

**Principal Shareholders of Avianca and Controlling Shareholder of GOL to Create Abra Group, a Leading Air Transportation Group Across Latin America**

*-- Subject to customary regulatory approvals and closing conditions, Abra will control Avianca and GOL and bring together their iconic brands under a single group --*

*-- Through recent investments made by Avianca's and Viva's shareholders, Abra Group will also own a non-controlling 100% economic interest in Viva's operations in Colombia and Peru as well as convertible debt representing a minority interest investment in Chile's Sky Airline --*

*-- Airlines will maintain independent brands, talent, teams, and culture while benefiting from greater efficiencies and investments under common aligned ownership --*

*-- Customers to benefit from the best fares, access to more destinations, more frequent flights and seamless connections, and the ability to earn and use points across LifeMiles and Smiles, the brands' market-leading loyalty programs --*

London, May 11, 2022 -- The principal shareholders of Colombia's Avianca and the controlling shareholder of Brazil's GOL have signed a landmark agreement to create a leading air transportation group across Latin America under a holding company structure named Abra Group Limited. Subject to customary regulatory approvals and closing conditions, the Abra Group will control Avianca and GOL and bring together their iconic brands under a single holding.

Through recent investments made by Avianca's and Viva's shareholders, the Group will also own a non-controlling 100% economic interest in Viva's operations in Colombia and Peru as well as convertible debt representing a minority interest investment in Chile's Sky Airline.

Together, Avianca and GOL will anchor a pan-Latin American network of airlines that will have the lowest unit cost in their respective markets, the leading loyalty programs across the region, and other synergistic businesses. Avianca and GOL will continue to maintain independent brands, talent, teams, and culture while benefiting from greater efficiencies and investments under common aligned ownership.

Abra will provide a platform for the operating airlines to further reduce costs, achieve greater economies of scale, continue to operate a state-of-the-art fleet of aircraft, and expand their routes, services, product offerings, and loyalty programs.

In the aggregate, the airlines under the Abra Group ownership will offer customers the largest network of complementary routes, with minimal overlap, across their markets.

Abra's financial strength will provide long-term stability and agility to the participating airlines that will allow consistent and sustained investment in innovations and synergies.

Abra Group will be co-controlled by the principal shareholders of Avianca and the majority shareholder of GOL and be led by management with significant airline experience across the region, a long history of entrepreneurship, and a proven track record of growth and successful airline transformations.

- Roberto Kriete, who will serve as the group's Chairman, grew TACA in the 1980s into the leading Central American airline before merging it with Colombia's Avianca Airlines in 2009. He also founded the leading Mexican carrier Volaris in 2006.
- Constantino de Oliveira Junior, who will serve as the group's CEO, pioneered Latin America's low-cost carrier revolution when he founded GOL Airlines in 2001. Together with the acquisition of VRG in 2007 and Webjet in 2011, he led the company's growth to a market-leading position.
- Adrian Neuhauser, current President and CEO of Avianca, and Richard Lark, current CFO of GOL, will serve as the group's Co-Presidents, in addition to maintaining their current roles at the airlines; further details on the Abra management team will be provided at closing.

Abra Group's management will focus on achieving synergies to ensure the lowest cost structure in each carrier's relevant market; expanding routes, services, product offerings, and loyalty programs; and developing innovative new products and services that will meet the evolving needs of passengers and air cargo customers in the highly competitive Latin American air transportation market and beyond.

Abra will also ensure that its operating airlines are ESG market leaders by providing enhanced governance as well as the financial strength to continue to invest in a lower carbon footprint fleet, which will significantly accelerate the airline industry's path towards meeting carbon neutrality targets.

Roberto Kriete, Abra Group's Chairman, said: "Our vision is to create an airline group that tackles 21<sup>st</sup> century issues and improves air travel for our customers, employees, and partners as well as the communities in which we operate. Our customers will benefit from access to even better fares, more destinations, more frequent flights and seamless connections, and the ability to earn and use points across the brands' loyalty programs. They will also be able to enjoy enhanced travel benefits and access to superior products and services."

Constantino de Oliveira Junior, Abra Group's CEO, said: "This agreement places Abra's airlines in a position to lead air travel within the region – serving a population of over one billion and GDP of nearly three trillion US dollars – providing significant opportunities for capacity and revenue growth. Our unique enterprise structure will allow each airline to drive results by maintaining their independent brands, talent, teams, and culture and will provide employees more opportunities for personal and professional growth at every stage of their careers."

## **TERMS OF THE TRANSACTION**

Abra Group Limited is a UK-incorporated closely held company. Upon closing, the Group will control Avianca and GOL and, as a consequence, also hold Avianca's non-controlling economic interest in Viva's operations in Colombia and Peru as well as convertible debt representing a minority interest investment in Sky.

Certain financial investors have committed to invest up to \$350 million in shares of Abra upon closing, further strengthening Abra's balance sheet and liquidity position.

The closing of the transaction is expected to be completed in the second half of 2022, subject to customary closing and regulatory conditions.

## **ADVISORS**

Evercore and RBC Capital Markets are serving as financial advisors and Milbank LLP is serving as legal advisor to Abra Group. Gibson, Dunn & Crutcher LLP is serving as legal advisor to certain investors, and Lefosse Advogados and Brasilpar are advising GOL's controlling shareholders.

## **WEBCAST AND ADDITIONAL INFORMATION**

Group management will participate in a webcast at 2:00 PM BST (8:00 AM BOG, 9:00AM EST, 10:00 AM BRA) today May 11, to discuss this announcement. To register and listen to the webcast visit the following site:

<https://event.on24.com/wcc/r/3769845/C4DE87F9FF37AEAF60AC786EB9AE15BC>. The playback will be available at the same link following the completion of the webcast.

For more information, visit [www.abragroup.net](http://www.abragroup.net).

## **ABOUT THE COMPANIES**

**AVIANCA GROUP INTERNATIONAL LIMITED** includes **Avianca** -Star Alliance member-, **LifeMiles** and **Avianca Cargo**. In passenger transportation and with more than 102 years of continuous operation since 1919, **Avianca** is the leading airline in Colombia, Ecuador, Central America and has one of the largest airline operations in Latin America with 130 routes, 3,800 weekly flights and a fleet of more than 110 Airbus 320 and Boeing 787 Dreamliner aircraft, connecting to around 65 destinations in the Americas and Europe. More than 10 million members and 450 allied brands are part of its loyalty program, **LifeMiles**, one of the largest in the region. In cargo transportation, **Avianca Cargo** is a leader in the region and is the main airline in different markets in the Americas. It serves more than 50 destinations with a fleet of Airbus A330 freighters, along with its operation in passenger aircraft bellies. Avianca successfully emerged from Chapter 11 at the end of 2021 and today, has a team of more than 12,000 people committed to providing safe, convenient, affordable and friendly service to its customers. More information is available at [www.avianca.com](http://www.avianca.com).

**GOL LINHAS AÉREAS INTELIGENTES S.A.** (NYSE: GOL and B3: GOLL4): GOL is Brazil's largest airline, leader in the corporate and leisure segments. Since its founding in 2001, it has been the airline with the lowest unit cost in Latin America, which has enabled the democratization of air transportation. The Company has alliances with American Airlines and Air France-KLM, in addition to making available to Customers many codeshare and interline agreements, bringing more convenience and ease of connections to any place served by these partnerships. With the purpose of "Being First for Everyone", GOL offers the best travel experience to its passengers, including: the largest inventory of seats and the most legroom; the most complete platform with internet, movies and live TV; and the best loyalty program, Smiles. In cargo transportation, GOLLOG delivers parcels to various regions in Brazil and abroad and has a partnership with Mercado Livre. The Company has a team of 14,100 highly qualified airline professionals focused on Safety, GOL's number one value, and operates a standardized fleet of 142 Boeing 737 aircraft. GOL's shares are traded on the NYSE (GOL) and the B3 (GOLL4). For further information, visit [www.voegol.com.br/ir](http://www.voegol.com.br/ir).

## **CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS**

The information contained in this release contains “forward-looking” statements and estimates that relate to future events, which are, by their nature, subject to significant risks and uncertainties. All statements other than statements of historical fact contained in this release including, without limitation, those regarding the airlines mentioned in this release (“Airlines”) or their principal or controlling shareholders (“Majority Owners”) future strategy, plans, objectives, goals and targets, future developments in the markets in which such airlines operate, and any statements preceded by, followed by or that include the words “believe”, “expect”, “aim”, “intend”, “will”, “may”, “project”, “estimate”, “anticipate”, “predict”, “seek”, “should” or similar words or expressions, are forward-looking statements. The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties, contingencies, and other factors, many of which are beyond the Airlines’ or Majority Owners’ control, that may cause actual results, performance, or events to differ materially from those expressed or implied in these statements. These forward-looking statements are based on numerous assumptions regarding the Airlines and the Majority Owners present and future business strategies and the environment in which they will operate in the future and are not a guarantee of future performance. Such forward-looking statements speak only as at the date on which they are made. None of the Majority Owners or any of their affiliates, officers, directors, employees, and agents undertakes any duty or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law. None of the Majority Owners or any of their affiliates, officers, directors, employees, professional advisors, and agents make any representation, warranty, or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

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