



o céu é **Azul** 

3Q22 Earnings Results

November 10, 2022



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This presentation includes estimates and forward-looking statements within the meaning of the US federal securities laws. These estimates and forward-looking statements are based mainly on our current expectations and estimates of future events and trends that affect or may affect our business, financial condition, results of operations, cash flow, liquidity, prospects and the trading price of our preferred shares, including in the form of ADSs. Although we believe these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to many significant risks, uncertainties and assumptions and are made reflecting information currently available to us.

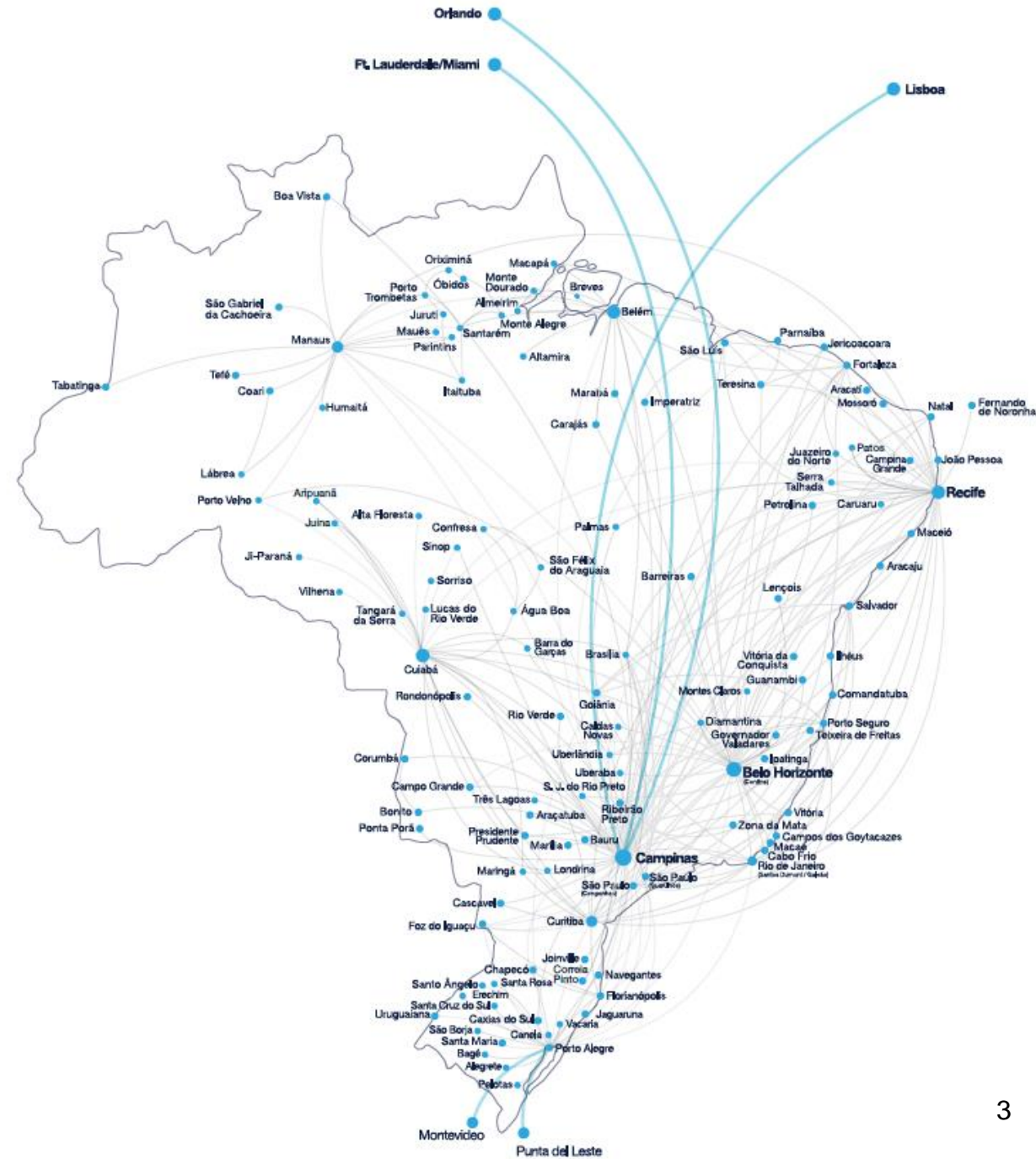
These statements appear throughout this presentation and include statements regarding our intent, belief or current expectations in connection with changes in market prices, customer demand and preferences, competitive conditions, general economic, political and business conditions in Brazil, particularly in the geographic markets we serve and may serve in the future, our ability to keep costs low, existing and future governmental regulations, increases in maintenance costs, fuel costs and insurance premiums, our ability to maintain landing rights in the airports that we operate, air travel substitutes, labor disputes, employee strikes and other labor related disruptions, including in connection with negotiations with unions, our ability to attract and retain qualified personnel, our aircraft utilization rate, defects or mechanical problems with our aircraft, our ability to successfully implement our growth strategy, including our expected fleet growth, passenger growth, our capital expenditure plans, our future joint venture and partnership plans, our ability to enter new airports (including certain international airports) that match our operating criteria, management's expectations and estimates concerning our future financial performance and financing plans and programs, our level of debt and other fixed obligations, our reliance on third parties, including changes in the availability or increased cost of air transport infrastructure and airport facilities, inflation, appreciation, depreciation and devaluation of the real, our aircraft and engine suppliers and other factors or trends affecting our financial condition or results of operations, including those factors identified or discussed as set forth under "Risk Factors" in the prospectus included in our registration statement on Form F 1 (No 333 215908 filed with the Securities and Exchange Commission (the "Registration Statement")).

In addition, in this presentation, the words "believe," "understand," "may," "will," "aim," "estimate," "continue," "anticipate," "seek," "intend," "expect," "should," "could," and similar words are intended to identify forward-looking statements. You should not place undue reliance on such statements, which speak only as of the date they were made. We do not undertake any obligation to update publicly or to revise any forward-looking statements after we distribute this presentation because of new information, future events or other factors. Our independent public auditors have neither examined nor compiled the forward-looking statements and, accordingly, do not provide any assurance with respect to such statements. Considering the risks and uncertainties described above, the future events and circumstances discussed in this presentation might not occur and are not guarantees of future performance. Because of these uncertainties, you should not make any investment decision solely based upon these estimates and forward-looking statements.

In this presentation, we present EBITDA, which is a non-IFRS performance measure and is not a financial performance measure determined in accordance with IFRS and should not be considered in isolation or as alternatives to operating income or net income or loss, or as indications of operating performance, or as alternatives to operating cash flows, or as indicators of liquidity, or as the basis for the distribution of dividends. Accordingly, you are cautioned not to place undue reliance on this information.

Strong Fundamentals

- Proven business model built on broad, unrivaled network
- Most flexible and fuel-efficient fleet in the region
- Among world's best in customer satisfaction and on-time performance
- Over 40 new cities served since 2019
- Only carrier in ~80% of our routes
- Fast-growing, high-margin business units
- Experienced leadership with demonstrated track record



Commitment to Sustainable Growth and Building Long-Term Value



70%

ASK coming from next-gen, low-emission fleet



150+

destinations served, offering economic development all over Brazil



13,200+

direct jobs, plus over 50,000 indirect and 90,000 induced jobs



4,300+

volunteers participating in over 100 actions benefitting more than 7,000 people



Achievements, Commitments and Ratings

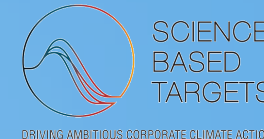
ISEB3
ICO2 B3



TCFD



MSCI
ESG RATINGS



MOVIMENTO
AMBIÇÃO NET ZERO



Structural Competitive Advantages From our Business Units



- Benefiting from higher leisure demand enabled by flexible work arrangements
- Positive trends to continue into peak summer season
- 2,000 dedicated flights in peak season
- Recovery in international markets



- Sustainable growth reaching 15 million members
- Fast recovery, with gross billings already up 82% and redemptions up 73% vs. 3Q19
- Strong recurrent revenue in Clube TudoAzul subscription product
- Increased relevance in 2023 from additional slots in downtown São Paulo (Congonhas)



- Leveraging Azul's unrivaled network and low marginal cost from belly space
- Revenue more than doubled compared to 3Q19
- Exclusive end-to-end logistics solutions
- Delivery to over 2,500 cities in under 48 hours

 Record revenues

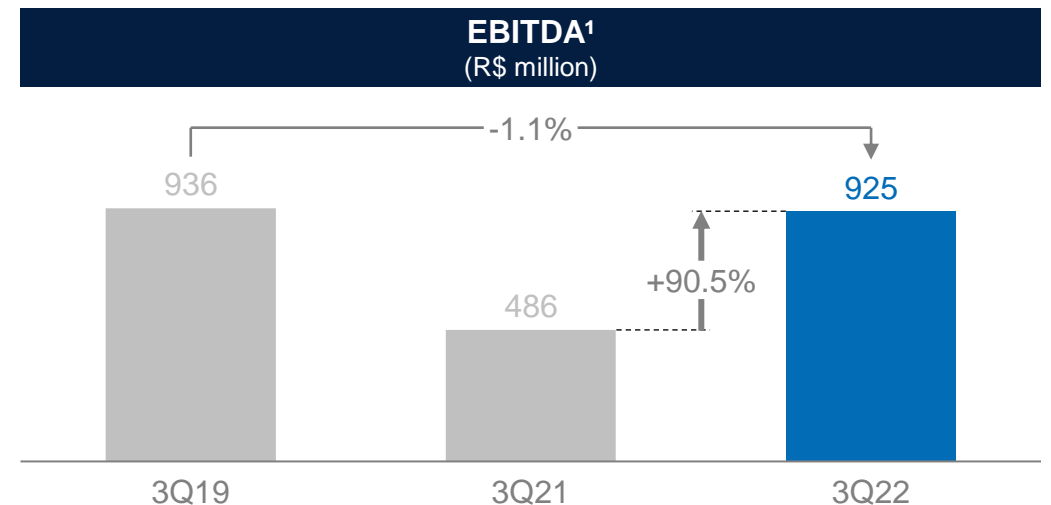
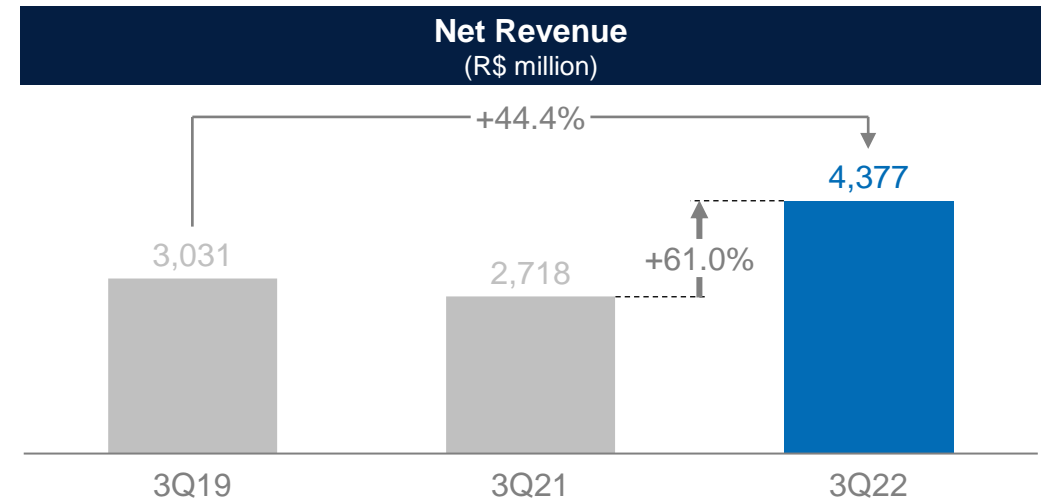
 Annual revenues well above R\$1 billion each

 Fast-growth, high-margin businesses

 Unencumbered assets

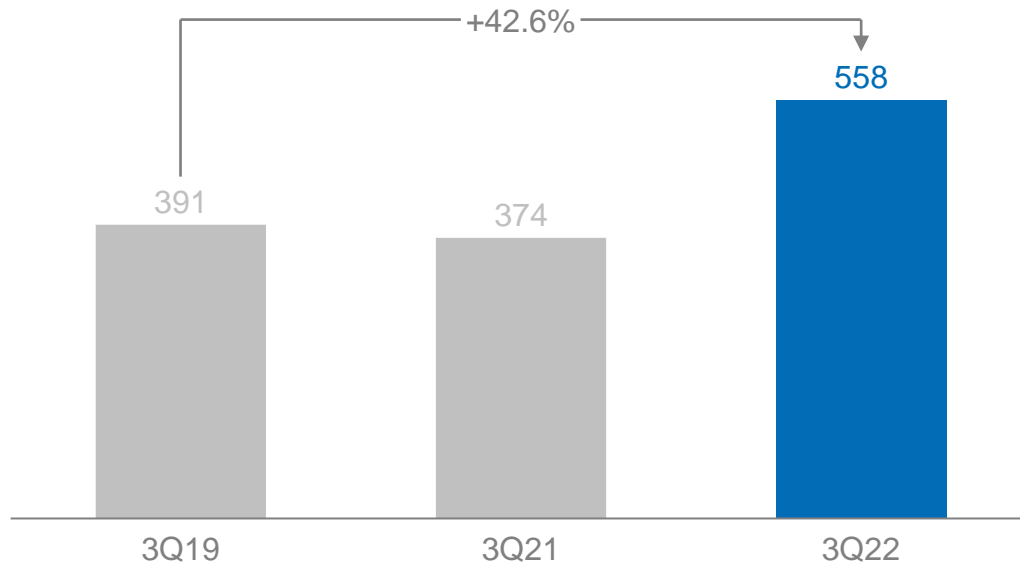
3Q22 Financial Highlights

- All-time record revenues of R\$4.4 billion, 61.0% higher than 3Q21 and 44.4% above 3Q19
- Yield and RASK also at record levels
- EBITDA of R\$925 million, in line with 3Q19 even with increase in 138% increase in fuel prices and 32% currency devaluation
- Total cash position of R\$3.4 billion, 9.7% up vs. 3Q19

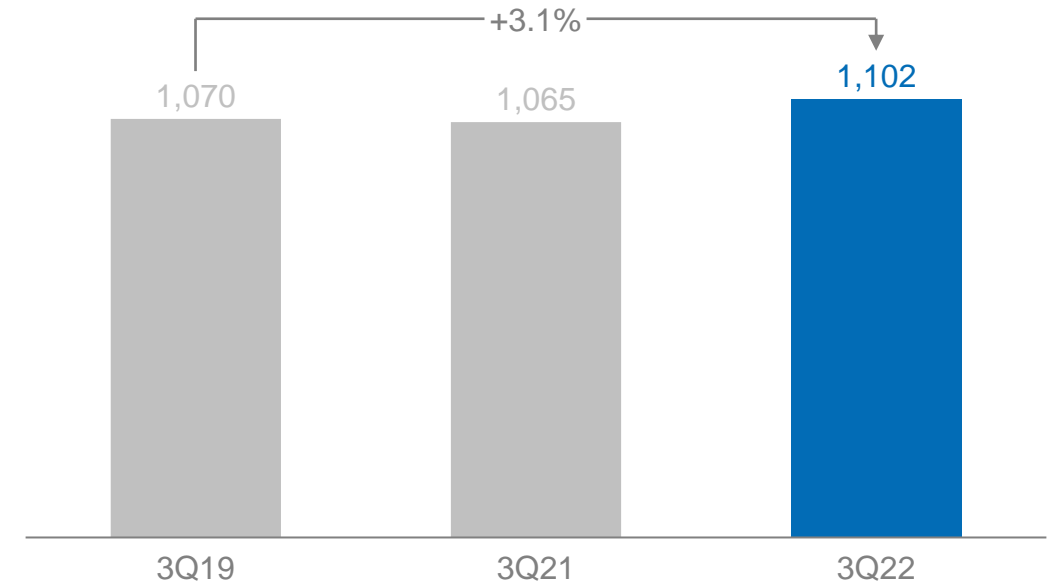


Demonstrated Sustainable Demand and Pricing Power

Average Fare
(R\$)



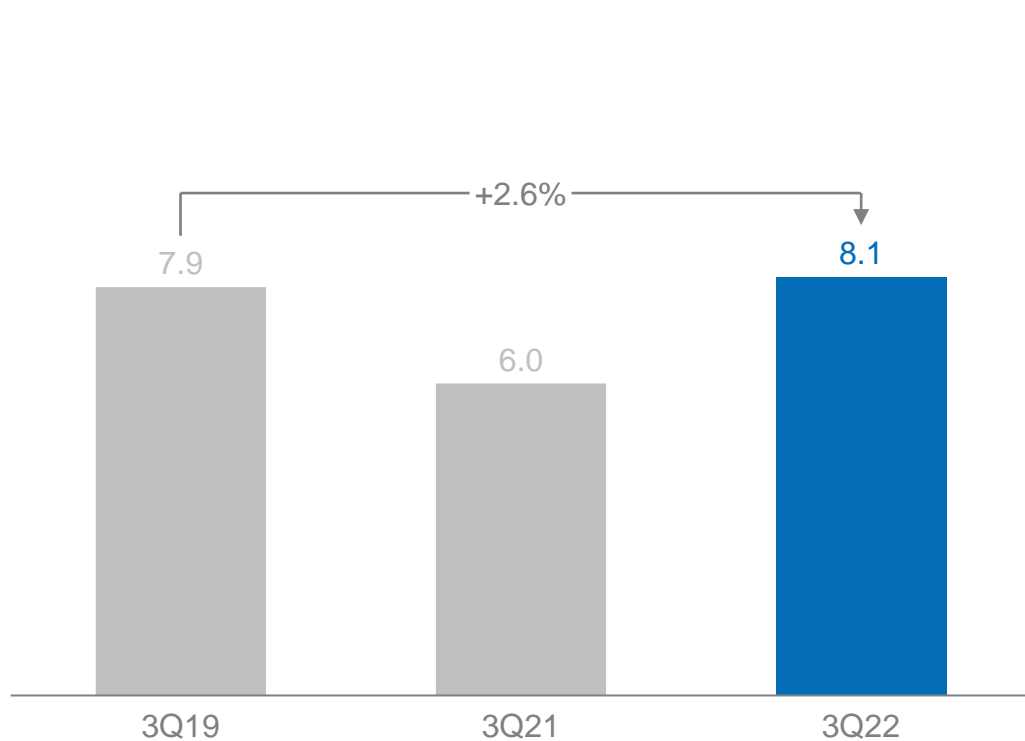
Stage Length
(km)



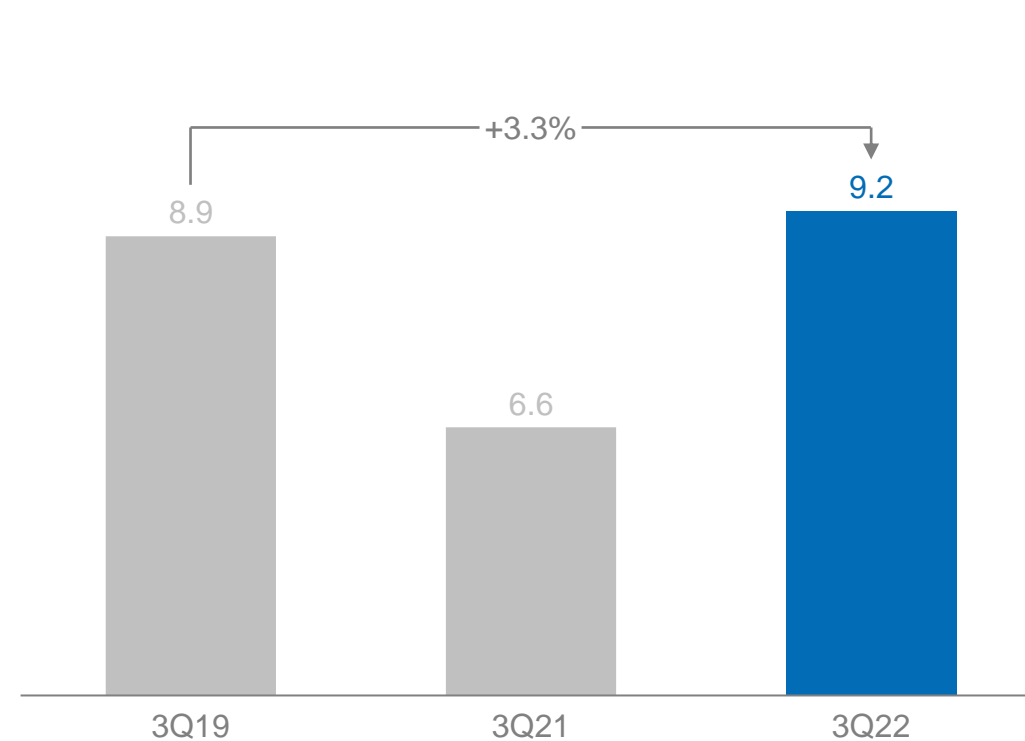
Unique network combined with strong demand allowing for higher fares

RASK and Yield in Dollars Already Above 2019

RASK
(US\$ cents)

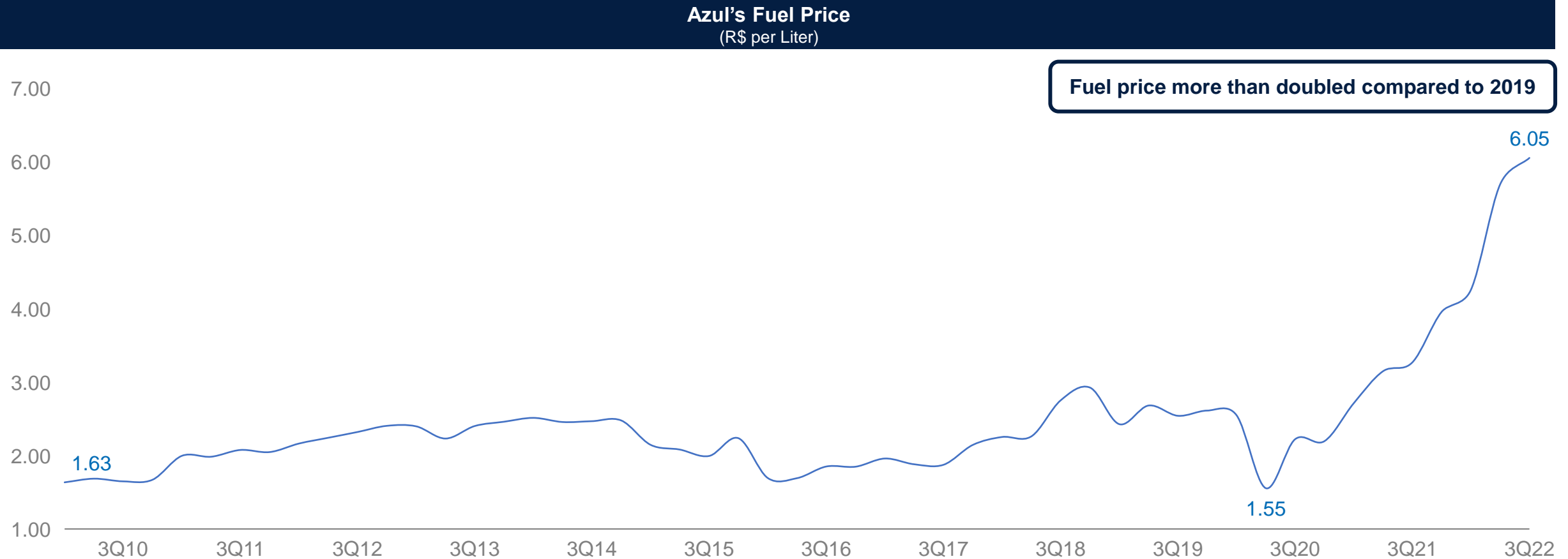


Yield
(US\$ cents)



Unit revenue performance clearly demonstrating competitive advantages and capacity discipline

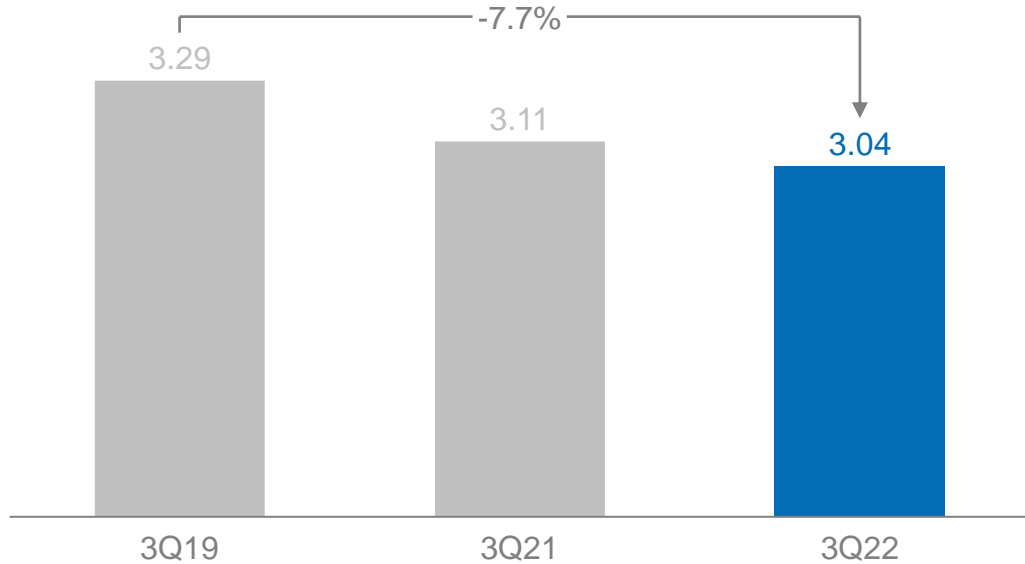
Recovering Profitability Even With Record Fuel Prices



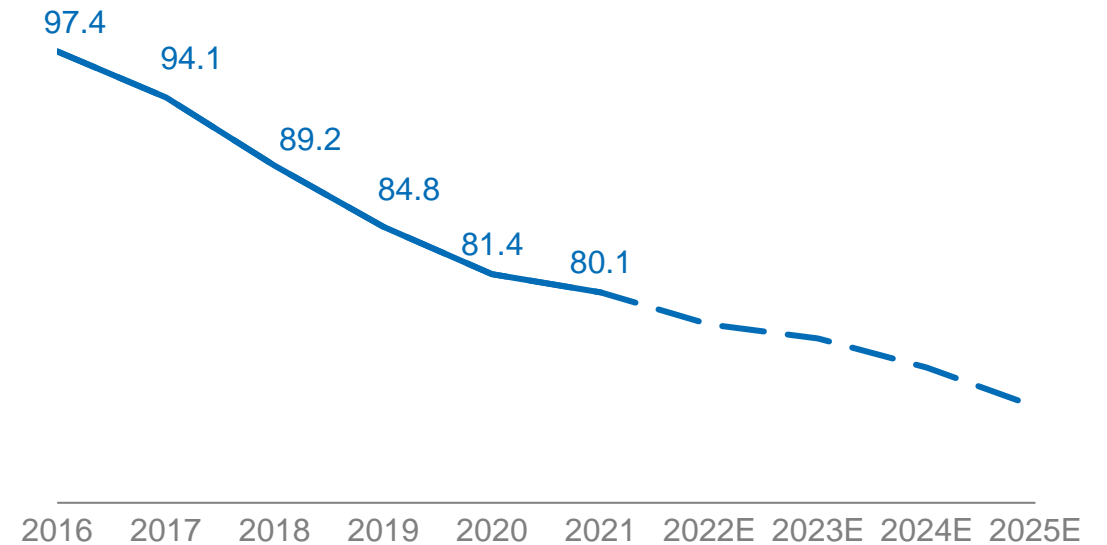
Recovered EBITDA to pre-pandemic levels even with significant increase in fuel prices and devaluation of real

Further Cost Reductions From Fleet Transformation

Fuel Consumption
(Liters/ASK)

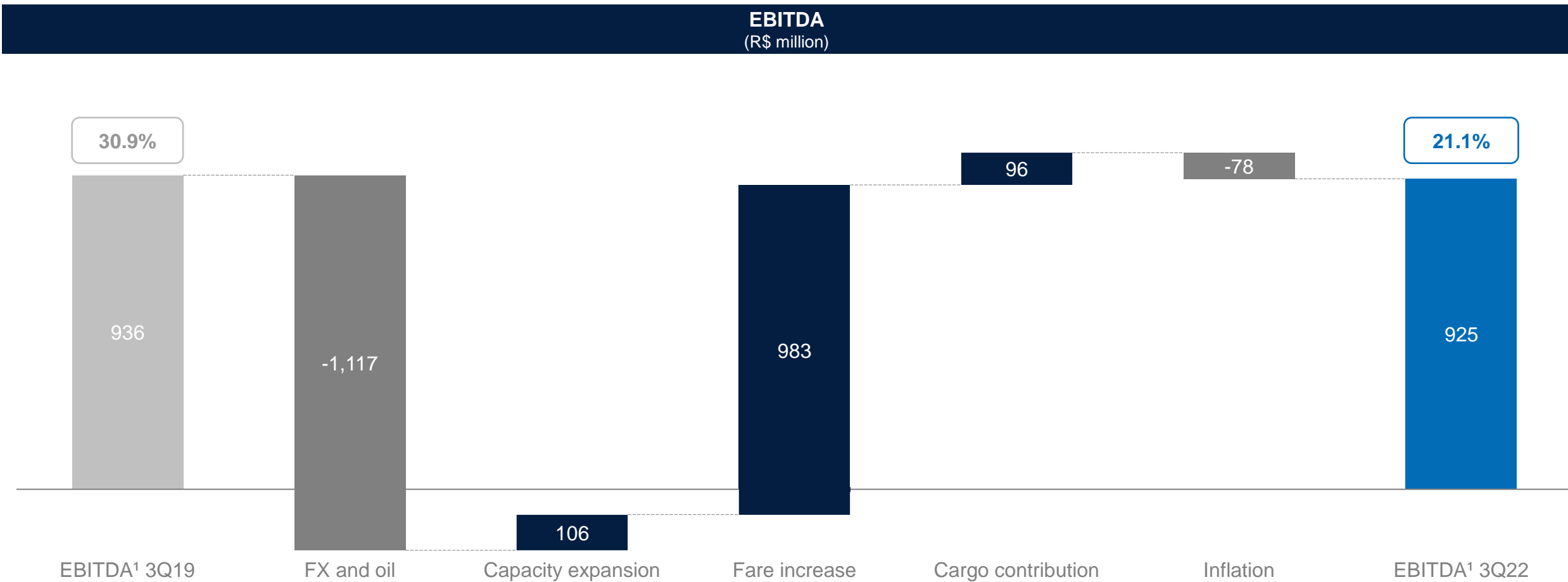


Relative Emissions
(g CO2/ASK)



Reducing fuel burn and carbon emissions through next-generation aircraft, with more savings to come

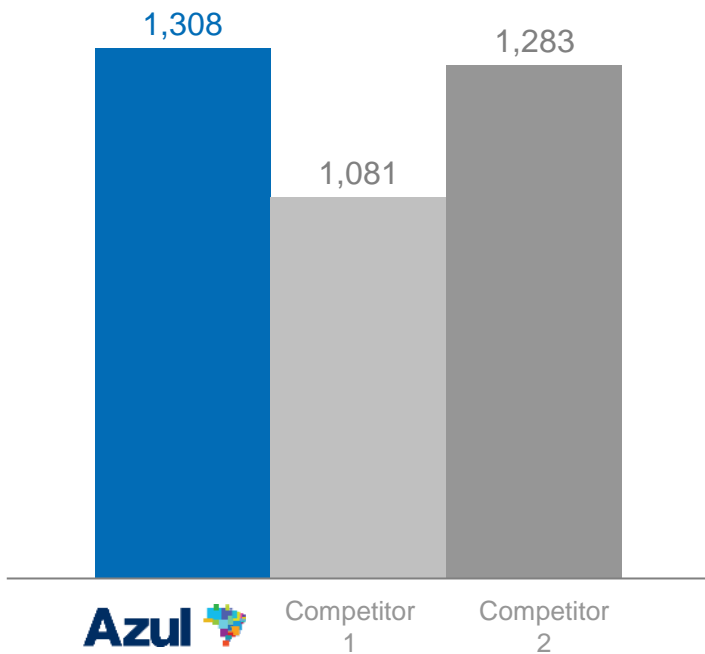
Recovered Profitability to Pre-Pandemic Levels



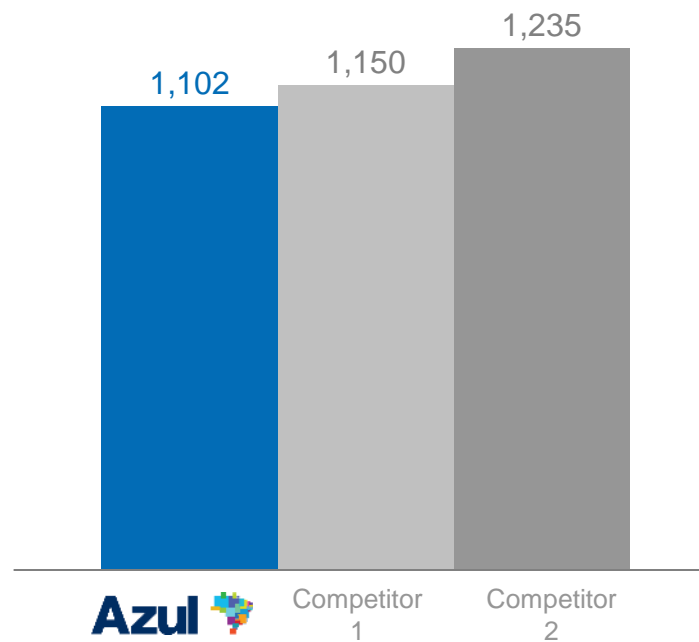
Sustainable advantages and pricing power from unrivaled network, flexible fleet, and business units

Competitive Advantages

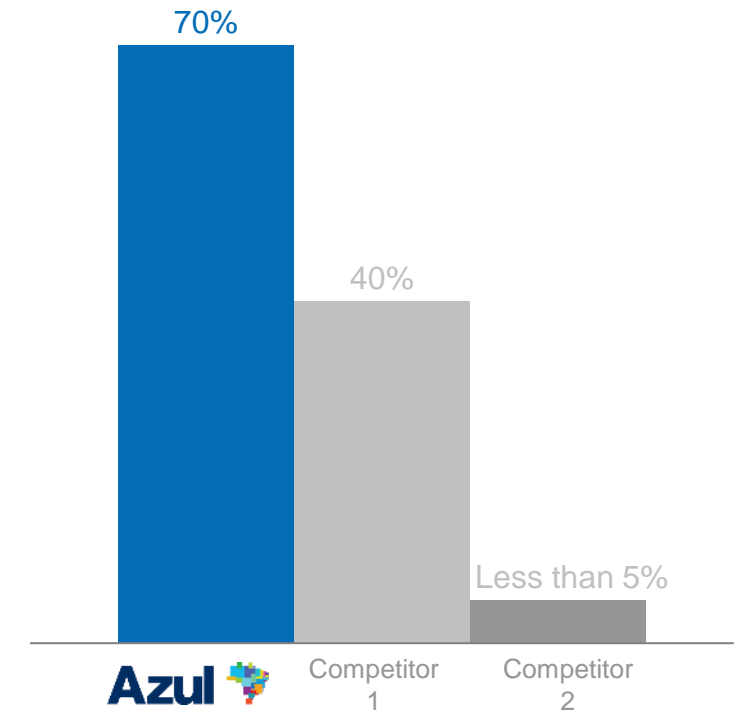
Average Corporate Ticket Price¹
(R\$)



Average Stage Length
(Km)

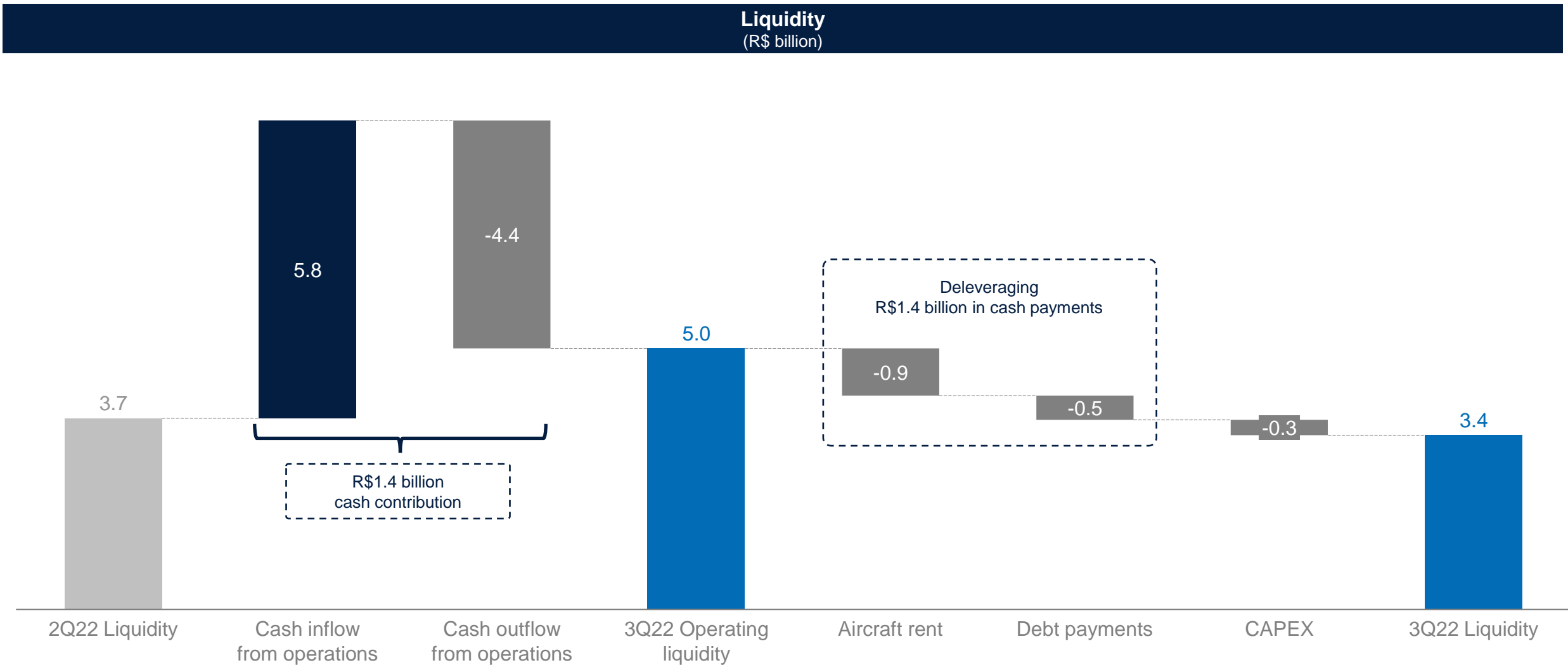


% of ASK coming from Next-Generation
(2022)



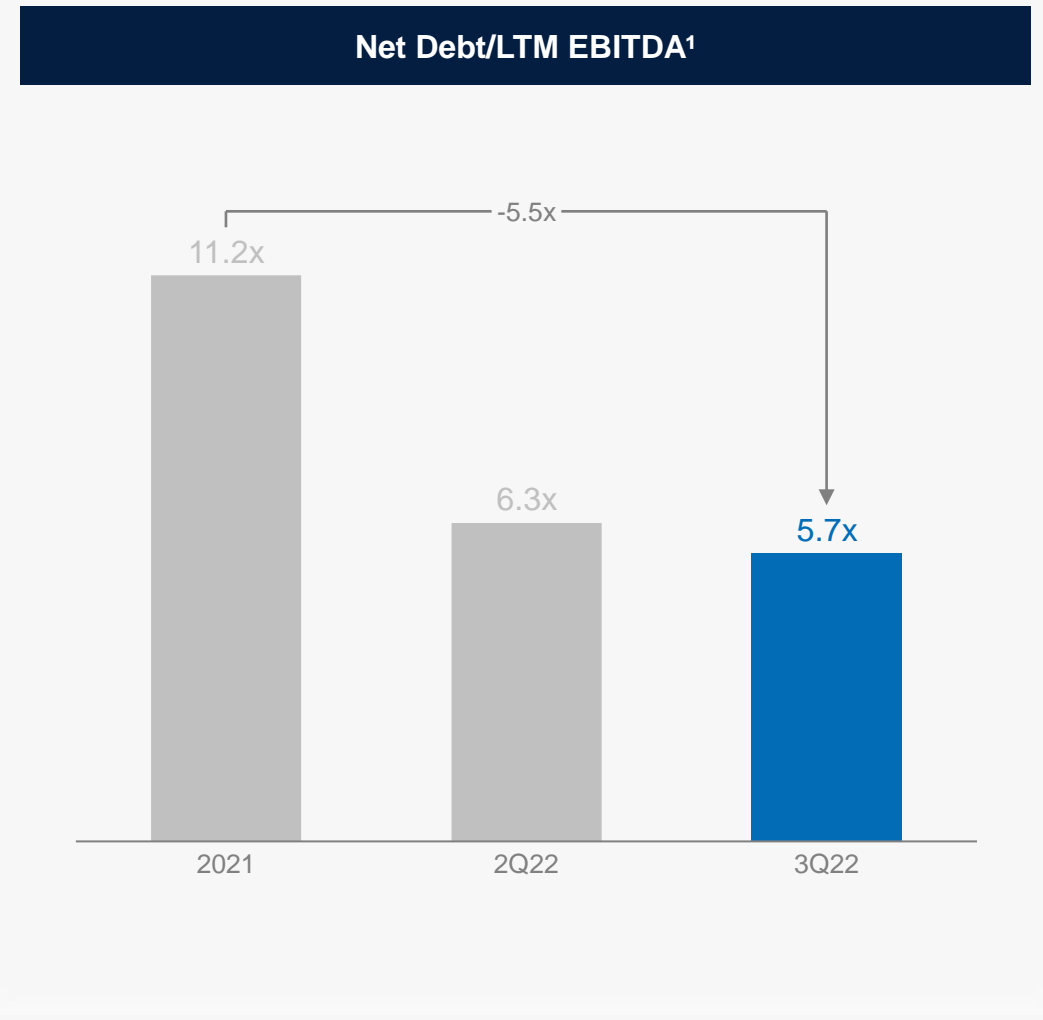
Azul is able to charge higher fares flying shorter distances using more fuel-efficient aircraft

Increasing Cash Contribution From Operations



Sequentially Reducing Leverage

- Sustainable competitive advantages leading to lowest leverage and lowest cost of capital among peers
- Delivered guidance of leverage below 6x one quarter ahead of schedule



Key Drivers of Higher Profitability

Service-oriented
Culture

Unparalleled
Network

Flexible and fuel-efficient
Fleet

Sustainable
Demand

Fast-growing, high margin
Business Units

More efficient
Cost Structure





AzulDay

SAVE THE DATE

December 7

9am EST | 11am BRT

Live from Congonhas Airport



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