

## VIVA AEROBUS 3Q 2021 EARNINGS RELEASE

### 26% passenger growth vs. 3Q 2019 and 44% EBITDAR Margin

Mexico City, October 25, 2021 – Grupo Viva Aerobus, S.A. de C.V. ("Grupo Viva") holding of Aerolíneas Nacionales S.A. de C.V. ("Viva Aerobus"), today announced its third quarter 2021 financial results.

## COVID-19

- All COVID-19 safety and health measures remained in place and up-to-date for our passengers and 'Gente Viva', throughout the program 'Viva Contigo'. All protocols are based on the recommendations of domestic and international health authorities and comprehensively deployed at each aircraft, airport counters, kiosks and workspace. For further details, please visit: <https://www.vivaerobus.com/en/info/viva-actions-covid-19>.
- The Company mandated to reach a 100% vaccination rate for all the "Gente Viva" by the end of September, 98% has been accomplished, with strong Company's support in getting the COVID-19 vaccine, in Mexico and the U.S.

## Strong liquidity and balance sheet

- The cash and cash equivalents balance ended the Q3 2021 at Ps.8,182 million, Ps.5,112 million or 166.5% above the Ps.3,070 million recorded in Q3 2020, posting a quarterly positive cash flow of Ps.283 million, which breakdowns into streams of Ps.1,670 million generated by our operations (from a larger scale of routes and available seats, reflected in incremental revenues), Ps.709 million used in financing activities, and Ps.678 million used in investment activities.

## Expanding our capacity and fleet despite the 3<sup>rd</sup> wave of COVID

- During Q3 2021, we launched 3 new routes, including our first service into Colombia (MEX – BOG) and incorporated 2 aircraft (7 aircraft year-to-date). This expansion in both fleet and network is reflected in our 3,780 quarterly available seat miles (ASMs) that lies 113.3% and 42.5% above than the ASMs recorded in Q3 2020 and Q3 2019, respectively.

## The Future is Green – Our Environmental Culture

- In October 2020, we unveiled our environmental culture 'El Futuro es Verde', which among other initiatives, includes: (1) the separation of waste for recycling during flights (first Mexican airline to set this standard); (2) the acquisition approval of a carbon credits portfolio, pursuant to the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA); (3) the reduction of CO<sub>2</sub> emissions per seat and mile, and CO<sub>2</sub> per passenger and mile, striving for a 15% cutback towards 2025; and, (4) recently closed (May 2021) an strategic alliance with Anaconda Carbon that gears toward the launching of a voluntary carbon footprint reduction program, to encourage all passengers to involve against climate change. In this sense, we are very pleased with the increasing response to this initiative, as we progressed from a 0.36% share of flown passengers who decided to offset their carbon footprint from the launching date, in May 2021, to the end of Q2 2021 to a 0.46% share in Q3 2021.
- On July 8, 2021, as part of the Future is Green, Viva Aerobus closed a strategic alliance with Reforestamos México, a civil association focused on the forest care and its preservation, for a sustainable development. This partnership involves 3 key activities, for Viva Aerobus and its passengers, to support the forest care in Mexico, and thus contribute to the UN Sustainable Development Goals: i) All proceeds stemming from the recycling of LDPE and BOPP wrappers, aluminum cans and plastic bottles, from food & beverages consumed during flights, will be donated to Reforestamos México; ii) Viva Aerobus will adopt a forest hectare, where it will deploy economic resources, as well as volunteers from Gente Viva, to plant, reforest and conduct maintenance works under the expert guidance of the association; and, iii) Viva Aerobus takes the commitment to encourage all its passengers to donate resources directly to the association, by deploy advertising over the [special website for donation](#) of Reforestamos México at both its official website and social networks.



## Q3 2021 Highlights

- **During Q3 2021, Viva Aerobus operated 125 routes** (103 domestic routes and 22 international). Especially noteworthy were the efforts deployed to support the Mexican tourism industry and the positive drive of the summer break, same that we strived to capitalize through the deployment of seasonal routes, to Huatulco, Cozumel and Ixtapa Zihuatanejo.
- From January 2021 to August 2021, the Federal Civil Aviation Agency (Agencia Federal de Aviación Civil) reported that **Viva Aerobus increased its share of passengers carried in the domestic market** by 8.5 pp. vs. the same period 2019, reaching a **28.2%** domestic share. Likewise, it is noteworthy that, in August 2021, Viva Aerobus emerged as the second airline with the highest number of domestic passengers carried (28.4%, +6.0 pp. vs. August 2019). These milestones reflect the outstanding business recovery and position that the Company has been able to seize.
- **Booked passengers** continue posting encouraging numbers, **growing 25.9%** vs. Q3 2019 and 21.9% YTD vs. the 9M 2019, **reaching 4,215,343 and 10,651,387 booked passengers**, respectively, despite the weaker dynamics observed during August and September due to the third wave of COVID-19 in Mexico, amid the outbreak of the "Delta" variant.
- **Total revenue** for the third quarter **increased 50.0%** or Ps.1,981 million vs. Q3 2019, amounting to **Ps.5,945 million**, benefited by a unit revenue (RASM) growth of 5.2% vs. Q3 2019, totaling Ps.1.57 driven by a **42.2% increase vs. Q3 2019 in ancillary revenues per passenger**. In Q3 2021 ancillary revenues represented a **45.9% share of total revenue**.
- **EBITDAR margin of 44.0%** Q3 2021 vs. 38.3% Q3 2019 (+5.7 p.p.). **EBITDAR reached Ps.2,619 million**, improving 9x vs. Q3 2020 and 72.4% (+Ps.1,100 million) vs. Q3 2019. This result allowed Viva Aerobus to post a **net income of Ps.919 million**, performing with solid profitability for the second quarter in a row, favorably compared to the net loss of Q3 2020 (+Ps.1,653 million YoY), and improving 4x or Ps.693 million vs. the Ps.226 million net income of Q3 2019.
- Our **cash and cash equivalents balance of Ps.8,182 million**, as of September 30, 2021, represents 48.1% of the LTM as of September 2021 total revenue.
- The average reference cost per gallon of jet fuel heavily increased 84.5%, from USD\$1.03 in Q3 2020 to USD\$1.90 in in Q3 2021.
- The USD/MXN average exchange rate appreciated 9.5% from Ps.22.11/USD in Q3 2020, to Ps.20.01/USD this quarter.
- Two aircraft joined our fleet during the quarter, including **our 50<sup>th</sup> aircraft** (brand new Airbus 321neo).
- On August 10, 2021, **Viva Aerobus received the ISO 9001:2015 certification from Bureau Veritas**, one of the world's leading certification bodies. The attainment of this certificate follows an over-3-year work led by a multidisciplinary team formed by Viva Aerobus for this purpose. This achievement attests the Company's unwavering commitment to the ongoing improvement of its operations, safety and quality of service.
- On September 20, 2021, Sonia Jerez joined Viva Aerobus as Chief Financial Officer. Ms. Jerez boasts a long path in the airline financial segment, having served as CFO of Volaris, Wizz Air, and Vueling.
- On October 6, 2021, **Viva Aerobus officially received the award 'Value Airline of the Year' at the 47<sup>th</sup> Annual Air Transport World (ATW) Aviation Industry Awards ceremony**, held in Boston, Massachusetts. The reception of this award attests the professionalism, dedication and commitment of our Gente Viva, to serve our passengers safely, reliably and always at the best price, during very challenging scenarios.



## Comparative Analysis

The following charts summarize our financial and operating results of the quarter and year-to-date. During 2021, we will be comparing our results against 2020 and 2019, as the COVID-19 pandemic started to disrupt passenger demand in Mexico in the second half of March 2020. This comparison will provide a better picture of the Company's recovery from pre-pandemic periods to those affected by COVID-19.

## Financial Information

Financial Indicators (MXN Million)	3Q 2021 (USD\$) <sup>1</sup>	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019 ◊	% Var vs. 3Q 2019
Total Revenue	283	5,945	1,831	224.7%	3,964	50.0%
EBITDAR	126	2,619	272	862.2%	1,519	72.4%
<b>EBITDAR Margin</b>	<b>44.0%</b>	<b>44.0%</b>	<b>14.9%</b>	<b>29.2 p.p.</b>	<b>38.3%</b>	<b>5.7 p.p.</b>
EBTIDA	117	2,427	30	7,990.0%	1,425	70.3%
<b>EBITDA Margin</b>	<b>40.8%</b>	<b>40.8%</b>	<b>1.6%</b>	<b>39.2 p.p.</b>	<b>36.0%</b>	<b>4.9 p.p.</b>
Operating (loss) income (EBIT)	80	1,639	(751)	(318.2%)	597	174.6%
<b>EBIT Margin</b>	<b>27.6%</b>	<b>27.6%</b>	<b>(41.0%)</b>	<b>68.6 p.p.</b>	<b>15.1%</b>	<b>12.5 p.p.</b>
Earnings Before Taxes (EBT)	68	1,394	(1,041)	(233.9%)	303	360.0%
<b>EBT Margin</b>	<b>23.4%</b>	<b>23.4%</b>	<b>(56.9%)</b>	<b>80.3 p.p.</b>	<b>7.7%</b>	<b>15.8 p.p.</b>
Net (loss) income	45	919	(734)	(225.3%)	226	307.3%
<b>Net Margin</b>	<b>15.5%</b>	<b>15.5%</b>	<b>(40.1%)</b>	<b>55.5 p.p.</b>	<b>5.7%</b>	<b>9.8 p.p.</b>

<sup>1</sup>Amounts in USD were converted from Pesos using the end of period exchange rate and are disclosed for information purposes only.

◊Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.

Financial Indicators (MXN Million)	9M 2021 (USD\$) <sup>1</sup>	9M 2021	9M 2020	% Var vs. 9M 2020	9M 2019 ◊	% Var vs. 9M 2019
Total Revenue	677	13,743	4,984	175.7%	9,146	50.3%
EBITDAR	255	5,175	415	1,146.0%	2,753	88.0%
<b>EBITDAR Margin</b>	<b>37.7%</b>	<b>37.7%</b>	<b>8.3%</b>	<b>29.3 p.p.</b>	<b>30.1%</b>	<b>7.6 p.p.</b>
EBTIDA	213	4,334	(19)	(23,503.9%)	2,506	73.0%
<b>EBITDA Margin</b>	<b>31.5%</b>	<b>31.5%</b>	<b>(0.4%)</b>	<b>31.9 p.p.</b>	<b>27.4%</b>	<b>4.1 p.p.</b>
Operating (loss) income (EBIT)	104	2,104	(2,192)	(196.0%)	620	239.3%
<b>EBIT Margin</b>	<b>15.3%</b>	<b>15.3%</b>	<b>(44.0%)</b>	<b>59.3 p.p.</b>	<b>6.8%</b>	<b>8.5 p.p.</b>
Earnings Before Taxes (EBT)	81	1,638	(3,091)	(153.0%)	(79)	(2,168.3%)
<b>EBT Margin</b>	<b>11.9%</b>	<b>11.9%</b>	<b>(62.0%)</b>	<b>73.9 p.p.</b>	<b>(0.9%)</b>	<b>12.8 p.p.</b>
Net (loss) income	53	1,081	(2,168)	(149.8%)	50	2,083.6%
<b>Net Margin</b>	<b>7.9%</b>	<b>7.9%</b>	<b>(43.5%)</b>	<b>51.4 p.p.</b>	<b>0.5%</b>	<b>7.3 p.p.</b>

<sup>1</sup>Amounts in USD were converted from Mexican Pesos using the end of period exchange rate and are disclosed for information purposes only.

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## Financial Ratios

Financial Ratios	3Q 2021	3Q 2020	3Q 2019 ◊
Liquidity Ratio*	0.72x	0.57x	0.75x
Current Ratio**	0.74x	0.59x	0.77x
<b>Cash as % of LTM Revenue***</b>	<b>48.1%</b>	<b>35.2%</b>	<b>30.3%</b>
Total Debt / Shareholders' Equity	3.14x	2.89x	1.58x
<b>Adjusted Net Leverage**** / LTM EBITDAR</b>	<b>3.35x</b>	<b>13.69x</b>	<b>3.56x</b>

\*Liquidity Ratio = (Current Assets - inventory) / Current Liabilities

\*\* Current Ratio = Current Assets / Current Liabilities

\*\*\* Includes Restricted Cash

\*\*\*\* Adjusted Net Leverage: Net Debt (Total Financial Debt minus Cash \*\*\*) plus Capitalized Operational Leases

◊Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.



## Operational Information

Operational Indicators	3Q 2021 (USD\$) <sup>2</sup>	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019	% Var vs. 3Q 2019
ASMs (million)	-	3,780	1,772	113.3%	2,652	42.5%
RPMs (million)	-	3,106	1,372	126.4%	2,332	33.2%
ASKs (million)	-	6,083	2,852	113.3%	4,267	42.6%
RPks (million)	-	4,998	2,207	126.5%	3,753	33.2%
Sectors	-	26,883	13,007	106.7%	20,694	29.9%
Block Hours	-	54,239	25,413	113.4%	41,138	31.8%
Average Aircraft Utilization (Block Hours)	-	13.1	9.8	33.7%	14.3	(8.4%)
Booked Passengers (thousands)	-	4,215	1,850	127.8%	3,347	25.9%
Load Factor (%)	-	82.2%	77.4%	4.8 p.p.	88.0%	(5.8 p.p.)
RASM <sup>1</sup> (cents)	7.7	157.3	103.3	52.3%	149.5	5.2%
Adjusted RASM <sup>1*</sup> (cents)	6.6	134.0	88.2	51.9%	124.3	7.8%
RASK <sup>1</sup> (cents)	4.8	97.7	64.2	52.2%	92.9	5.2%
Adjusted RASK <sup>1**</sup> (cents)	4.1	83.2	54.8	51.8%	77.2	7.8%
Fare Revenue per Passenger <sup>1</sup>	38	763	424	80.0%	730	4.5%
Ancillary Revenue per Passenger <sup>1</sup>	32	647	565	14.5%	455	42.2%
Operating Revenue per Passenger <sup>1</sup>	69	1,410	990	42.4%	1,185	19.0%
CASM <sup>1</sup> (cents)	5.6	113.9	145.7	(21.8%)	127.0	(10.3%)
CASM ex-fuel <sup>1</sup> (cents)	3.4	68.6	109.0	(37.1%)	79.2	(13.4%)
Adjusted CASM <sup>1*</sup> (cents)	4.8	97.0	124.3	(22.0%)	105.6	(8.1%)
Adjusted CASM <sup>1*</sup> ex-fuel (cents)	2.9	58.4	93.1	(37.3%)	65.9	(11.4%)
CASK <sup>1</sup> (cents)	3.5	70.8	90.5	(21.8%)	78.9	(10.3%)
CASK ex-fuel <sup>1</sup> (cents)	2.1	42.6	67.8	(37.2%)	49.2	(13.4%)
Adjusted CASK <sup>1**</sup> (cents)	3.0	60.3	77.3	(22.0%)	65.6	(8.1%)
Adjusted CASK <sup>1**</sup> ex-fuel (cents)	1.8	36.3	57.8	(37.2%)	40.9	(11.2%)
Operational Indicators	9M 2021 (USD\$) <sup>2</sup>	9M 2021	9M 2020	% Var vs. 9M 2020	9M 2019	% Var vs. 9M 2019
ASMs (million)	-	9,297	4,578	103.1%	6,790	36.9%
RPMs (million)	-	7,670	3,724	106.0%	6,047	26.8%
ASKs (million)	-	14,962	7,367	103.1%	10,927	36.9%
RPks (million)	-	12,344	5,993	106.0%	9,732	26.8%
Sectors	-	68,548	34,758	97.2%	53,504	28.1%
Block Hours	-	135,591	68,749	97.2%	106,184	27.7%
Average Aircraft Utilization (Block Hours)	-	12.2	10.8	13.0%	13.5	(9.6%)
Booked Passengers (thousands)	-	10,651	5,178	105.7%	8,737	21.9%
Load Factor (%)	-	82.5%	81.4%	1.1 p.p.	89.1%	(6.6 p.p.)
RASM <sup>1</sup> (cents)	7.3	147.8	108.9	35.7%	134.7	9.7%
Adjusted RASM <sup>1*</sup> (cents)	6.2	124.3	91.6	35.7%	111.6	11.4%
RASK <sup>1</sup> (cents)	4.6	91.8	67.7	35.6%	83.7	9.7%
Adjusted RASK <sup>1**</sup> (cents)	3.8	77.3	56.9	35.9%	69.3	11.5%
Fare Revenue per Passenger <sup>1</sup>	35	705	445	58.4%	584	20.7%
Ancillary Revenue per Passenger <sup>1</sup>	29	585	517	13.2%	463	26.3%
Operating Revenue per Passenger <sup>1</sup>	64	1,290	963	34.0%	1,047	23.2%
CASM <sup>1</sup> (cents)	6.2	125.2	156.8	(20.2%)	125.6	(0.3%)
CASM ex-fuel <sup>1</sup> (cents)	4.0	81.4	117.9	(31.0%)	75.3	8.1%
Adjusted CASM <sup>1*</sup> (cents)	5.2	105.3	131.9	(20.2%)	104.0	1.3%
Adjusted CASM <sup>1*</sup> ex-fuel (cents)	3.4	68.5	99.2	(30.9%)	62.4	9.8%
CASK <sup>1</sup> (cents)	3.9	77.8	97.4	(20.1%)	78.0	(0.3%)
CASK ex-fuel <sup>1</sup> (cents)	2.5	50.6	73.3	(31.0%)	46.8	8.1%
Adjusted CASK <sup>1**</sup> (cents)	3.3	65.4	81.9	(20.1%)	64.6	1.2%
Adjusted CASK <sup>1**</sup> ex-fuel (cents)	2.1	42.6	61.6	(30.8%)	38.8	9.8%

<sup>1</sup>Figures in MXN unless otherwise stated<sup>2</sup>Amounts in USD were converted from Pesos using the end of period exchange rate.

\*Adjusted to 1,000 m

\*\*Adjusted to 1,609 km

# Income Statement Analysis (P&L)

## Total Revenue

Total Revenue amounted to Ps.5,945 million, climbing 224.8% against the Ps.1,831 million of Q3 2020 (performance limited by the uncertainty that featured the early stages of COVID-19 pandemic) and 50.0% vs. the Ps.3,964 million of Q3 2019. These growth rates attest the clear upswing in our operation since resuming our full capacity. In this sense, Viva Aerobus has further expanded its offering, by operating 125 routes (3 kick-offs during Q3 2021), as well as incorporated 2 aircraft in Q3 2021 (7 aircraft year-to-date) to support a wider network.

Here, it is worth noting that, throughout the pandemic, Viva Aerobus has substantially leveraged on its robust offering of ancillary services (share of 45.9% in the Q3 2021 revenue mix), tapping on its ultra-low-cost model to introduce effective demand-stimulating promotions and continuous launching of routes (contributing to the air connectivity of Mexico).

## Fare Revenue

The success of its expansion endeavors (+42.5% in ASMs vs Q3 2019) enabled Viva Aerobus to post Ps.3,218 million of fare revenue for Q3 2021, 31.8% higher than the Ps.2,442 million of Q3 2019, and significantly above than the Ps.785 million of Q3 2020 (period marked by a lower use of capacity that gradually recovered from a usage rate under 50%, at the beginning of July 2020, to roughly 80% as of the end of September 2020).

## Ancillary Revenue

Although its revenue share decreased on an annual basis, given the fast-growing fare revenue, ancillary services remained strong as the cornerstone of our business model, surging 160.9% or +Ps.1,682 million, and 79.2% or Ps.1,206 million, vs. Q3 2020 and Q3 2019, respectively, thus totaling Ps.2,728 million for the Q3 2021.

## Operating Expenses

Operating expenses for the Q3 2021 was Ps.4,306 million, up 66.8% vs. Q3 2020 and 27.9% above than that of Q3 2019. Both growth rates followed a larger scale of the operation that was driven by the Company's remarkable recovery. It is relevant to note that the growth rate vs. Q3 2020 is higher than that vs. Q3 2019 due to the limited performance that featured the onset of the pandemic last year.

(MXN million)	3Q 2021 (USD\$) <sup>1</sup>	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019 <sup>2</sup>	% Var vs. 3Q 2019
Jet Fuel	81	1,715	649	164.2%	1,267	35.3%
Maintenance	5	117	201	(41.8%)	171	(31.7%)
Supplemental rents	9	192	242	(20.7%)	94	105.0%
Salaries, wages and other benefits	26	552	280	97.3%	385	43.3%
Depreciation and amortization	37	787	781	0.9%	829	(5.0%)
Rights for the usage of air space	9	187	96	95.9%	160	17.2%
Selling, administrative & advertising expenses	37	781	380	105.4%	519	50.4%
Other operating expenses (income)	(1)	(25)	(47)	(46.2%)	(58)	(56.0%)
<b>Total Operating Expenses</b>	<b>203</b>	<b>4,306</b>	<b>2,581</b>	<b>66.8%</b>	<b>3,367</b>	<b>27.9%</b>
Operating-expenses-to-revenue ratio (%)	72.4%	72.4%	141.0%	(68.6 p.p.)	84.9%	(12.5 pp.)

<sup>1</sup>Amounts in USD were converted from Mexican Pesos using the end of period exchange rate and are disclosed for information purposes only.

<sup>2</sup>Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.



## 3Q21 Earnings Release

### EBITDAR

Q3 2021 EBITDAR hiked Ps.2,347 million (+9x times) vs. Q3 2020 and Ps.1,100 million (+72.4%) vs. Q3 2019, to reach Ps.2,619 million.

(MXN million)	3Q 2021 (USD\$) <sup>1</sup>	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019 <sup>2</sup>	% Var vs. 3Q 2019
Operating (Loss) Income (EBIT)	80	1,639	(751)	(318.2%)	597	174.6%
Depreciation and Amortization	37	787	781	0.9%	829	(5.0%)
Rents (Supplementary)	9	192	242	(20.7%)	94	105.0%
EBITDAR <sup>2</sup>	126	2,619	272	862.1%	1,519	72.4%
<b>EBITDAR Margin</b>	<b>44.0%</b>	<b>44.0%</b>	<b>14.9%</b>	<b>29.2 p.p.</b>	<b>38.3%</b>	<b>5.7 p.p.</b>

<sup>1</sup>Amounts in USD were converted from Mexican Pesos using the end of period exchange rate and are disclosed for information purposes only.

<sup>2</sup>Calculated as revenue minus expenses, excluding interests, depreciation, amortization, restructuring and rental costs.

<sup>3</sup>Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.

## EBITDA

In line with the above, Q3 2021 EBITDA totaled Ps.2,427 million, standing Ps.1,001 million or 70.2% above than the Ps.1,425 million of Q3 2019, and improving considerably (+Ps.2,397 million YoY) vs. the Ps.30 million of Q3 2020. This result reflects increased revenues that grew at a higher pace than the operating expenses.

(MXN million)	3Q 2021 (USD\$) <sup>1</sup>	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019 <sup>2</sup>	% Var vs. 3Q 2019
EBITDAR	126	2,619	272	862.1%	1,519	72.4%
Rents (Supplementary)	9	192	242	(20.7%)	94	105.0%
EBITDA <sup>2</sup>	117	2,427	30	7,990.0%	1,425	70.2%
<b>EBITDA Margin</b>	<b>40.8%</b>	<b>40.8%</b>	<b>1.6%</b>	<b>39.2 p.p.</b>	<b>36.0%</b>	<b>4.9 p.p.</b>

<sup>1</sup>Amounts in USD were converted from Mexican Pesos using the end of period exchange rate and are disclosed for information purposes only.

<sup>2</sup>Calculated as revenue minus expenses, excluding interests, depreciation and amortization costs (EBITDAR minus supplementary rents).

<sup>3</sup>Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.

## Income Tax

Q3 2021 income tax provision stood at Ps.475 million, compared to a tax benefit of Ps.307 million in Q3 2020 and a tax payable of Ps.78 million in Q3 2019.

## Net (Loss) Income

The positive top-line performance together with an enhanced cost structure allowed Viva Aerobus to remain on the profitability track, achieving a notable net income of Ps.919 million this quarter (2<sup>nd</sup> consecutive quarter in the net income zone).

(MXN million)	3Q 2021 (USD\$) <sup>1</sup>	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019 <sup>2</sup>	% Var vs. 3Q 2019
Net (Loss) Income	45	919	(734)	(225.3%)	226	307.3%
<b>Net Margin</b>	<b>15.5%</b>	<b>15.5%</b>	<b>(40.1%)</b>	<b>55.5 p.p.</b>	<b>5.7%</b>	<b>9.8 p.p.</b>

<sup>1</sup>Amounts in USD were converted from Mexican Pesos using the end of period exchange rate and are disclosed for information purposes only.

<sup>2</sup>Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.



## Financial Position

### Cash & Cash Equivalents

The cash & equivalents balance was Ps.8,182 million, as of September 30, 2021, above than the Ps.3,070 million (+166.5% or +Ps.5,112 million) and Ps.3,803 million (+115.1% or +Ps.4,379 million) of same periods 2020 and 2019, respectively, as a result of the closing of a USD\$150 million bullet-loan with CarVal Investors in April 2021 and the positive cash generation attained for the second quarter in a row. The proceeds from the CarVal funding will be progressively deployed in the execution of our long-term vision.

### Financial Debt

(MXN millions)	Sep-2021	Sep-2020	Var vs. Sep-2020	Sep-2019	Var vs. Sep-2019
Bank Debt (mostly PDP financing)	1,550	1,325	16.9%	1,370	13.1%
<b>Public and Private Notes Issuance</b>	<b>4,107</b>	<b>1,329</b>	<b>209.0%</b>	<b>2,000</b>	<b>105.4%</b>
Short-term	1,903	1,220	56.0%	1,773	7.3%
Long-term	3,754	1,434	161.8%	1,596	135.2%
<b>Total Debt</b>	<b>5,657</b>	<b>2,654</b>	<b>113.2%</b>	<b>3,370</b>	<b>67.9%</b>
<b>Net Debt*</b>	<b>(2,525)</b>	<b>(416)</b>	<b>507.3%</b>	<b>(433)</b>	<b>483.1%</b>

\*Net Debt: Total Financial Debt (excluding capitalized leases) - Cash (including Restricted Cash)

Total debt as of the end of the third quarter 2021 was Ps.3,003 million (113.2%) and Ps.2,287 million (67.9%) above than that of the same period 2020 and 2019, respectively, totaling Ps.5,657 million. This growth mainly follows the subscription of a USD\$150 million 5-year bullet loan with CarVal Investors. Ps.1,903 million of the debt belong to short-term maturities (33.6% of total debt) that are related to the incoming amortizations of the outstanding long-term debt securities issued in February 2019 on the Mexican Stock Exchange, as well as the PDP financing for aircraft acquisition.

In the breakdown, 27.4% stemmed from credit facilities provided by banks, used to cover pre-delivery payments ("PDP"); and a larger share of 72.6% from private notes, including the bullet-loan with CarVal.

It is important to highlight that the reversal of the cash burn trend from the most severe periods of the pandemic is reflected in the Company's net debt that now stands negative at -Ps.2,525 million.

In line with the recovery of LTM EBITDAR, the leverage ratio (net debt plus operational leases to LTM EBITDAR) reached the end of its path to normalization, dropping 10.34x YoY to 3.35x, below than the 3.56x posted in Q3 2019.

	Sep-2021	Sep-2020	Sep-2019 <sup>◇</sup>
<b>Adjusted Net Debt / EBITDAR<sup>◇</sup></b>	<b>3.35x</b>	<b>13.69x</b>	<b>3.56x</b>

<sup>◇</sup>EBITDAR is calculated as revenue minus expenses, excluding interests, depreciation, amortization, restructuring and rental cost.

<sup>◇</sup>Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.

### Fleet

Aircraft	Sept. 2021	June 2021	Sept. 2020	Sept. 2019
Airbus 320ceo	20	20	18	20
Airbus 320neo	20	20	20	16
Airbus 321ceo	5	4	-	-
Airbus 321neo	5	4	1	-
<b>Total Fleet</b>	<b>50</b>	<b>48</b>	<b>39</b>	<b>36</b>

During the third quarter we added 2 aircraft (1 Airbus 321ceo and 1 Airbus 321neo), with a total of 7 aircraft incorporated so far this year. Consequently, our fleet comprises 20 Airbus 320ceo, 20 Airbus 320neo, 5 Airbus 321ceo and 5 Airbus 321neo, averaging an age of 5.07 years that makes it the most modern in Mexico and the second in North America. In this sense, the cutting-edge state of our fleet reflects our commitment to crystalize our strategy and long-term vision.

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### Fixed-income Analysts

Institution	Credit Rating	Analyst	E-mail
HR Ratings	HR A+ (E) - HR3	Luis Miranda	<a href="mailto:luis.miranda@hrratings.com">luis.miranda@hrratings.com</a>
Verum*	AA-/M (e) - 3/M	Jonathan Félix	<a href="mailto:jonathan.felix@verum.mx">jonathan.felix@verum.mx</a>

\*PCR Verum upgraded the ratings of Viva Aerobus' long-term issuance "VIVAACB 19" to AA- /M (e) from A/M(e), and of its short-term Local Notes program to 3/M from 4/M.

## Forward-looking Statements

*This earnings release includes forward-looking statements. Viva Aerobus has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting the financial condition of Viva Aerobus' business. Forward-looking statements should not be read as a guarantee or assurance of future performance or results and 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 with respect to 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. Important factors that could cause such differences include, but are not limited to, the competitive environment in Viva Aerobus' industry; ability to keep cost low; changes in Viva Aerobus' fuel cost, the effectiveness of Viva Aerobus' fuel cost, hedges and Viva Aerobus' ability to hedge fuel costs; the impact of worldwide economic conditions; actual or threatened terrorist attacks, global instability and potential U.S. military actions or activities; ability to generate non-ticket revenues; external conditions, including air traffic congestion, weather conditions, outbreak of disease and a further outbreak or escalation of COVID-19 or any related/mutated form of COVID-19; ability to maintain slots in the airports that we operate and service provided by airport operators; labor-related disputes; dependence on cash balances and operating cash flows; maintenance costs; use of personal data; government regulation and interpretation and supervision of compliance with applicable law; Viva Aerobus' ability to execute Viva Aerobus' growth strategy; operational disruptions; Viva Aerobus' indebtedness; Viva Aerobus' liquidity; Viva Aerobus' reliance on third-party vendors and partners; an aircraft accident or incident; changes in the Mexican market; insurance costs; and environmental regulations.*

*In addition, in this press release, the words "believe", "may", "estimate", "continue", "anticipate", "intend", "expect", "predict", "potential" and similar expressions, as they relate to Viva Aerobus, its business and its management, are intended to identify forward-looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this press release may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.*

*All forward-looking statements attributable to Viva Aerobus or persons acting on its 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 press release. You should not put undue reliance on any forward-looking statements. Viva Aerobus assumes 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 Viva Aerobus updates one or more forward-looking statements, no inference should be drawn that Viva Aerobus will make additional updates with respect to those or other forward-looking statements.*

## Glossary

**ASMs / ASKs:** Stands for "available seat miles" / "available seat kilometers" and represents aircraft seating capacity multiplied by the number of miles / kilometers the seats are flown.

**CASM / CASK:** Stands for "cost per available seat mile" / "cost per available seat kilometer" and represents operating expenses divided by available seat miles (ASMs) / available seat kilometers (ASKs).

**CASM / CASK ex-fuel:** Represents operating expenses other than fuel divided by available seat miles (ASMs) / available seat kilometers (ASKs).

**EBITDAR:** Stands for "Earnings before interest, taxes, depreciation, amortization and restructuring and rent costs" and it is calculated as revenue minus expenses, excluding interests, depreciation, amortization, restructuring and rental cost.

**Load Factor:** Represents the percentage of aircraft seating capacity that is currently used and is calculated by dividing revenue passenger miles (RPMs) by available seat miles (ASMs).

**RASM / RASK:** Stands for "operating revenue per available seat mile" / "operating revenue per available seat kilometer" and represents operating revenue divided by available seat miles / available seat kilometers.

**RPMs / RPKs:** Stands for "revenue passenger miles" / "revenue passenger kilometers" and represents the number of miles / kilometers flown by passengers.

## Investor Relations Contact

Christian Ramos Hurtado / Carla Nuñez Gomez / [ir@vivaerobus.com](mailto:ir@vivaerobus.com)



# Financial Statements

## Income Statement

### Grupo Viva Aerobus, S.A. de C.V. and Subsidiaries

Consolidated Statement of Comprehensive Income  
Three-month period ended September 30, 2021 and 2020  
(Thousands of Mexican Pesos)

MXN Thousand	3Q 2021 (USD\$)*	3Q 2021	3Q 2020	% Var vs. 3Q 2020	3Q 2019 †	% Var vs. 3Q 2019
<b>Operating Revenue</b>						
Passengers	153,082	3,217,640	785,034	309.9%	2,442,080	31.8%
Ancillary Revenue	129,944	2,727,659	1,045,514	160.9%	1,521,977	79.2%
Total Revenue	<b>283,026</b>	<b>5,945,299</b>	<b>1,830,548</b>	<b>224.8%</b>	<b>3,964,057</b>	<b>50.0%</b>
<b>Operating Expenses</b>						
Fuel	81,498	1,714,713	649,078	164.2%	1,267,300	35.3%
Maintenance	5,213	116,820	200,732	(41.8%)	170,971	(31.7%)
Salaries, wages and other benefits	26,009	552,139	279,876	97.3%	385,376	43.3%
Rights for the usage of air space	8,861	187,218	95,591	95.9%	159,724	17.2%
Selling, administrative & advertising Expenses	36,861	780,965	380,256	105.4%	519,090	50.4%
Other operating (income) expenses	(1,184)	(25,367)	(47,171)	(46.2%)	(57,674)	(56.0%)
Total Operating (Income) Expenses	<b>157,258</b>	<b>3,326,488</b>	<b>1,558,362</b>	<b>113.5%</b>	<b>2,444,787</b>	<b>36.1%</b>
EBITDAR	<b>125,768</b>	<b>2,618,811</b>	<b>272,186</b>	<b>862.1%</b>	<b>1,519,270</b>	<b>72.4%</b>
EBITDAR Margin	<b>44.0%</b>	<b>44.0%</b>	<b>14.9%</b>	<b>29.2 p.p.</b>	<b>38.3%</b>	<b>5.7 p.p.</b>
Rents	8,658	192,301	242,530	(20.7%)	93,798	105.0%
EBITDA	<b>117,110</b>	<b>2,426,510</b>	<b>29,656</b>	<b>7,990.0%</b>	<b>1,425,472</b>	<b>70.2%</b>
EBITDA Margin	<b>40.8%</b>	<b>40.8%</b>	<b>1.6%</b>	<b>39.2 p.p.</b>	<b>36.0%</b>	<b>4.9 p.p.</b>
Depreciation and amortization	36,974	787,463	780,655	0.9%	828,633	(5.0%)
Operating (Loss) Income [EBIT]	<b>80,136</b>	<b>1,639,047</b>	<b>(750,999)</b>	<b>(318.2%)</b>	<b>596,839</b>	<b>174.6%</b>
EBIT Margin	<b>27.6%</b>	<b>27.6%</b>	<b>(41.0%)</b>	<b>68.6 p.p.</b>	<b>15.1%</b>	<b>12.5 p.p.</b>
Net Interest Expenses (Income)	(15,333)	(320,737)	(266,204)	20.5%	(100,768)	218.3%
Net FX (Loss) Gain	3,525	75,362	(23,893)	(415.4%)	(192,584)	(139.1%)
Earnings Before Taxes (EBT)	<b>68,328</b>	<b>1,393,672</b>	<b>(1,041,096)</b>	<b>(233.9%)</b>	<b>303,487</b>	<b>359.2%</b>
EBT Margin	<b>23.4%</b>	<b>23.4%</b>	<b>(56.9%)</b>	<b>80.3 p.p.</b>	<b>7.7%</b>	<b>15.8 p.p.</b>
Income Taxes	23,270	474,608	(307,490)	(254.3%)	77,842	509.7%
Net (Loss) Income	<b>45,058</b>	<b>919,064</b>	<b>(733,606)</b>	<b>(225.3%)</b>	<b>225,645</b>	<b>307.3%</b>
Net Margin	<b>15.9%</b>	<b>15.5%</b>	<b>(40.1%)</b>	<b>55.5 p.p.</b>	<b>5.7%</b>	<b>9.8 p.p.</b>

\*Amounts in USD were converted from Pesos using the end of period exchange rate and are disclosed for information purposes only.

†Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.

Consolidated Statement of Comprehensive Income  
Nine-month period ended September 30, 2021 and 2020  
(Thousands of Mexican Pesos)

MXN Thousand	9M 2021 (USD\$)*	9M 2021	9M 2020	% Var vs. 9M 2020	9M 2019 ◊	% Var vs. 9M 2019
<b>Operating Revenue</b>						
Passengers	369,977	7,512,747	2,304,820	226.0%	5,098,610	47.3%
Ancillary Revenue	306,812	6,230,119	2,679,579	132.5%	4,047,880	53.9%
Total Revenue	<b>676,789</b>	<b>13,742,866</b>	<b>4,984,399</b>	<b>175.7%</b>	<b>9,146,490</b>	<b>50.3%</b>
<b>Operating Expenses</b>						
Fuel	200,354	4,068,380	1,778,667	128.7%	3,411,181	19.3%
Maintenance	27,012	548,500	447,497	22.6%	399,258	37.4%
Salaries, wages and other benefits	73,699	1,496,529	1,051,349	42.3%	997,683	50.0%
Rights for the usage of air space	23,321	473,561	247,316	91.5%	407,502	16.2%
Selling, administrative and advertising Expenses	101,375	2,058,523	1,120,627	83.7%	1,331,119	54.6%
Other operating (income) expenses	(3,827)	(77,707)	(76,391)	1.7%	(153,180)	(49.3%)
Total Operating (Income) Expenses	<b>421,934</b>	<b>8,567,786</b>	<b>4,569,065</b>	<b>87.5%</b>	<b>6,393,563</b>	<b>34.0%</b>
EBITDAR	<b>254,855</b>	<b>5,175,080</b>	<b>415,334</b>	<b>1,146.0%</b>	<b>2,752,927</b>	<b>88.0%</b>
<i>EBITDAR Margin</i>	<b>37.7%</b>	<b>37.7%</b>	<b>8.3%</b>	<b>29.3 p.p.</b>	<b>30.1%</b>	<b>7.6 p.p.</b>
Rents	41,412	840,918	433,853	93.8%	247,395	239.9%
EBITDA	<b>213,443</b>	<b>4,334,162</b>	<b>(18,519)</b>	<b>(23,503.9%)</b>	<b>2,505,532</b>	<b>73.0%</b>
<i>EBITDA Margin</i>	<b>31.5%</b>	<b>31.5%</b>	<b>(0.4%)</b>	<b>31.9 p.p.</b>	<b>27.4%</b>	<b>4.1 p.p.</b>
Depreciation and amortization	109,822	2,230,051	2,173,639	2.6%	1,885,310	18.3%
Operating (Loss) Income [EBIT]	<b>103,621</b>	<b>2,104,111</b>	<b>(2,192,158)</b>	<b>(196.0%)</b>	<b>620,222</b>	<b>239.3%</b>
<i>EBIT Margin</i>	<b>15.3%</b>	<b>15.3%</b>	<b>(44.0%)</b>	<b>59.3 p.p.</b>	<b>6.8%</b>	<b>8.5 p.p.</b>
Net Interest Expenses (Income)	(34,007)	(690,536)	(765,103)	(9.7%)	(758,336)	(8.9%)
Net FX (Loss) Gain	11,029	223,964	(133,519)	(267.7%)	58,942	280.0%
Earnings Before Taxes (EBT)	<b>80,643</b>	<b>1,637,539</b>	<b>(3,090,780)</b>	<b>(153.0%)</b>	<b>(79,172)</b>	<b>(2,168.3%)</b>
<i>EBT Margin</i>	<b>11.9%</b>	<b>11.9%</b>	<b>(62.0%)</b>	<b>73.9 p.p.</b>	<b>(0.9%)</b>	<b>12.8 p.p.</b>
Income Taxes	27,412	556,637	(922,395)	(160.3%)	(128,674)	(532.6%)
Net (Loss) Income	<b>53,231</b>	<b>1,080,902</b>	<b>(2,168,385)</b>	<b>(149.8%)</b>	<b>49,502</b>	<b>2,083.6%</b>
<i>Net Margin</i>	<b>7.9%</b>	<b>7.9%</b>	<b>(43.5%)</b>	<b>51.4 p.p.</b>	<b>0.5%</b>	<b>7.3 p.p.</b>

\*Amounts in USD were converted from Pesos using the end of period exchange rate and are disclosed for information purposes only.

◊Starting on January 2020, the Company determined the US Dollar (USD) as its functional currency, therefore some figures for 2019 may not be 100% comparable to 2020 and 2021, since they were prepared based on the Mexican Peso (MXN) as functional currency.

**Balance Sheet**  
**Grupo Viva Aerobus, S.A. de C.V. and Subsidiaries**  
Consolidated Statement of Financial Position  
As of September 30, 2021 and 2020  
(Thousands of Mexican Pesos)

MXN Thousand	As of Sept. 30, 2021 [\$USD]*	As of Sept. 30, 2021	As of Sept 30, 2020	% Var. vs Sept. 30, 2020	As of December 31, 2020	% Var. vs December 31, 2020
<b>Assets</b>						
Cash and Cash Equivalents	402,924	8,181,764	3,069,617	166.5%	2,967,319	175.7%
Accounts Receivable and Others	17,755	360,534	766,437	(53.0%)	353,015	2.1%
Inventories	10,763	218,551	208,425	4.9%	199,565	9.5%
Prepayments for Maintenance	50,305	1,021,488	1,293,524	(21.0%)	1,181,454	(13.5%)
Guarantee Deposits and Prepaid Expenses	235,468	4,781,408	3,180,188	50.3%	3,001,986	59.3%
Operating Equipment, Furniture and Equipment, net	64,956	1,318,999	1,484,151	(11.1%)	1,213,872	8.7%
Derivative Financial Instruments	3,587	72,840	75,816	(3.9%)	47,643	52.9%
Deferred Income Taxes	72,662	1,475,471	1,576,073	(6.4%)	1,990,349	(25.9%)
Right-of-Use-Assets	881,592	17,901,604	18,359,275	(2.5%)	17,336,741	3.3%
Other Assets	130,553	2,650,997	2,210,975	19.9%	2,490,695	6.4%
<b>Total Assets</b>	<b>1,870,565</b>	<b>37,983,656</b>	<b>32,224,481</b>	<b>17.9%</b>	<b>30,782,639</b>	<b>23.4%</b>
<b>Liabilities</b>						
Short-term Financial Debt	93,717	1,903,017	1,219,827	56.0%	651,531	192.1%
Accounts Payable	60,923	1,237,097	1,378,933	(10.3%)	1,743,695	(29.1%)
Accrued Liabilities	99,179	2,013,908	963,268	109.1%	1,052,122	91.4%
Provisions	128,140	2,602,001	3,214,037	(19.0%)	2,548,110	2.1%
Air Traffic Liability	90,430	1,836,266	782,955	134.5%	1,060,141	73.2%
Long-term Financial Debt	184,883	3,754,233	1,434,092	161.8%	1,400,891	168.0%
Prepayment for Services	28,012	568,814	327,670	73.6%	438,879	29.6%
Leasing Liabilities	1,092,914	22,192,709	21,450,610	3.5%	20,791,048	6.7%
Other Liabilities	3,561	72,303	536,032	(86.5%)	308,461	(76.6%)
<b>Total Liabilities</b>	<b>1,781,759</b>	<b>36,180,348</b>	<b>31,307,424</b>	<b>15.6%</b>	<b>29,994,878</b>	<b>20.6%</b>
<b>Stockholders' Equity</b>						
Capital Stock	46,720	948,701	933,875	1.6%	933,875	1.6%
Other Capital Accounts	11,104	225,481	171,360	31.6%	301,219	(25.1%)
Retained Profits	30,982	629,126	(188,178)	(434.3%)	(447,333)	(240.6%)
<b>Total Stockholders' Equity</b>	<b>88,806</b>	<b>1,803,308</b>	<b>917,057</b>	<b>96.6%</b>	<b>787,761</b>	<b>128.9%</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>1,870,565</b>	<b>37,983,656</b>	<b>32,224,481</b>	<b>17.9%</b>	<b>30,782,639</b>	<b>23.4%</b>

\*Amounts in USD were converted from Pesos using the end of period exchange rate and are disclosed for information purposes only.