and benefits	299	286	4.5%
Landing, take-off and navigation expenses	365	367	(0.5%)
Sales, marketing and distribution expenses	133	122	9.0%
Maintenance expenses	73	74	(1.4%)
Depreciation and amortization	131	97	35.1%
Depreciation of right of use assets	300	268	11.9%
Other operating expenses	87	86	1.2%
Total operating expenses	2,011	2,302	(12.6%)
Operating income	296	58	>100.0%
Finance income	37	25	48.0%
Finance cost	(207)	(175)	18.3%
Exchange gain (loss), net	17	(30)	N/A
Comprehensive financing result	(153)	(180)	(15.0%)
Income (loss) before income tax	143	(122)	N/A
Income tax (expense) benefit	(62)	18	N/A
Net income (loss)	81	(104)	N/A

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 September 30, 2024	Three months ended September 30, 2023	Variance
Other passenger revenues	379	391	(3.1%)
Non-passenger revenues	31	36	(13.9%)
Total ancillary revenues	410	427	(4.0%)
Booked passengers (thousands) ⁽¹⁾	7,614	8,691	(12.4%)
Total ancillary revenue per passenger	54	49	9.6%

(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 nine months of the year:

Unaudited (In millions of U.S. dollars)	Nine months ended September 30, 2024	Nine months ended September 30, 2023	Variance
Other passenger revenues	1,080	1,055	2.4%
Non-passenger revenues	99	101	(2.0%)
Total ancillary revenues	1,179	1,156	2.0%
Booked passengers (thousands) ⁽¹⁾	21,625	25,250	(14.4%)
Total ancillary revenue per passenger	55	46	19.0%

(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 September 30, 2024 Unaudited	As of December 31, 2023 Audited
Assets		
Cash, cash equivalents and restricted cash	784	774
Short-term investments	46	15
Total cash, cash equivalents, restricted cash, and short-term investments ⁽¹⁾	830	-
Accounts receivable, net	171	251
Inventories	17	16
Guarantee deposits	223	148
Derivatives financial instruments	1	-
Prepaid expenses and other current assets	60	44
Total current assets	1,302	1,248
Right of use assets	2,405	2,338
Rotable spare parts, furniture and equipment, net	1,040	805
Intangible assets, net	22	16
Derivatives financial instruments	-	2
Deferred income taxes	239	236
Guarantee deposits	441	462
Other long-term assets	43	39
Total non-current assets	4,190	3,898
Total assets	5,492	5,146
Liabilities and equity		
Unearned transportation revenue	405	343
Accounts payable	178	250
Accrued liabilities	215	163
Other taxes and fees payable	256	262
Income taxes payable	10	8
Financial debt	299	220
Lease liabilities	387	373
Other liabilities	24	2
Total short-term liabilities	1,774	1,621
Financial debt	441	433
Accrued liabilities	8	14
Employee benefits	14	15
Deferred income taxes	16	16
Lease liabilities	2,599	2,518
Other liabilities	320	286
Total long-term liabilities	3,398	3,282
Total liabilities	5,172	4,903
Equity		
Capital stock	248	248
Treasury shares	(12)	(12)
Contributions for future capital increases	-	-
Legal reserve	17	17
Additional paid-in capital	285	282
Accumulated deficit	(67)	(148)
Accumulated other comprehensive loss	(151)	(144)
Total equity	320	243
Total liabilities and equity	5,492	5,146

(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 September 30, 2024	Three months ended September 30, 2023
Net cash flow provided by operating activities	233	145
Net cash flow used in investing activities	(149)	(138)
Net cash flow (used in) provided by financing activities*	(54)	87
Increase in cash, cash equivalents and restricted cash	30	94
Net foreign exchange differences	(4)	-
Cash, cash equivalents and restricted cash at beginning of period	758	655
Cash, cash equivalents and restricted cash at end of period	784	749

*Includes aircraft rental payments of \$148 million and \$132 million for the three months ended September 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)	Nine months ended September 30, 2024	Nine months ended September 30, 2023
Net cash flow provided by operating activities	782	513
Net cash flow used in investing activities	(387)	(350)
Net cash flow used in financing activities*	(374)	(132)
Increase in cash, cash equivalents and restricted cash	21	31
Net foreign exchange differences	(11)	6
Cash, cash equivalents and restricted cash at beginning of period	774	712
Cash, cash equivalents and restricted cash at end of period	784	749

*Includes aircraft rental payments of \$432 million and \$390 million for the nine months ended September 30, 2024, and 2023, respectively.