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2Q24 Results

August 12, 2024

PATROCINADORA OFICIAL

Azul



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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.

2Q24 Highlights



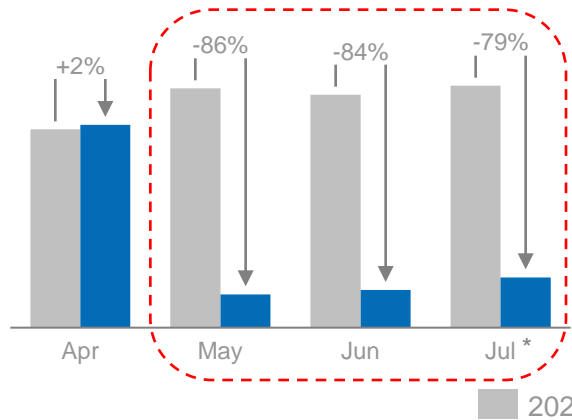
Maintaining positive operational results and industry-leading profitability

2Q24: Significant Impact from Rio Grande do Sul Floods

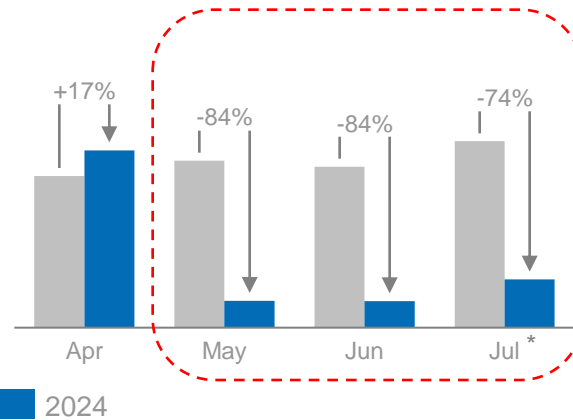
Share of Domestic Capacity

		Rio Grande do Sul	Porto Alegre
2023	Apr	8.7%	8.2%
	May	10.1%	9.6%
	Jun	9.6%	9.1%
	Jul	8.3%	7.9%
2024	Apr	9.2%	8.8%
	May	1.4%	0.8%
	Jun	1.1%	0.0%
	Jul	1.4%	0.0%

Traffic (Pax thousand)

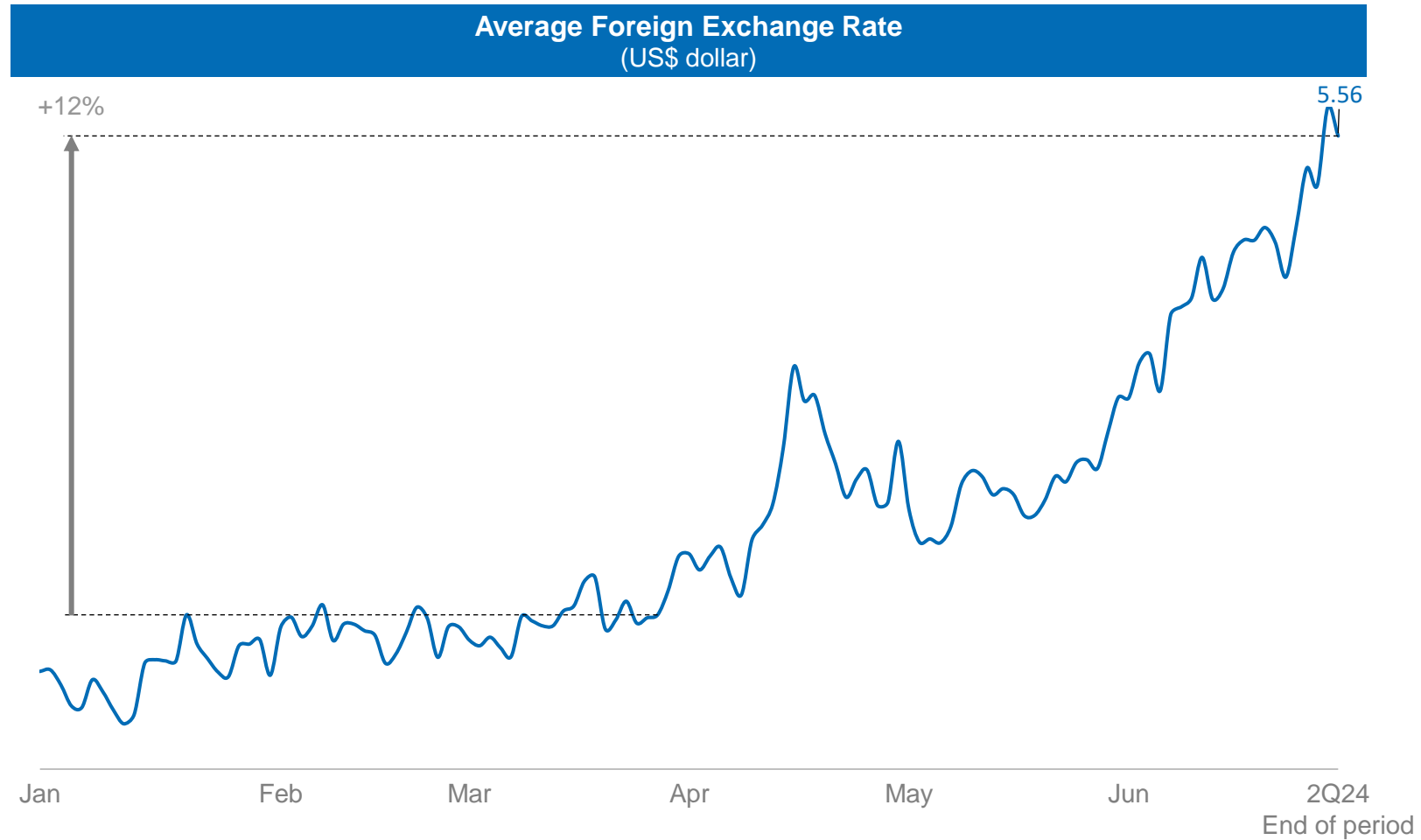


Revenue (R\$ million)



Estimated impact of around R\$200 million

2Q24: Accelerated Currency Devaluation



Volatility in financial markets led to a fast devaluation of Brazilian real

Fast-Growth, High-Margin Business Units

Azul Fidelidade

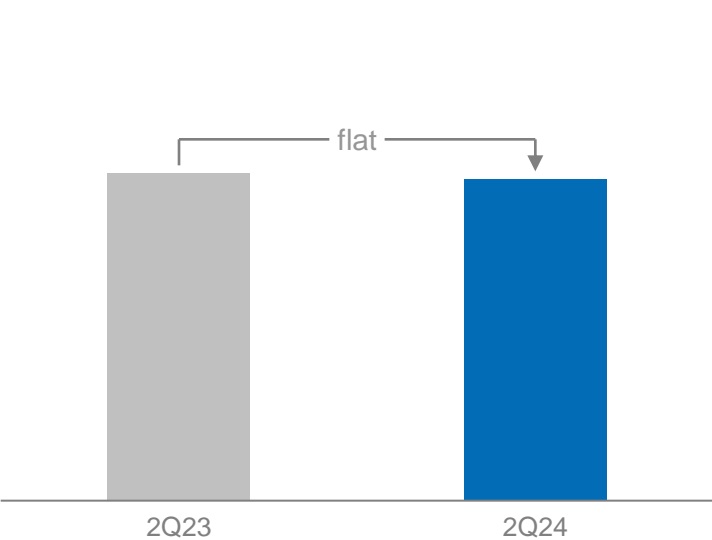
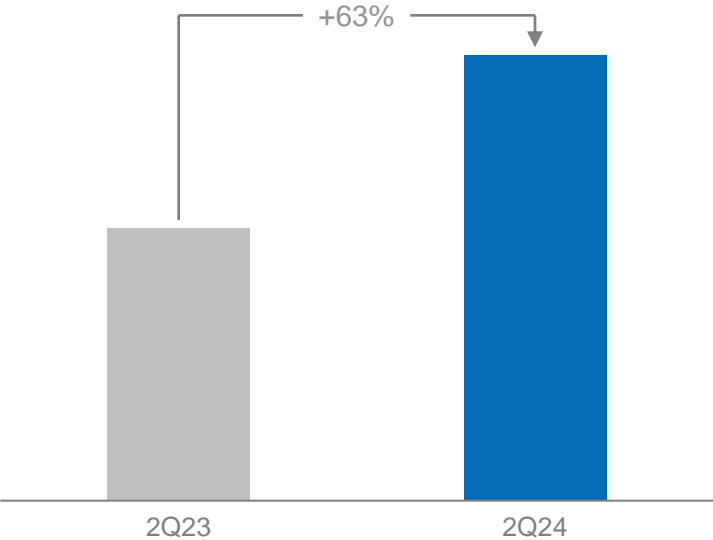
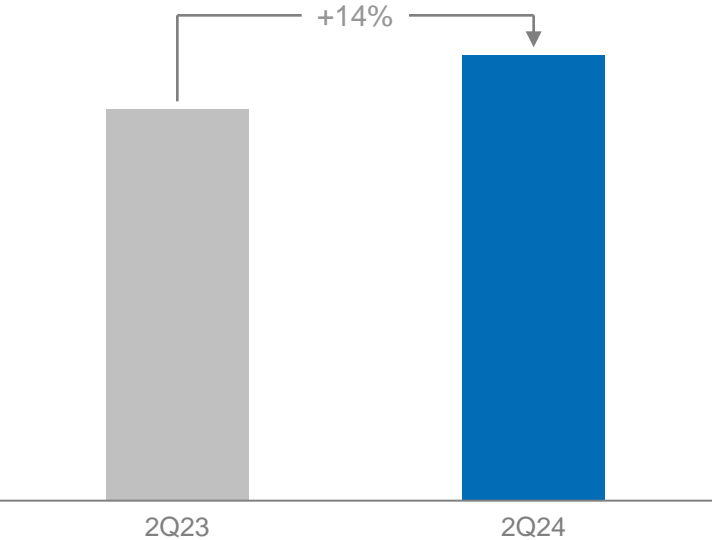
Azul viagens

Azul cargo Express

Gross Billings
(R\$ million)

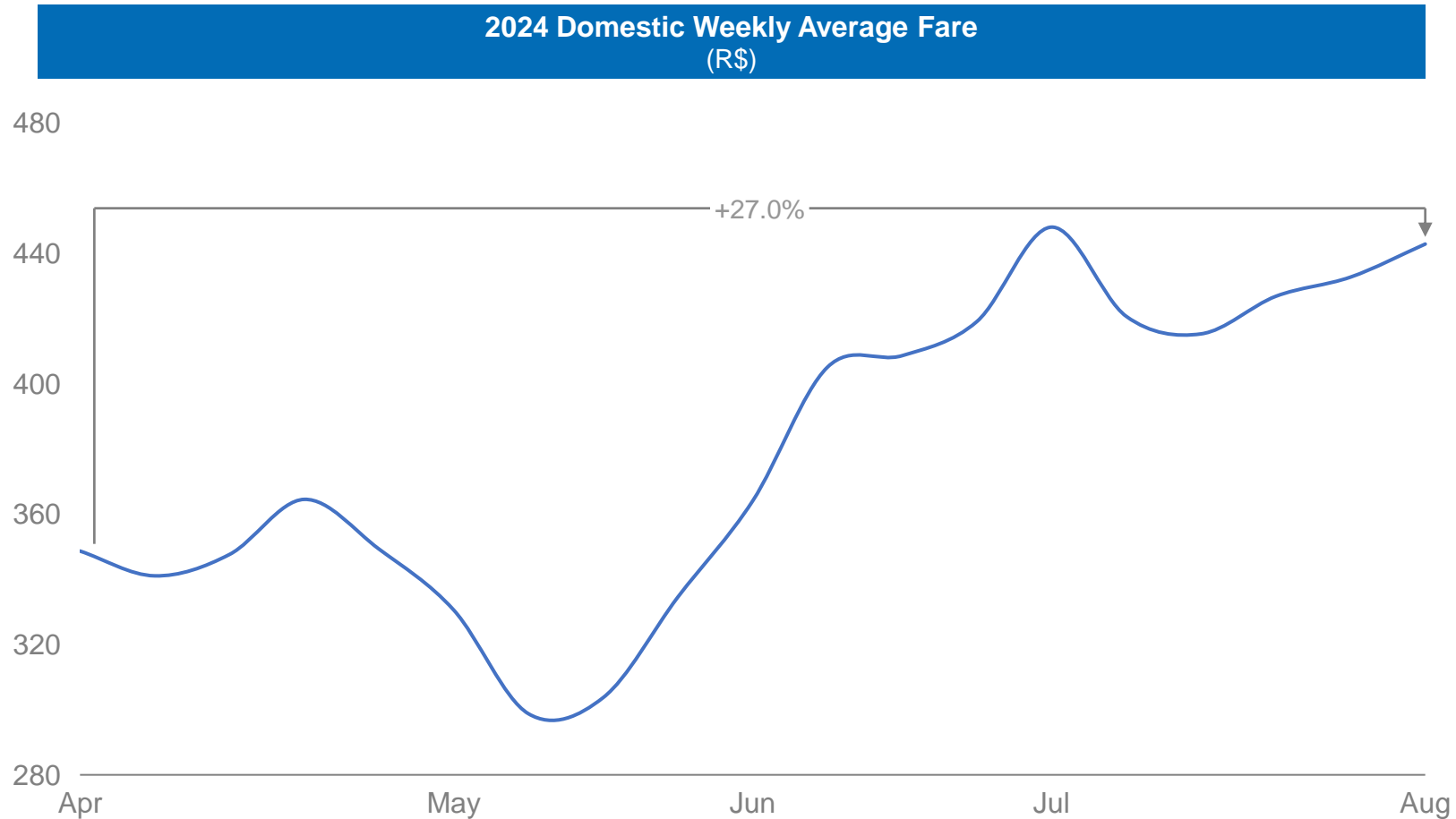
Gross Billings
(R\$ million)

Domestic Revenue
(R\$ million)



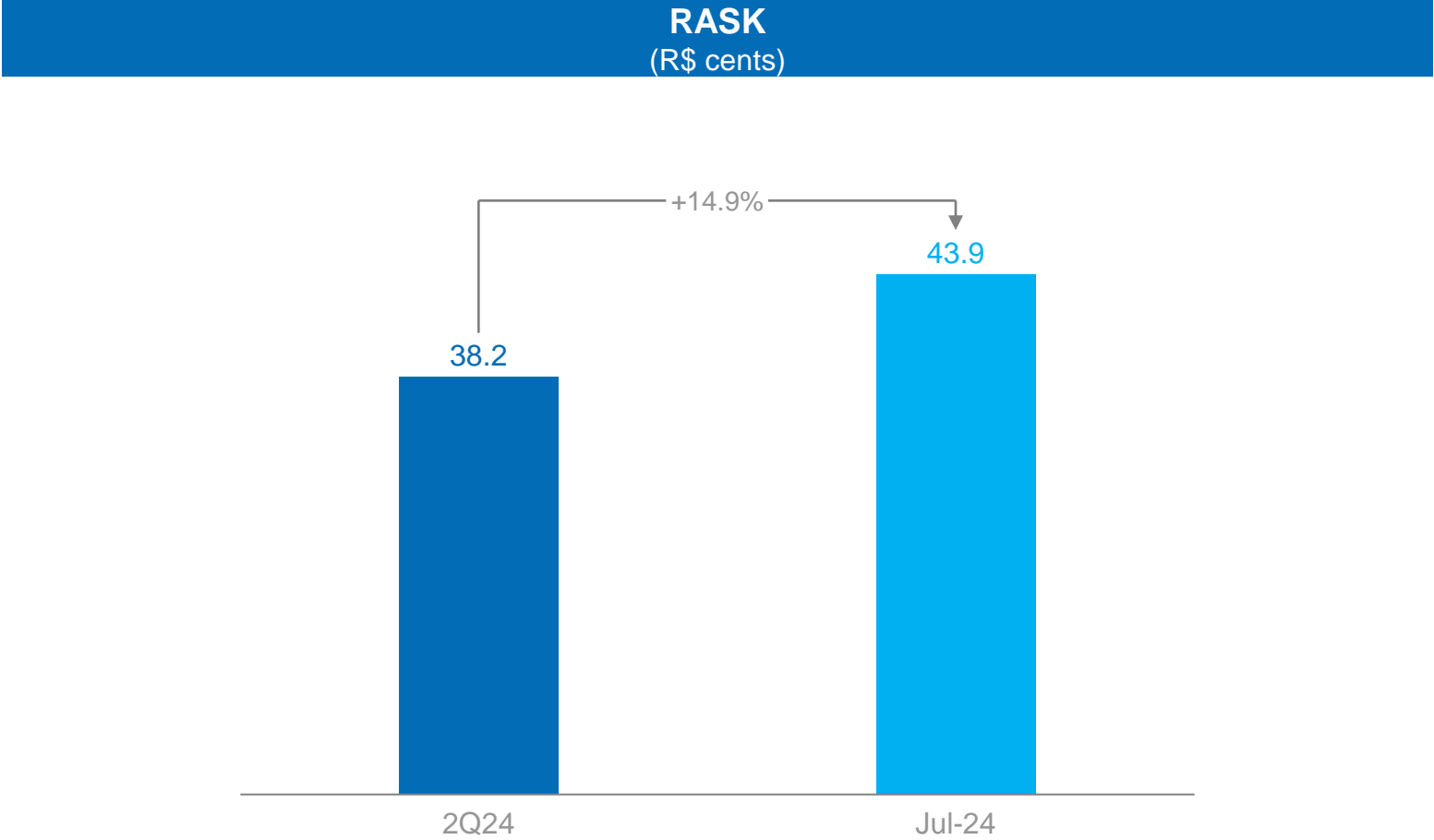
Leveraging Azul's unique network and flexible fleet with high growth opportunities going forward

Weekly Average Fare



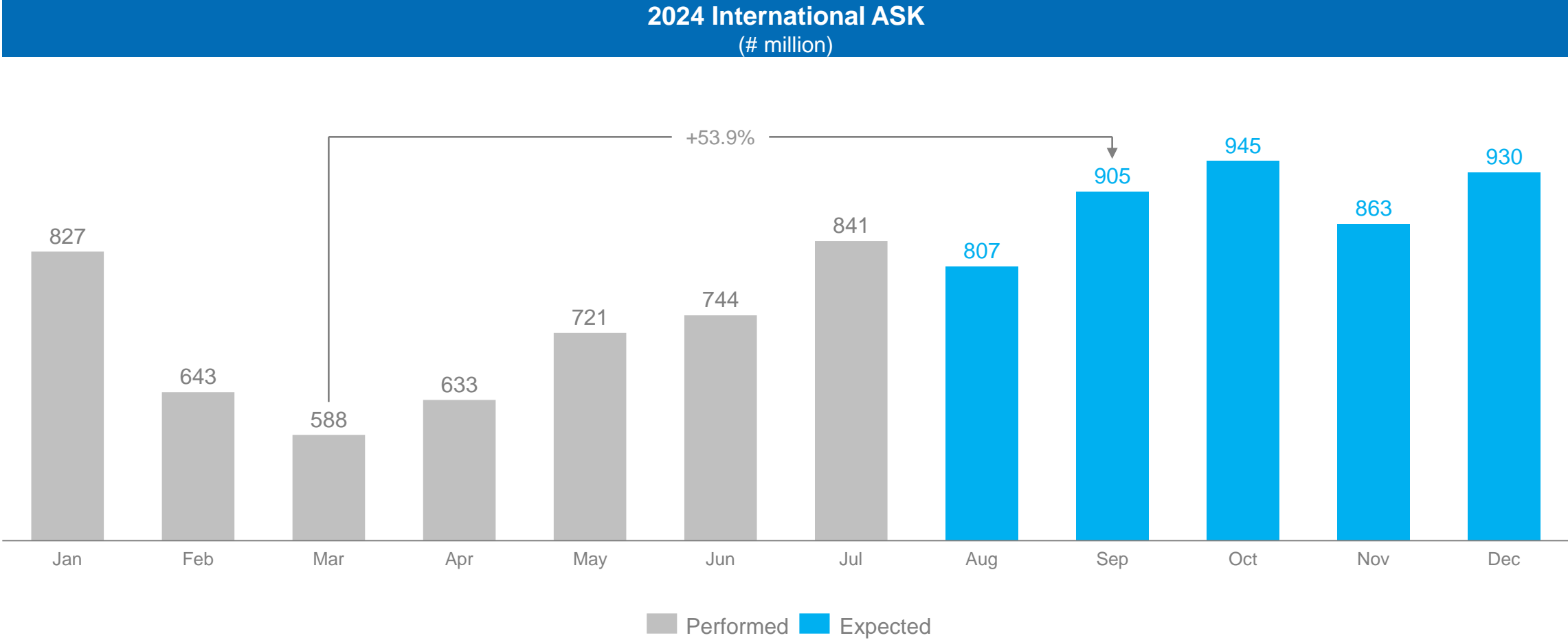
Bookings and fares clearly improving in July and August
Positive momentum for seasonally stronger 2H24

Positive Booking Trends Going Forward



Bookings improvement leading again to YoY RASK increase
Positive momentum for seasonally stronger 2H24

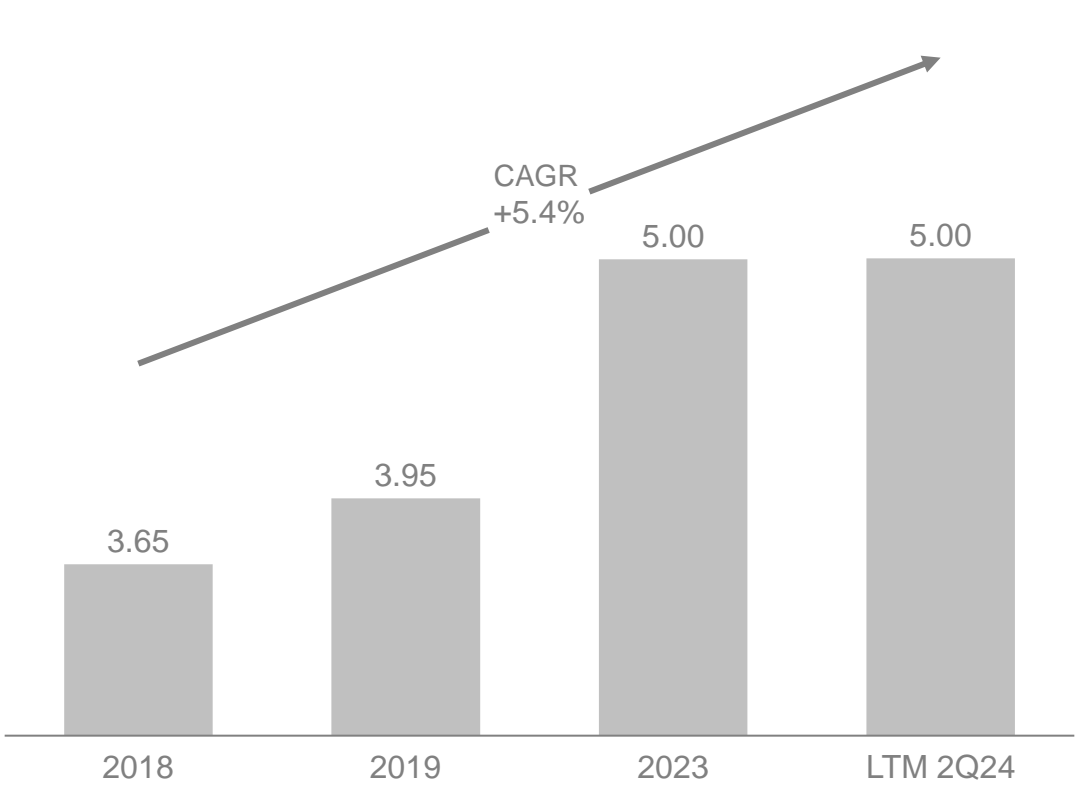
International Capacity Growth



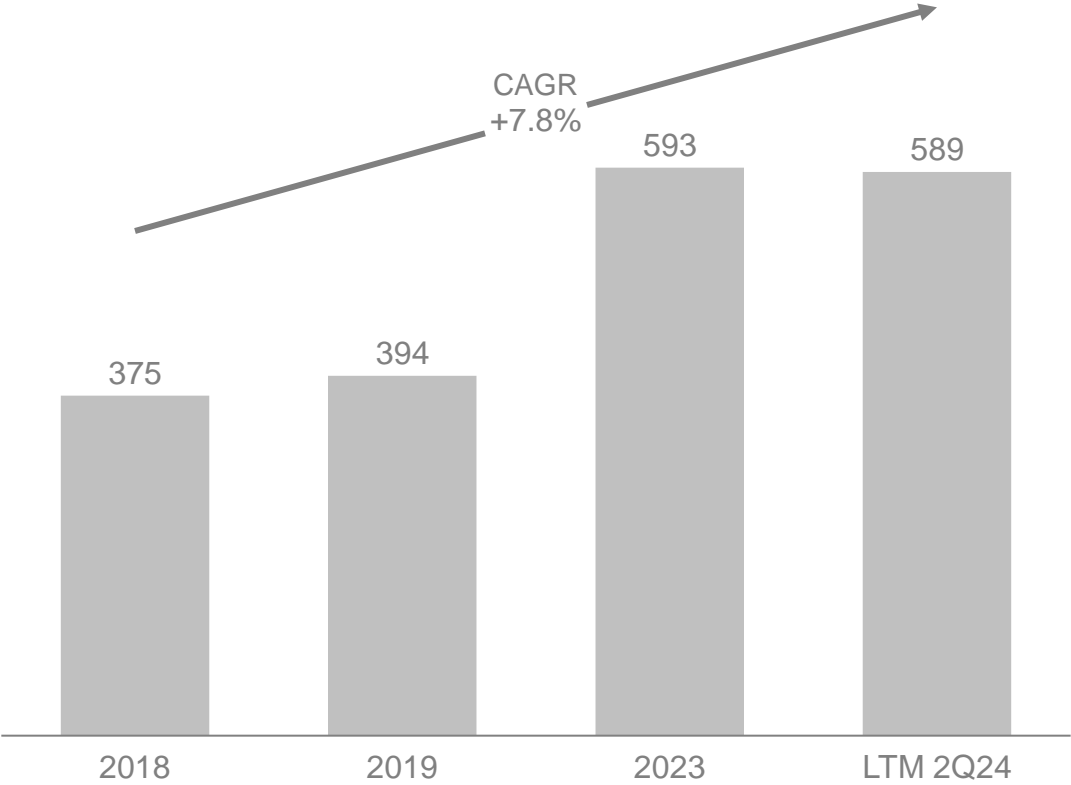
2Q24 temporary reduction in international capacity normalizing in 2H
Continued strong demand in international markets

Over Time, Fares More Than Offset Currency Devaluation

Average Exchange Rate (R\$)



Average Fare (R\$)



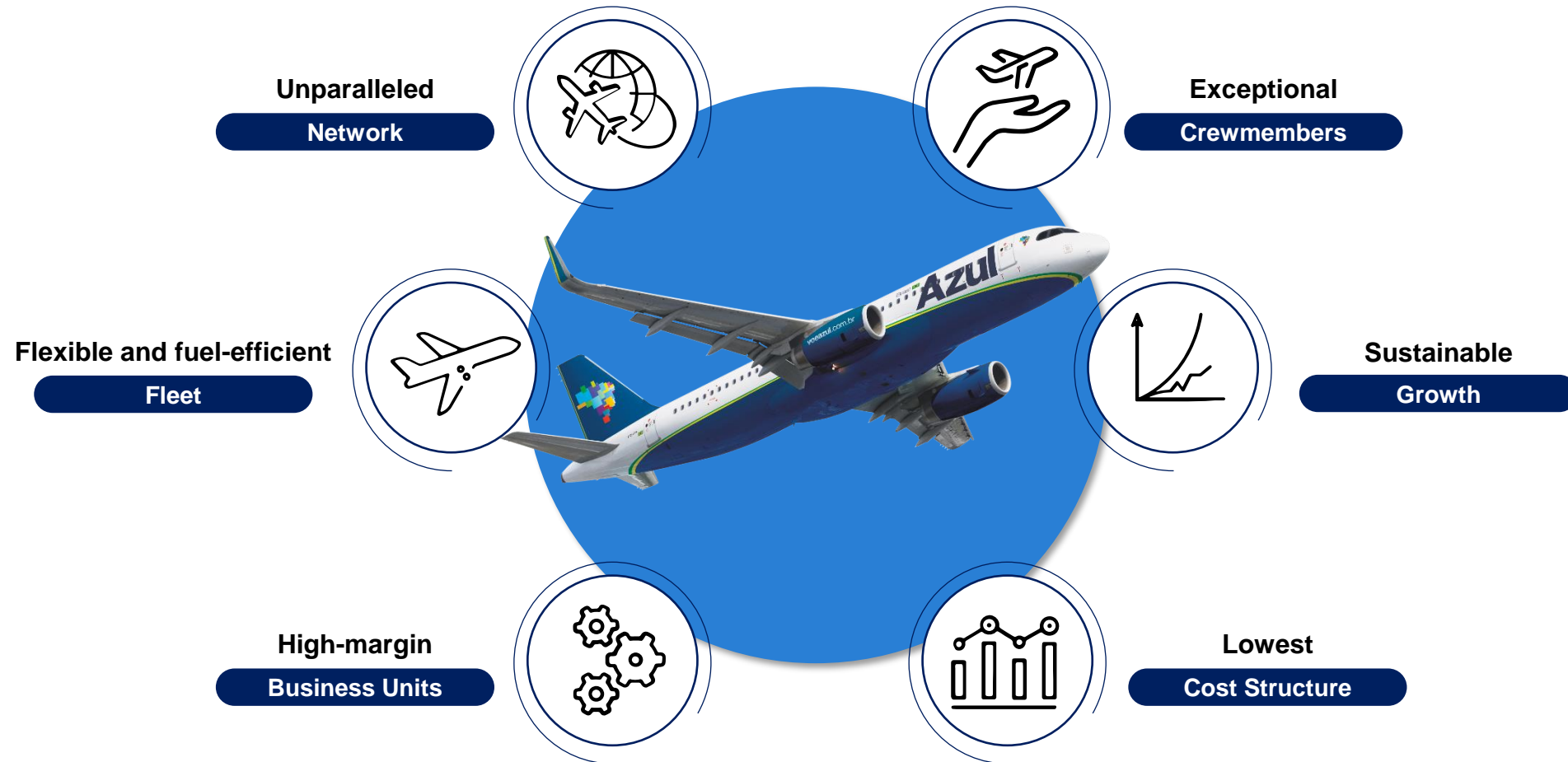
Increase of 5% in US dollar would require a 3% increase in fares to offset impact to expenses and cash
Over time, Azul fares perform even better, demonstrating ability to offset dollar impacts

Ability to Innovate and Adapt

	Azul 1.0	Azul 2.0	Azul 3.0	Azul 4.0	Azul 5.0	Azul 6.0
	Single Fleet	Fleet Diversification	Azul+Trip Merger	International Expansion	Pandemic Reaction	Current
	2009	2011	2012	2014	2022	2024
Destinations	16	41	100	105	145	163 ¹
EBITDA	-R\$0.1 billion	R\$0.2 billion	R\$0.5 billion	R\$1.4 billion	R\$3.2 billion	R\$5.5 billion (LTM)
ASK	2.7 billion	8.6 billion	11.5 billion	19.7 billion	39.6 billion	44.6 billion (LTM)
Fuel Price	R\$1.57	R\$2.03	R\$2.29	R\$2.48	R\$5.44	R\$4.40 ¹
Foreign Exchange Rate	R\$2.00	R\$1.67	R\$1.96	R\$2.35	R\$5.17	R\$5.51 ¹
CDI	9.9%	11.6%	8.4%	11.6%	5.79%	11.5% ¹

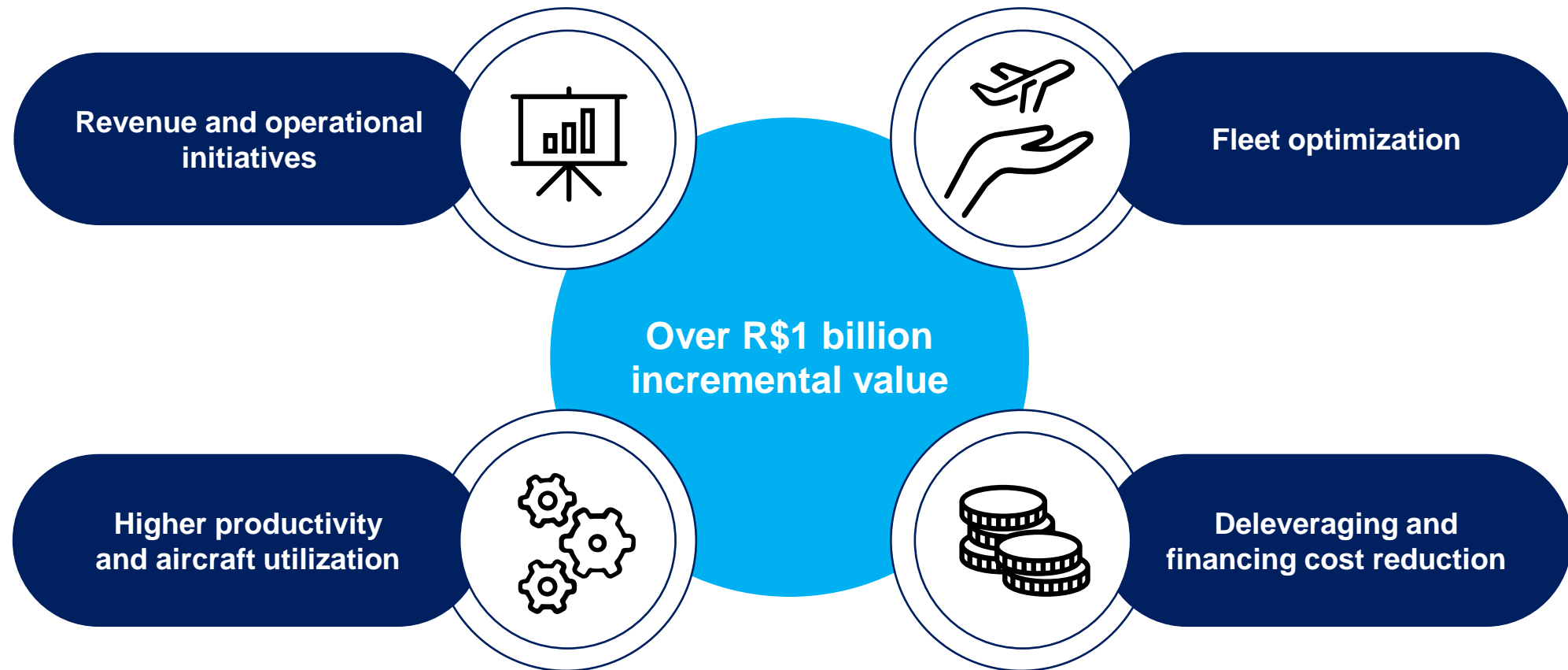
Azul has repeatedly demonstrated ability to adapt to new market conditions and opportunities

Azul's Core Strengths



Throughout the years, Azul's core strengths and competitive advantages have remained consistent

Azul's *Elevate* Plan



Elevate Leading Revenue Initiatives



Partnerships

Gol codeshare agreement
(non-overlapping routes)



Ancillary revenues

July: 17% YoY increase in rev/pax
Buy onboard / Wi-Fi
segmentation opportunities



Business units

33% growth in B2C point sales
Expand vacations network



International

50%+ capacity recovery March onwards
4 widebodies arriving until March 2025

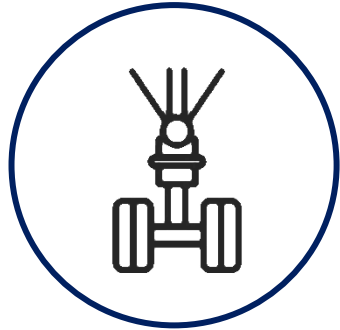
Multiple opportunities available to increase revenue

Elevate Leading Expense Initiatives



Fleet efficiency

Reduce minimum ground time
Higher aircraft utilization



Fleet

Increase next-gen utilization by
utilizing E1 as spares
Capex optimization



Purchasing

Negotiating R\$1.5+ billion in contracts
Streamlined procurement

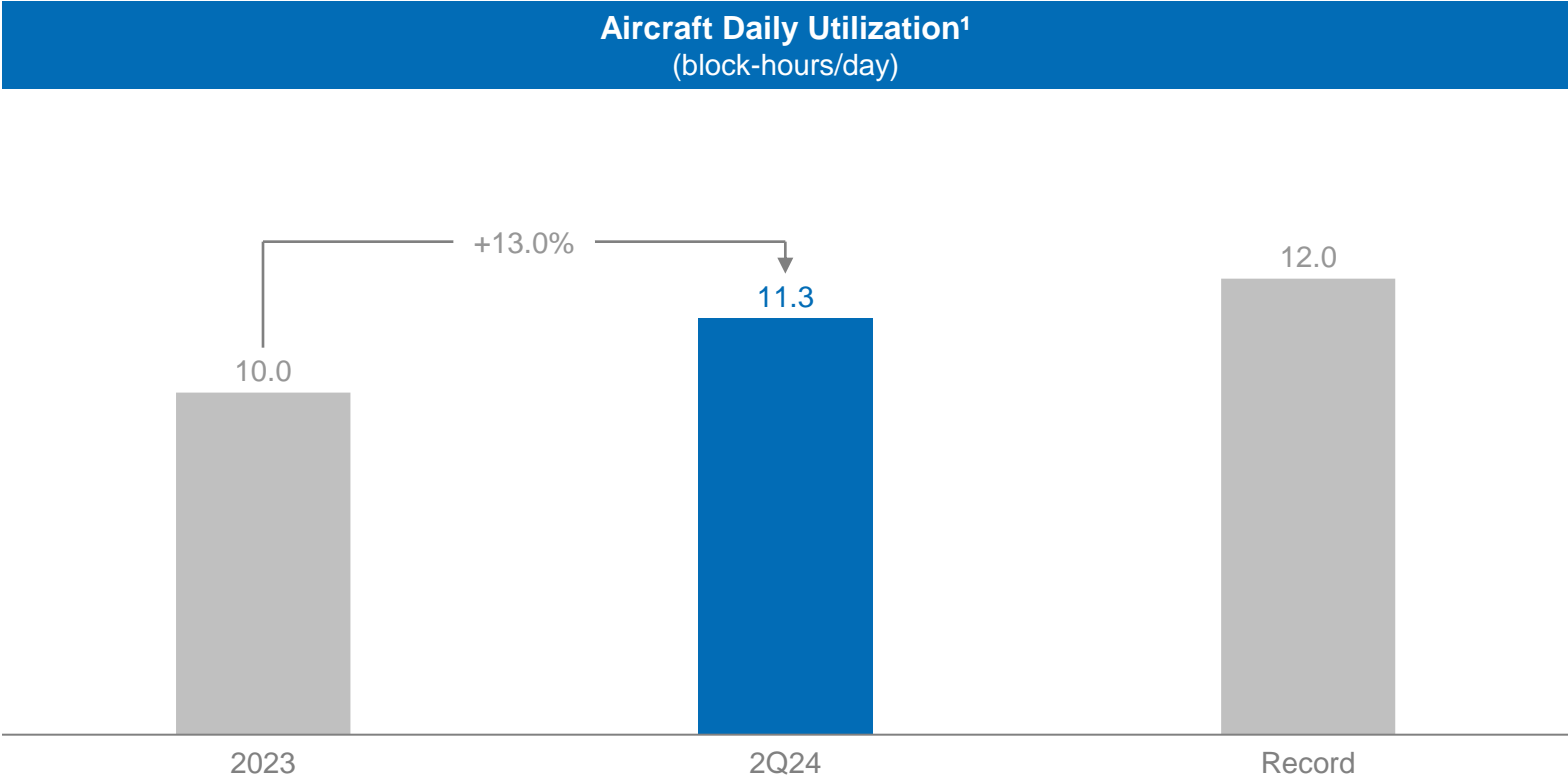


Crewmember productivity

Enable capacity growth with
stable headcount

Multiple opportunities available to reduce costs

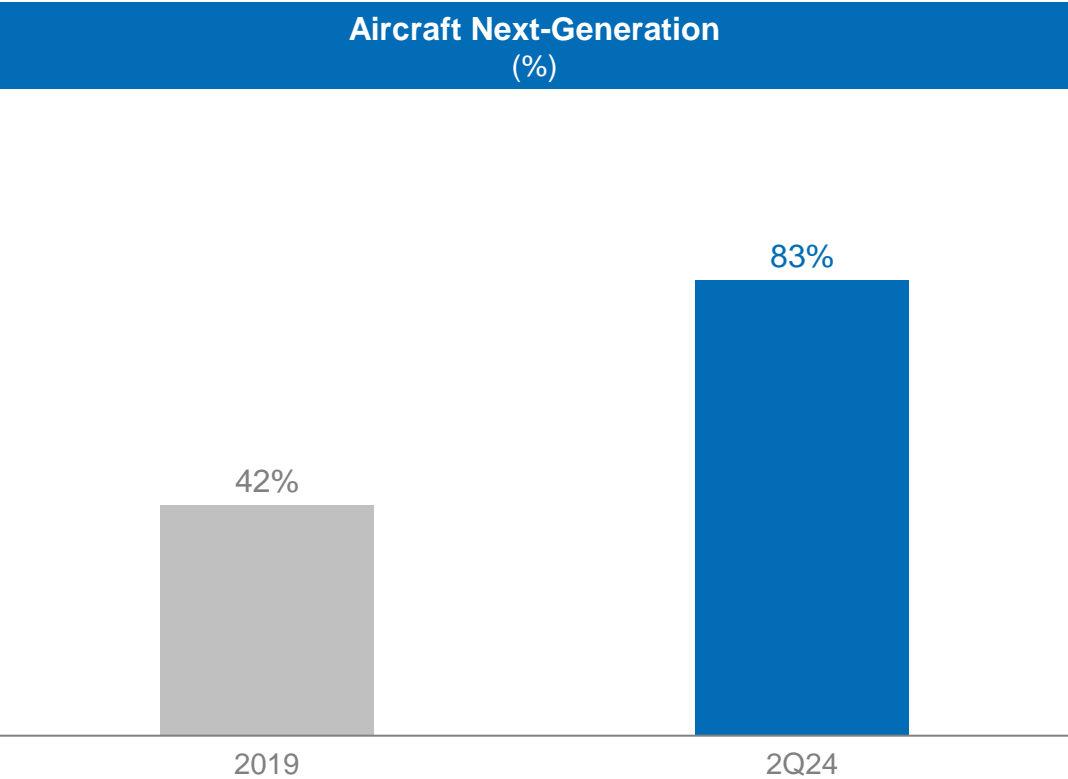
Fleet Efficiency – Minimum Ground Time



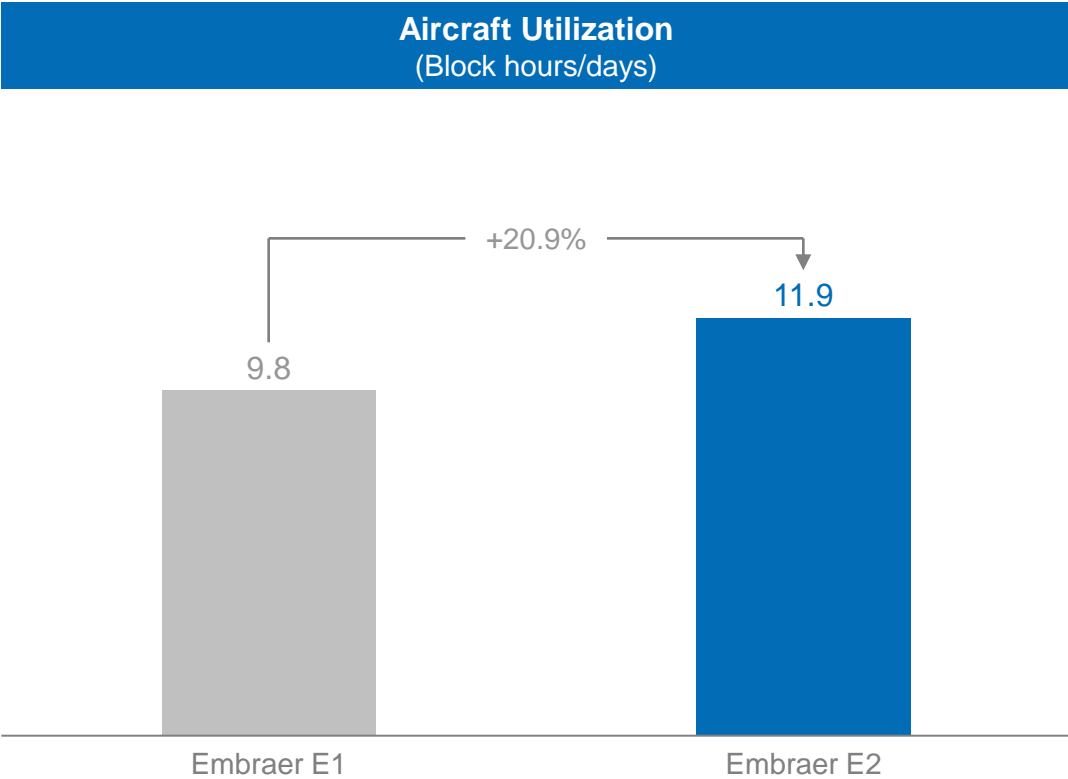
Higher aircraft utilization and lower ground time, improving efficiency

Fleet & Capex Optimization Plan

Aircraft Next-Generation
(%)



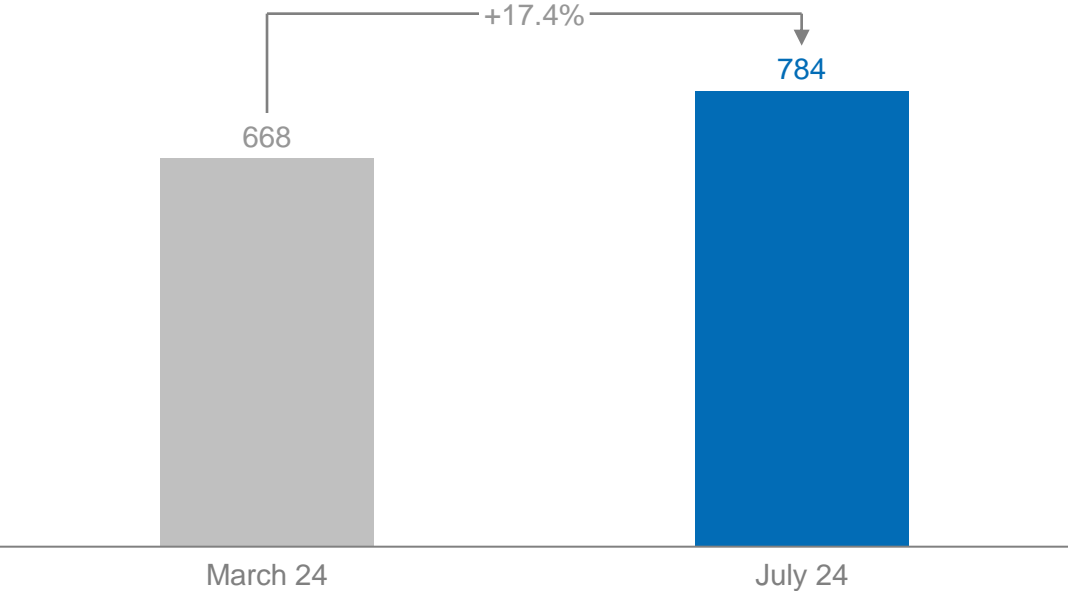
Aircraft Utilization
(Block hours/days)



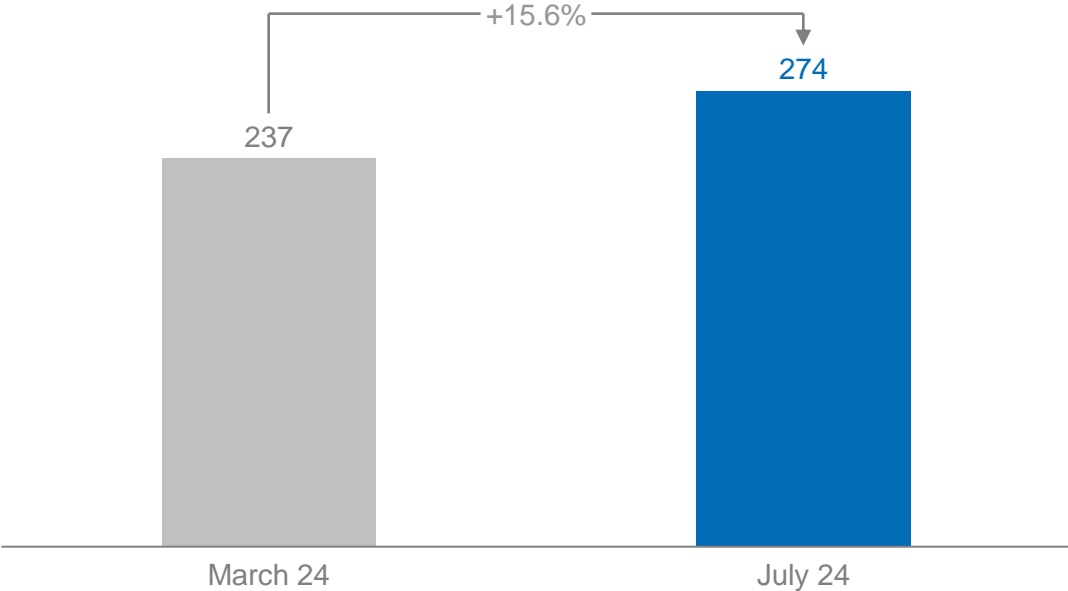
Maximization of next-gen aircraft utilization, using E1s as spare

Crewmember Productivity – Operational Leverage

Passenger per Airport FTE (#)



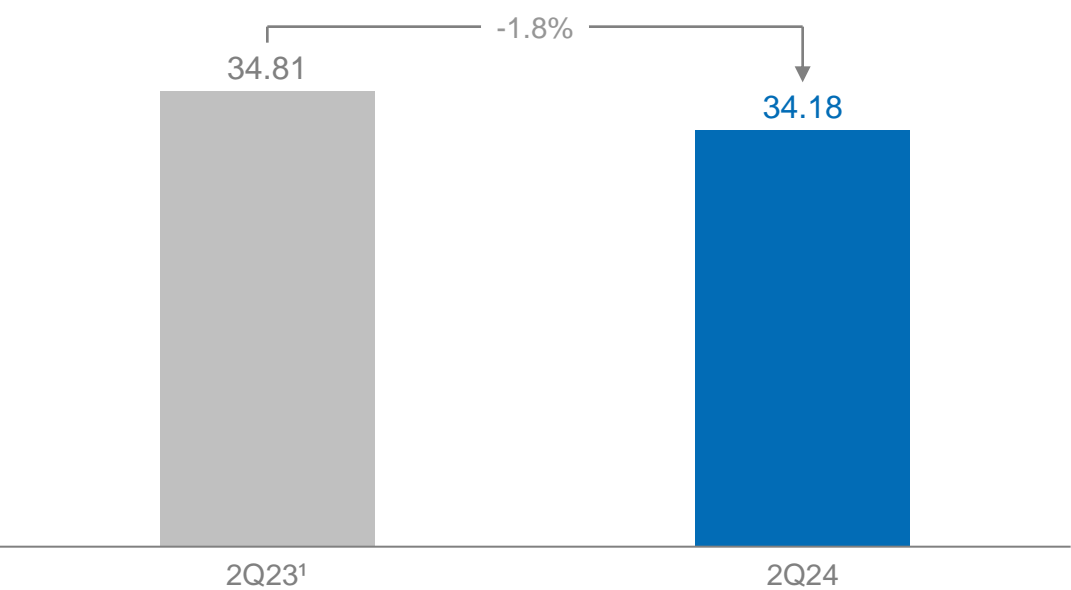
Productivity (ASK/FTE*)



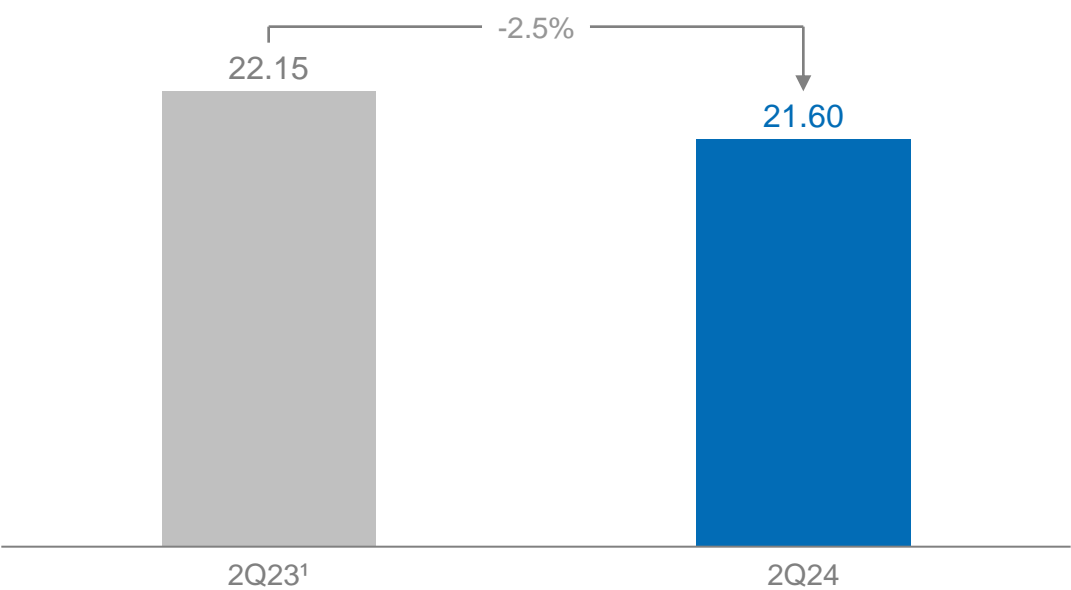
Technology, process and resource optimization delivering efficiency in passenger handling and leaner operation

Better CASK Performance

CASK
(Adjusted, R\$ cents)

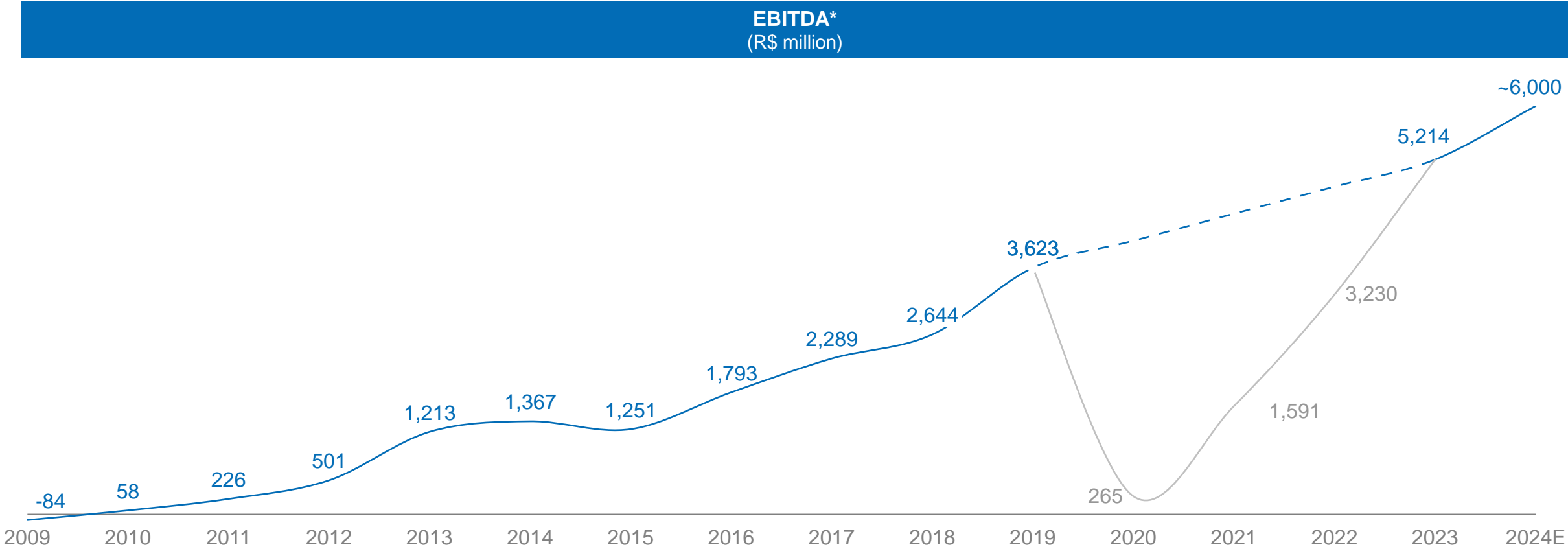


CASK ex-Fuel
(Adjusted, R\$ cents)



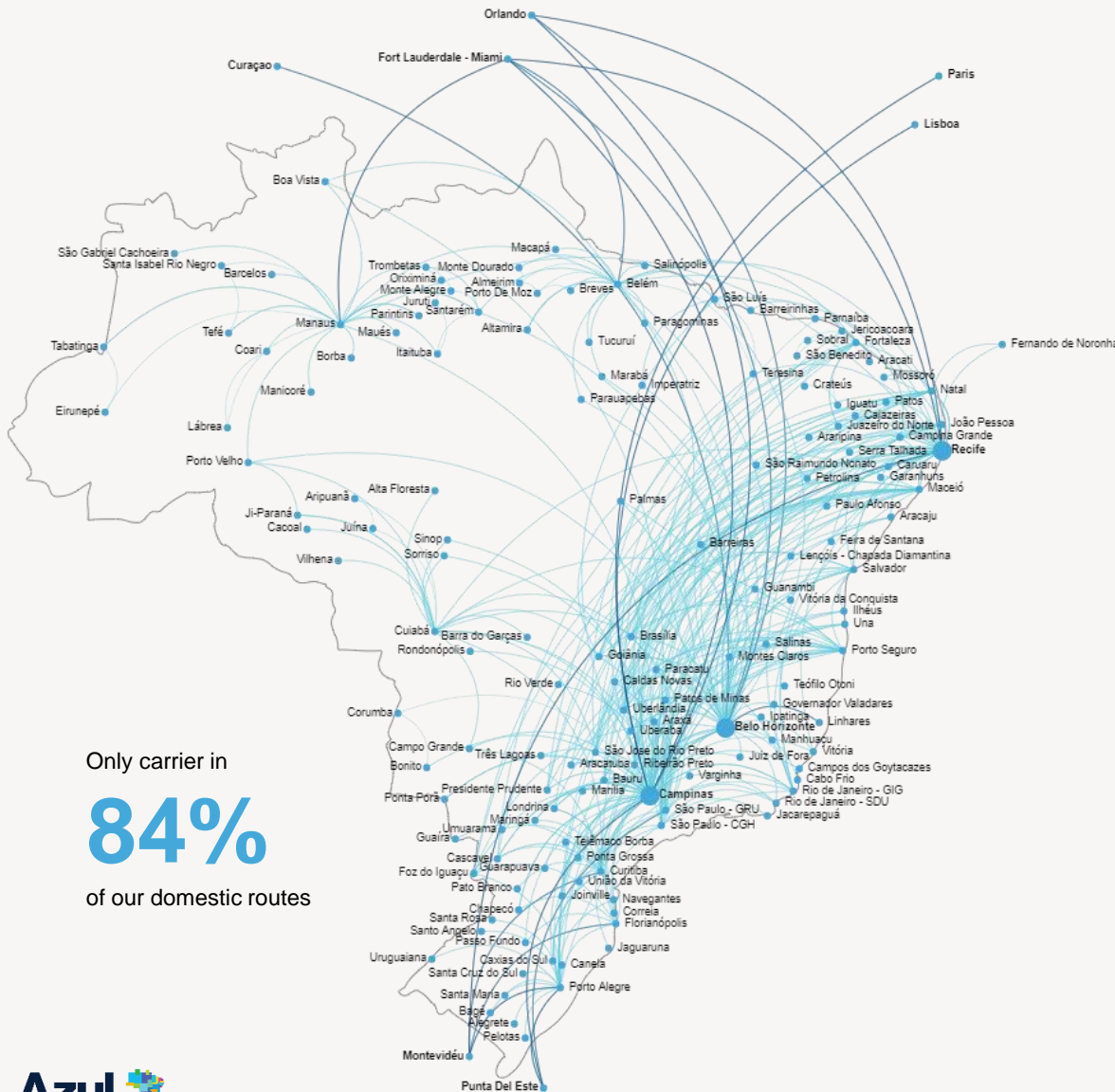
Further ability to reduce CASK through continued fleet transformation and *Elevate* initiatives

Significant Revenue Growth and Margin Expansion



Expecting EBITDA of ~R\$6.0 billion in 2024, 66% higher than 2019

Unique Business Model Delivering Solid Results



**Exclusive Network and
Diversified Fleet**



Superior Customer Service



Industry-Leading Profitability



**Fast-Growth, High-Margin
Businesses**



Optimized Capital Structure



VOEAZUL

Thank you.



INVESTOR RELATIONS

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