ABRA GROUP LIMITED

Unaudited Condensed Consolidated Interim Financial Statements
As of June 30, 2024, and
for the six-month period ended June 30, 2024.

ABRA GROUP LIMITED

Index to the unaudited condensed consolidated interim financial statements

ABRA GROUP LIMITED
Condensed Consolidated Statement of Financial Position (Unaudited)
(In USD thousands)

	Notes	June 30, 2024 Unaudited	December 31, 2023 Audited
Assets			
Current assets:			
Cash and cash equivalents	8	$ 752,944	$ 883,053
Short term investments	8	253,200	257,553
Trade and other receivables, net of expected credit losses	9	255,588	263,955
Current tax assets	21	228,881	196,152
Accounts receivable from related parties	10	51	49
Expendable spare parts and supplies, net of provision for obsolescence		101,448	93,506
Prepayments		12,948	17,793
Deposits and other assets	12	50,789	43,967
		1,655,849	**1,756,028**
Assets held for sale	13	10,732	10,743
Total current assets		**1,666,581**	**1,766,771**
Non-current assets:			
Deposits and other assets	12	121,025	124,338
Other investments	17	1,421,995	1,307,497
Investments in equity instruments	17	111,612	104,889
Intangible assets, net	16	1,303,940	1,327,475
Goodwill	16	1,524,638	1,524,638
Deferred tax assets	21	46,083	45,444
Right of use assets	15	2,989,734	2,933,247
Property and equipment, net	14	1,042,503	899,585
Total non-current assets		**8,561,530**	**8,267,113**
Total assets		**$ 10,228,111**	**$ 10,033,884**

ABRA GROUP LIMITED
Condensed Consolidated Statement of Financial Position (Unaudited)
(In USD thousands)

	Notes	June 30, 2024 Unaudited	December 31, 2023 Audited
Liabilities and equity			
Current liabilities:			
Short-term borrowings and current portion of long-term debt	18	$ 222,233	$ 206,818
Current portion of lease liability	15	271,179	269,360
Accounts payable		634,269	555,558
Accounts payable to related parties	10	14	89
Accrued expenses		78,310	93,770
Current tax liabilities	21	42,521	37,042
Provision for legal claims	22	26,194	31,125
Provisions for return conditions	15	—	8,098
Employee benefits	7	96,748	135,749
Air traffic liability		725,681	680,425
Frequent flyer deferred revenue		164,659	164,540
Other liabilities		282	87
Total current liabilities		**2,262,090**	**2,182,661**
Non-current liabilities:			
Long-term debt	18	3,292,503	3,306,645
Long-term lease liability	15	2,361,155	2,214,592
Provision for return conditions	15	787,446	807,294
Employee benefits	7	63,962	71,191
Deferred tax liabilities	21	133,365	136,045
Frequent flyer deferred revenue		271,061	271,964
Other liabilities	19	36,696	28,128
Total non-current liabilities		**6,946,188**	6,835,859
Total liabilities		$ **9,208,278**	**$ 9,018,520**
Equity:			
Common stock		5	5
Additional paid-in capital & Share premium		2,435,383	2,354,160
Retained earnings		(1,234,536)	(1,074,669)
Other comprehensive income		(198,825)	(280,367)
Equity attributable to owners of the Company		**1,002,027**	**999,129**
Non-controlling interest (NCI)		17,806	16,235
Total equity		**1,019,833**	**1,015,364**
Total liabilities and equity		**$ 10,228,111**	**$ 10,033,884**

See accompanying notes to condensed consolidated interim financial statements

ABRA GROUP LIMITED
Condensed Consolidated Statement of Comprehensive Loss (Unaudited)
(In USD thousands)

	Notes	For the six months ended June 30, 2024 Unaudited	For the six months ended June 30, 2023 Unaudited
Operating revenue:			
Passenger		$ 2,070,341	$ 1,817,883
Cargo and other		371,215	383,970
Total operating revenue	25	**2,441,556**	**2,201,853**
Operational expenses:			
Flight operations		51,275	48,331
Aircraft fuel		720,352	659,136
Ground operations		263,222	221,179
Rentals	15	46,736	64,955
Passenger services		50,564	39,004
Maintenance and repairs		97,767	87,699
Air traffic		124,704	96,342
Selling expenses		177,491	179,684
Salaries, wages, and benefits		359,855	303,497
Fees and other expenses		136,633	115,201
Depreciation of right of use asset	15	183,374	148,408
Other depreciation and amortization	14,15	58,018	59,997
Impairment		—	7,166
Total operating expenses		**2,269,991**	**2,030,599**
Operating Income		**171,565**	**171,254**
Interest expenses		(396,693)	(247,560)
Interest income		175,851	71,600
Valuation of financial instruments		(2,132)	8,071
Foreign exchange, net		(5,429)	3,148
Equity Method		404	535
Income (loss) before income tax	19	**(56,434)**	**7,048**
Income tax expense – current		(19,456)	(16,833)
Income tax benefit – deferred		3,234	7,708
Total income tax expense	21	(16,222)	(9,125)
Net loss		**$ (72,656)**	**$ (2,077)**

See accompanying notes to condensed consolidated interim financial statements

ABRA GROUP LIMITED
Condensed Consolidated Statement of Comprehensive Loss (Unaudited)
(In USD thousands)

	Notes	For the three months ended June 30, 2024 Unaudited	For the three months ended June 30, 2023 Unaudited
Operating revenue:			
Passenger		$ 993,592	$ 925,648
Cargo and other		182,954	189,061
Total operating revenue	25	**1,176,546**	**1,114,709**
Operational expenses:			
Flight operations		22,087	25,856
Aircraft fuel		352,121	303,659
Ground operations		129,974	112,152
Rentals	15	20,284	34,633
Passenger services		24,639	20,887
Maintenance and repairs		48,571	39,009
Air traffic		63,915	52,786
Selling expenses		88,652	101,551
Salaries, wages, and benefits		168,538	137,645
Fees and other expenses		67,744	56,601
Depreciation of right of use asset	15	129,886	111,182
Total operating expenses		**1,116,411**	**995,961**
Operating Income		**60,135**	**118,748**
Interest expenses		(203,757)	(135,306)
Interest income		88,414	66,906
Valuation of financial instruments		(675)	3,371
Foreign exchange, net		(4,276)	2,524
Equity Method		404	535
Income (loss) before income tax	19	**(59,755)**	**56,778**
Income tax expense – current		(10,952)	(11,312)
Income tax benefit – deferred		1,578	7,897
Total income tax expense	21	(9,374)	(3,415)
Net (loss) income		**$ (69,129)**	**$ 53,363**

ABRA GROUP LIMITED
Condensed Consolidated Statement of Comprehensive Loss (Unaudited)
(In USD thousands)

	Notes	For the six months ended June 30, 2024 Unaudited	For the six months ended June 30, 2023 Unaudited
Net Loss for the year		**$ (72,656)**	**$ (2,077)**
Other comprehensive loss:			
Items that will not be reclassified to income or loss in future periods:			
Remeasurements of defined benefit	7	$ 4,334	3,395
Revaluation of administrative property		(8,305)	27
Equity investments at FVOCI - net change in fair value		—	(19,000)
Income tax		63	(41)
		(3,908)	**(15,619)**
Items that will be reclassified to income in future periods:			
Net change in fair value of financial assets with changes in OCI		61	207
Foreign operations – foreign currency translation differences		(251)	3,059
		(190)	**3,266**
Other comprehensive loss, net of income tax		(4,098)	(12,353)
Total comprehensive loss net of income tax		**(76,754)**	**(14,430)**
Loss attributable to:			
Equity holders of the parent		(74,196)	(4,825)
Non-controlling interest		1,540	2,748
Net loss		**$ (72,656)**	**$ (2,077)**
Total comprehensive loss attributable to:			
Equity holders of the parent		$ (78,325)	$ (13,321)
Non-controlling interest		1,571	(1,109)
Total comprehensive Loss		**$ (76,754)**	**$ (14,430)**

See accompanying notes to condensed consolidated interim financial statements

ABRA GROUP LIMITED
Condensed Consolidated Statement of Comprehensive Loss (Unaudited)
(In USD thousands)

	Notes	For the three months period from April 1 to June 30,2024	For the three months period from April 1 to June 30,2023
Net (Loss) income for the year		**$ (69,129)**	**$ 53,363**
Other comprehensive loss:			
Items that will not be reclassified to income or loss in future periods:			
Remeasurements of defined benefit	7	$ 3,136	(4,940)
Revaluation of administrative property		(173)	—
Income tax		63	(41)
		3,026	**(4,981)**
Items that will be reclassified to income in future periods:			
Net change in fair value of financial assets with changes in OCI		40	(153)
Foreign operations – foreign currency translation differences		(445)	2,212
		(405)	**2,059**
Other comprehensive (loss) income, net of income tax		2,621	(2,922)
Total comprehensive (loss) income net of income tax		**(66,508)**	**50,441**
Loss attributable to:			
Equity holders of the parent		(68,543)	52,393
Non-controlling interest		(586)	970
Net loss		**$ (69,129)**	**$ 53,363**
Total comprehensive loss attributable to:			
Equity holders of the parent		$ (65,887)	$ 49,332
Non-controlling interest		(621)	1,109
Total comprehensive Loss		**$ (66,508)**	**$ 50,441**

ABRA GROUP LIMITED
Condensed Consolidated Statement of Changes in Equity (Unaudited)
(In USD thousands)

	Common Shares	Share premium& Additional paid-in capital	Retained deficit	Other comprehensive income OCI Reserves	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance at December 31, 2023	**$ 5**	**$2,354,160**	**$ (1,074,668)**	**$ (280,367)**	**$ 999,129**	**$ 16,235**	**$ 1,015,364**
Net Loss	**$ —**	**$ —**	**$ (74,196)**	**$ —**	**$ (74,196)**	**$ 1,540**	**$ (72,656)**
Share-based payments	—	14,799	—	—	14,799	—	14,799
Equity Contributions	—	290	—	—	290	—	290
Equity Component Bonds	—	62,996	—	—	62,996	—	62,996
RSU's	—	3,138	—	—	3,138	—	3,138
Reclassification of the net defined benefit from OCI	—	—	(85,671)	85,671	—	—	—
Other comprehensive income	—	—	—	(4,129)	(4,129)	31	(4,098)
Balance at June 30, 2024	**$ 5**	**$2,435,383**	**$ (1,234,536)**	**$ (198,825)**	**$ 1,002,027**	**$ 17,806**	**$ 1,019,833**

	Common shares	Additional paid-in capital	Retained deficit	Other comprehensive income OCI Reserves	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance at December 31, 2022	**$ 5**	**$ 1,347,806**	**$ (349,216)**	**$ (210,337)**	**$ 788,258**	**$ 16,139**	**$ 804,397**
Net income	**$ —**	**$ —**	**$ 55,188**	**$ —**	**$ 55,188**	**$ 2,748**	**$ 57,936**
Share-based payments	—	768,758	—	—	768,758	—	768,758
Equity Component Bonds	—	166,674	—	—	166,674		166,674
Sale of subisdiary	—	—	—	—	—	(2,250)	(2,250)
Reverse acquisition	—	(38,022)	—	—	(38,022)	—	(38,022)
Other comprehensive income	—	**—**	—	**(12,336)**	**(12,336)**	**(17)**	**(12,353)**
Balance at June 30, 2023	**$ 5**	**$ 2,245,216**	**$ (294,028)**	**$ (222,673)**	**$ 1,728,520**	**$ 16,620**	**$ 1,745,140**

See accompanying notes to condensed consolidated interim financial statements

ABRA GROUP LIMITED
Condensed Consolidated Interim Cash Flow (Unaudited)

	Notes	Six months ended June 30, 2024 (Unaudited) 2024	Six months ended June 30, 2023 (Unaudited) 2023
Cash flows from operating activities:			
Net Loss for the period		**$ (72,656)**	**$ (2,105)**
Adjustments for:			
Provision net of expected credit losses	9	1,846	11,885
Provision for expandable spare parts and suppliers' obsolescence		997	988
Reverse acquisition			(37,791)
Recovery of provisions for legal claims	22	2,456	(2,169)
Depreciation of right of use asset	15	183,374	148,408
Other depreciation and amortization	15	58,018	59,997
Impairment		—	7,166
Loss on disposal sale		1,332	799
Interest income		(175,851)	(87,930)
Interest expense		396,693	279,228
Net change in fair value of financial instruments		2,132	(8,071)
Deferred tax		(3,234)	(7,708)
Current tax		19,456	16,833
Share-based payment		14,799	58,977
Unrealized foreign currency (gain) loss		17,219	(18,872)
Changes in:			
Trade and other receivables		(13,936)	(32,855)
Expendable spare parts and supplies		(8,940)	(9,555)
Prepayments		8,069	1,542
Net current tax		(27,797)	21,859
Deposits and other assets		2,310	(49,943)
Accounts payable and accrued expenses		40,539	50,279
Air traffic liability		45,254	167,840
Frequent flyer deferred revenue		(2,787)	(21,629)
Provision for return conditions		(8,098)	(437)
Provisions for legal claims		(2,318)	(1,933)
Employee benefits		(38,691)	(28,577)
Income tax paid		(39,255)	(25,090)
Net cash provided by operating activities		**$ 400,931**	**$ 491,135**
Cash flows from investing activities:			
Acquisition of property and equipment	14	(150,521)	(129,112)
Reimbursement of equipment acquisition	14	—	19,424
Interest received of investment in bank deposit certificates		24,673	27,664
Acquisition of short-term investments		(224,537)	(388,531)
Maturity of short-term investments		228,807	34,840
Acquisition of intangible assets		(9,342)	(8,537)
Proceeds from sale of property and equipment		—	16,86
Consideration received from disposal of subsidiary		—	3,994
Cash and cash equivalents disposed in the sale of a subsidiary			(4,011)
Net cash (used in) investing activities		**$ (130,920)**	**$ (427,409)**

ABRA GROUP LIMITED
Condensed Consolidated Interim Cash Flow (Unaudited)

Cash flows from financing activities:			
Proceeds from loans and borrowings		—	561,529
Interest paid	18	(105,940)	(119,202)
Lease interest paid	15	(137,905)	(74,980)
Payment of leases	15	(128,535)	(82,305)
Payment of loans and borrowings		(39,268)	(58,348)
Net cash (used in) financing activities		**(411,648)**	**226,695**
Net decrease in cash and cash equivalents		(141,637)	290,421
Exchange rate effect on cash		(127)	534
Cash and cash equivalents at the beginning of the period		894,708	816,720
Cash and cash equivalents at the end of the period		**$ 752,944**	**1,107,675**

See accompanying notes to condensed consolidated interim financial statements

(1) Reporting entity

ABRA

Abra Group Limited ("Abra" or the "Company") is a company incorporated and existing under the laws of England and Wales as of February 18, 2022, with registered office at 3rd Floor 1 Ashley Road, Altrincham, Cheshire, England, WA14 2DT. Abra, together with its subsidiaries, will be referred to as the "Group" for the purposes of this Condensed Unaudited Interim Consolidated Financial Statements.

Abra was incorporated with the objective of effecting the business combination of GOL and Investment Vehicle 1 Limited ("IV1L"), the parent company of the Avianca Airlines ("Avianca") and resulting in the formation of a regional airline carrier group that operates in the Latin American, North American, European and Caribbean aviation markets and owning, controlling and operating airlines in such markets.

These financial statements should be read in conjunction with last year's Audited Consolidated Financial Statements for a comprehensive understanding of Abra's consolidated financial performance.

GOL

GOL is a publicly-held corporation incorporated under laws of Brazil. GOL's bylaws states that the corporate purpose is exercising the equity control of GOL Linhas Aéreas S.A. ("GLA"), which provides scheduled and non-scheduled air transportation services for passengers and cargo, maintenance services for aircraft and components, develops frequent-flyer programs, among others.

GOL's shares are traded on B3 under the ticker GOLL4 and until January 2024 were traded on the NYSE under the ticker GOL in the form of preferred stock and ADSs respectively. GOL is listed on the Level 2 segment of corporate governance practices of B3 and is part of the Special Corporate Governance ("IGC") and Special Tag Along ("ITAG") indexes, created to distinguish companies that commit to special corporate governance practices.

On January 25, 2024, GOL voluntarily filed for Chapter 11 in the United States Bankruptcy Court for the Southern District of New York (the "U.S. Court"). Chapter 11 is a U.S. legal process that businesses use to raise capital, restructure their finances and strengthen their business operations for the long term, while continuing to operate as normal.

On January 26, 2024, the New York Stock Exchange ("NYSE") has suspended trading in the Company's American Depositary Shares (the "ADSs") and applied to the Securities and Exchange Commission ("SEC") to delist the ADSs, as is customary following a Chapter 11 filing in accordance with Section 802.01D of the NYSE Listed Company Manual.

On such date, GOL entered the Chapter 11 Case with a financing final commitment for US$1 billion in debtor-in-possession ("DIP") financing from members of the Ad Hoc Group of Abra Bondholders, as well as certain other's, which were initially approved by the U.S. Court on January 29, 2024 and in subsequent dates.

Economic Interest of Abra in GOL

In May 2022, GOL announced that its controlling shareholder, MOBI, had entered into the MCA for the formation of Abra. Additionally, in accordance with the MCA, the controlling shareholders of GOL and IV1L agreed to enter into a shareholders' agreement to govern their rights and obligations as shareholders of Abra. GOL and IV1L will continue to operate independently and maintain their respective brands and cultures.

GOL is controlled by the Abra LLPs, which were formed prior to closing of the Abra Transaction and are controlled by Kingsland and Mobi (the prior controller shareholders of IV1L and GOL). Each of the Abra LLPs holds 50% of the voting stock in GOL. Abra holds 99.99% of the economic rights in both of the Abra LLPs, which in turn holds 100% of the voting stock of GOL and receive 52.59%% of GOL's total economic return.

The closing of the Abra Transaction did not result in a change of control of GOL. The controlling shareholder of GOL, Mobi, prior to closing remains as a controlling shareholder and currently shares control of GOL with Kingsland through the Abra LLPs.

Abra's investment in GOL is accounted for as an investment in a financial instrument (shares) due to the lack of control or significant influence of Abra over GOL and it was fully written-off by December 31, 2023.

Avianca

The operating companies under IV1L provide domestic and international passenger and cargo transportation as well as related services such as loyalty program and courier, both within the Colombian and Ecuadorian domestic markets as well as through international routes serving North, Central and South America, Europe, and the Caribbean. Avianca, the operating company of IV1L, is the leading airline in Colombia, Ecuador, Central America and has one of the largest airline operations in Latin America. Since 2012, Avianca has been a member of Star Alliance, one of the world's largest global airline alliances, which provides Avianca's customers with access to the routes, destinations, and services of the extensive Star Alliance network.

Investment Vehicle 1 Limited

Investment Vehicle 1 Limited ("IV1L" or the "Company") was incorporated as an exempted company in the Cayman Islands with limited liability on March 21, 2022. IV1L is a U.K tax resident. IV1L, together with its subsidiaries, will be referred to as the "Group" for the purposes of this document. IV1L, a controlled entity of Abra Group Limited ("Abra"), is the parent entity of Avianca Airlines ("Avianca"), a leading provider of air travel and cargo services in Latin America and around the globe.

On May 10, 2022, certain shareholders of IV1L and the controlling shareholders of Gol Linhas Aéreas Inteligentes S.A. entered into a master contribution agreement (as amended from time to time) to create a leading air transportation group across Latin America under a single holding entity named Abra Group Limited (the "Orion Transaction"). Abra is a private limited company which was incorporated in England and Wales on February 18, 2022. On April 3, 2023, the Orion Transaction closed and the shareholders of IV1L transferred their shares therein to Abra in exchange for shares in Abra. As a result, Abra became the Company's ultimate parent and the Group's holding company. The Orion Transaction was subject to customary closing conditions including, without limitation, applicable antitrust approvals.

The reverse acquisition transaction and comparative information

These financial statements account for the contribution of IV1L shares in exchange of Abra shares as a reverse acquisition, pursuant to which IV1L (the legal acquiree) was considered the accounting acquirer and Abra Group Limited (the legal acquirer) was considered the accounting acquiree. Accordingly, the financial statements of Abra for the comparative period reflect the historical financial information of IV1L as a predecessor company. See note 2 for further details on the business combination transaction.

Significant subsidiaries

The following are the Group's significant subsidiaries included within these consolidated financial statements:

Subsidiary Name	Country of incorporation	Ownership Interest %	
		2024	**2023**
Abra Global Finance	Cayman Islands	100%	0%
Investment Vehicle 1 Limited	Cayman Islands	100%	0%
Avianca Group International Limited	UK	100%	100%
Avianca Midco 2 PLC	UK	100%	100%
Andes Limited Inc.	Panamá	100%	100%
Avianca Ecuador S.A.	Ecuador	99.62%	99.62%
Aerovías del Continente Americano S.A. (Avianca)	Colombia	99.98%	99.98%
Grupo Taca Holdings Limited.	Bahamas	100%	100%
LifeMiles Ltd.	Bermuda	100%	100%
Avianca Costa Rica S.A.	Costa Rica	92.42%	92.42%
Taca International Airlines, S.A.	El Salvador	96.83%	96.83%
Tampa Cargo S.A.S.	Colombia	100%	100%

(Additionally, Abra holds 99.99% of the economic rights in Abra Kingsland LLP and Abra Mobi LLP, which in turn holds 100% of the voting stock of GOL and receive 52.59%% of GOL's total economic return. Both companies are controlled by Abra's shareholders).

The Group, through its subsidiaries, is a provider of domestic and international passenger and cargo air transportation, both in the domestic markets of Colombia, Ecuador and international routes serving North, Central and South America, Europe, and the Caribbean.

The passenger airlines of the Group have entered into several bilateral code share alliances with other airlines (whereby selected seats on one carrier's flights can be marketed under the brand name and commercial code of the other), expanding travel choices to customers worldwide.

Most codeshare alliances typically include: a single ticket issued in a single transaction for the whole itinerary, passenger and baggage check-in to the final destination, transfer of baggage at any transfer point, frequent flyer program benefits, among others. To date, the airlines of IV1L have codeshare agreements with the following airlines: Air Canada, Air China, Air India, All Nippon Airways, Azul Linhas Aéreas Brasileiras, Clic, Copa Airlines, Etihad Airways, Eva Airways, GOL Linhas Aéreas, Iberia, ITA Airways, Lufthansa, Singapore Airlines, Turkish Airlines, Silver Airways, TAP and United Airlines.

In addition, Avianca S.A. is a member of Star Alliance, as well as Taca International, Avianca Ecuador and Avianca Costa Rica, as "*Connected Entities*" of Avianca S.A. This gives customers access to the destinations, services and benefits offered by the 26 airline members of Star Alliance. Its members include several of the world's most recognized airlines, Lufthansa, United Airlines, Thai Airways, Air Canada, TAP, Singapore Airlines, among others. All of them are committed to meeting the highest standards in terms of security and customer service.

As of the periods presented, Abra's total fleet is comprised of:

	As of June 30, 2024			As of December 31, 2023		
Aircraft	**Owned**	**Lease**	**Total**	**Owned**	**Lease**	**Total**
Airbus A-319	1	7	**8**	1	9	**10**
Airbus A-320	—	79	**79**	—	79	**79**
Airbus A-320 NEO	—	43	**43**	—	41	**41**
Airbus A-330	1	3	**4**	1	5	**6**
Airbus A-330F	—	7	**7**	—	6	**6**
Airbus A-300F	3	—	**3**	3	—	**3**
Boeing 787-8	—	16	**16**	—	16	**16**
Boeing 767F	2	—	**2**	2	—	**2**
	7	**155**	**162**	**7**	**156**	**163**

1) There are 3 lease A330 aircraft of the 155 lease aircraft that consist of short-term and variable rent, and as a result, they are not reflected in the statement of financial position. (December 31, 2023: 5 of the 156 lease aircraft)

For the six-month period ended June 30, 2024, the Group finalized lease agreements for two (2) A319 and two (2) A330, also added one (1) A330F and two (2) A320 NEO aircraft under leasing agreements.

(2) Business Combination

Transfer of IV1L shares to Abra and reverse acquisition.

While Abra legally acquired IV1L, IV1L is the accounting acquirer of this transaction due to its relative size and relative control over the combined entity. As such, the transaction has been accounted for as a reverse acquisition, and the accompanying financial statements are those of Abra, but represent a continuation of the financial statements of IV1L. Under IFRS, the legal capital of the accounting acquirer must be restated throughout these consolidated financial statements to reflect the legal capital of accounting acquiree.

Because the consolidated financial statements represent the continuation of the financial statements of the legal subsidiary except for its capital structure, the consolidated financial statements reflect the assets and liabilities of the accounting acquirer measured at their pre-combination carrying amounts and the assets and liabilities of the accounting acquiree, Abra, measured at fair value in accordance with IFRS 3 – Business Combinations. As of the reverse acquisition date, retained earnings and other equity balances of the accounting acquirer, IV1L, are presented at the stated value immediately prior to the business combination. Lastly, the amount recognized as issued equity interests is determined by adding the outstanding issued equity interest of the accounting acquirer immediately before the business combination to the fair value of the accounting acquiree.

In accounting for the reverse acquisition between IV1L and Abra, a fair valuation of Abra's assets and liabilities was not performed. Pre-combination assets were comprised of cash related party receivables, debt and equity interests and the equity interests and intercompany receivables were assumed immediately prior to the reverse acquisition; as such, the stated value is deemed to be equal to the fair value. Similarly, because the debt presented on Abra's balance sheet was issued on March 2, 2023, the fair value is assumed to be equal to its fair value on the date of the reverse acquisition, April 3, 2023.

Under IFRS 3, prior-year comparative financial statements are required to reflect the assets, liabilities and equity of both the accounting acquirer and legal acquirer entities. Comparative information presented in the consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree). Because the reverse acquisition between Abra and IV1L did not occur until April 2, 2023, the prior-year comparative periods presented herein reflect the historical consolidated financial statements of IV1L.

Reverse acquisition.

In accordance with IFRS 3, in a reverse acquisition, the fair value of the consideration transferred by the accounting acquirer is determined by the number of equity interests the legal subsidiary would have needed to issue in order to provide the owners of the legal parent with the same percentage equity interest in the combined entity resulting from the reverse acquisition.

This calculated fair value of the equity interests is then used as the fair value of the consideration transferred.

(i) Computation of the consideration transferred

IV1L shareholders received 32.33 common shares for each IV1L ordinary share held immediately prior to the contribution as consideration in connection with the transaction, which represented 1,582,455,605 Abra shares. However, as required by IFRS 3, the consideration transferred is calculated as if IV1L, as the accounting acquirer, issued shares to the shareholders of the accounting acquiree, Abra. The value of the consideration transferred has been measured based on the fair market value of IV1L prior to the acquisition date. The number of IV1L shares that IV1L is deemed to issue to Abra shareholders under reverse acquisition accounting provides the former Abra shareholders with the same ownership in the combined group as obtained in the merger.

At the time of the reverse acquisition, the fair value of Abra includes $791.297 in an Investment in Financial Instruments as described in Note 11.

Based on the number of shares of Abra and IV1L that are issued and outstanding as of the transaction date, the respective percentages of ownership of IV1L and the former Abra shareholders are as follows:

IV1L shares and warrants prior to the transaction	48,953,424
Abra shares and warrants in exchange of IV1L shares	32.33
Total new shares issued by Abra	**1,582,455,605**
Fair value of IV1L shares	$ 31,71

(ii) Fair value of consideration transferred.

Abra shares and warrants prior to the transaction	867,879,556	35.41%
New Abra shares issued for IV1L shareholders	1,582,455,605	64.59%
Total	**2,450,335,161**	**100%**
IV1L shares prior to the transaction	48,953,424	64.59%
Deemed number of IV1L shares for consideration transferred calculation	26,847,942	35.41%
	75,801,366	**100%**
Consideration value transferred		
New shares		26,847,942
Fair value of IV1L shares		**31.70**
Fair value transferred		**851,231**

Management considered any excess of consideration transferred over the fair value of Abra's assets acquired and liabilities assumed, that result of the application of this model to value the investment, is immaterial.

(3) Basis of presentation of the Consolidated Financial Statements

(a) Basis of presentation and statement of compliance

The condensed consolidated interim financial statements for the six-month period ended June 30, 2024, have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB") and should be read in conjunction with the Group's annual consolidated financial statements as of and for the year ended December 31, 2023.

The condensed consolidated interim financial statements as of and for the six-month period ended June 30, 2024, do not include all information and disclosures required in the annual financial statements. However, select explanatory notes have been included to disclose events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the consolidated financial statements for the period ended December 31, 2023.

The Group's condensed consolidated interim financial statements as of June 30, 2024, and December 31, 2023, and for the six-month period ended June 30, 2024, were prepared, and presented by Management and authorized for issuance by the Audit Committee on August 06, 2024.

(b) Going Concern

Management has at the time of approving these condensed consolidated interim financial statements a reasonable expectation that the Group have adequate resources to continue in operational existence in the immediate and long-term future. Thus, they continue to adopt the going concern basis of accounting in preparing these condensed consolidated interim financial statements.

(c) Fuel price risk

For the execution of its operations, the Group purchases a fuel called Jet Fuel grade 54 USGC, which is subject to the fluctuations of international fuel prices. The Group's operations require a significant volume of jet fuel, and accordingly remains watchful of jet fuel price fluctuations.

Sensitivity analysis

The impact of theoretical fuel price fluctuations on the Group's profit and/or loss is illustrated below for the periods presented. This analysis shows the estimated impact of a 5%, 10% and 15% increase in the underlying reference price per barrel at the end of June 2024. The projection period was defined as April until the end of 2024. This analysis assumes that all other variables remain constant and considers the effect of theoretical changes in jet fuel price.

	Six months ended June 30, 2024		**Six months ended June 30, 2023**		**For the three-months period from April 1 to June 30,2024**		**For the three-months period from April 1 to June 30,2023**	
	Increase	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
5% movement	$ (30,818)	$ 30,818	$ (24,765)	$ 24,765	$ (15,033)	$ 15,033	$ (11,317)	$ 11,317
10% movement	(61,635)	61,635	(49,531)	49,531	(30,067)	30,067	(22,633)	22,633
15% movement	(92,453)	92,453	(74,296)	74,296	(45,100)	45,100	(33,950)	33,950

(d) Basis of measurement

The condensed consolidated interim financial statements have been prepared on a historical cost basis, excluding land and buildings (which are classified as administrative property) and short-term investments that have been calculated at fair value.

(e) Functional and presentation currency

The condensed consolidated interim financial statements are presented in US Dollars, which is also the functional currency for each legal entity within the Group.

(f) Use of judgments and estimates

The preparation of these condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results therefore may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognized prospectively.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last annual financial statements as of and for the year ended December 31, 2023.

(4) Material accounting policies

The Group has consistently applied the same accounting policies as those applied in the Group´s consolidated financial statements as of and for the year ended December 31, 2023, except if mentioned otherwise.

(5) New and amended accounting standards.

a. International Financial Reporting Standards ("IFRS") recently adopted.

The Group has adopted the following accounting standards in preparing these condensed consolidated interim financial statements:

Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (amendments to IAS 1)

The amendments to IAS 1 modify the requirement to classify a liability as current by establishing that a liability is classified as current when, at the end of the reporting period, it does not have the right to defer the settlement of the liability for at least the following 12 months. It further clarifies that the right of an entity to defer a liability settlement for at least 12 months after the reporting period must be substantial and exist as of the end of the reporting period.

As disclosed in note 18, the Group has debt contracts that are subject to specific covenants. While these liabilities are classified as non-current as of June 30, 2024, a future breach of the related covenants may require the Group to repay the liabilities earlier than the contractual maturity dates. The Group adopted the amendments effective January 1, 2024, and the adoption did not have a material impact on the Group's consolidated financial statements or related disclosures.

Lease liability in sale and leaseback (Amendments to IFRS 16)

The amendments to IFRS 16 "Leases" affect how a seller-lessee accounts for variable lease payments that arise in a sale and leaseback transaction. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reevaluate and potentially restate sale and leaseback transactions made since 2019. We adopted the amendments effective January 1, 2024, and the adoption did not have a material impact on our consolidated financial statements or related disclosures as the group does not currently engage in these types of transactions.

Supplier Finance arrangements (Amendments to IAS 7 and IFRS7)

The amendments to IAS 7 and IFRS 7 apply to supplier finance arrangements that have all the following characteristics: 1) A finance provider pays amounts a company (the buyer) owes its suppliers. 2) A company agrees to pay under the terms and conditions of the arrangements on the same date or at a later date than its suppliers are paid. 3) The company is provided with extended payment terms or suppliers benefit from early payment terms, compared with the related invoice payment due date and 4) The amendments do not apply to arrangements for financing receivables or inventory. We adopted the amendments effective January 1, 2024, and the adoption did not have a material impact on the Group's consolidated financial statements.

b. *New and revised International Financial Reporting Standards issued but not yet adopted.*

The Group has not early adopted and is not expected to have a significant impact on the Group´s consolidated financial statements, the following new or amended accounting standards:

- Lack of Exchangeability (Amendments to IAS 21), this amendment is effective as of January 1, 2025.
- Presentation and Disclosure in Financial Statements (IFRS 18), this amendment is effective as of January 1, 2027.

(6) Seasonality

The results of operations for any interim period are not necessarily indicative of those for the entire year due to the fact that the business is subject to seasonal fluctuations. These fluctuations are the result of high vacation and leisure demand occurring during the northern hemisphere's summer season during the third quarter (principally in July and August) and again during the fourth quarter (principally in December) as well as in January.

The lowest levels of passenger traffic are concentrated in the months of February, March, and May. Given the proportion of fixed costs, the group expect quarterly operating results to continue to fluctuate on a quarterly basis. This information is provided to improve the understanding of the Company's results. However, management has concluded that this does not constitute "highly seasonal" as defined by IAS 34.

(7) Employee benefits

he Group sponsors defined benefit pension plans which require contributions to be made to separately administered funds. The Group also provides certain additional post-employment benefits. These benefits are unfunded as of June 30, 2024. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit cost method. Actuarial gains and losses for defined benefit plans are recognized in full during the period in which they occur within other comprehensive income. The liability for employee benefits is as follows:

	June 30, 2024	December 31, 2023
Defined benefit plan	$ 68,283	$ 78,081
Other benefits- short term	80,579	118,879
Other benefits- long term	11,848	9,980
Total	**$ 160,710**	**$ 206,940**
Current	96,748	135,749
Non-current	63,962	71,191
Total	**$ 160,710**	**$ 206,940**

CAXDAC Pension Plan Integration

In 1993 the pension plan in Colombia changed from a defined benefit plan to a defined contribution plan. The Colombian government defined a transition regime to maintain the conditions of pilots and co-pilots included in the pension plan prior to April 1, 1994, this transition regime is administered by CAXDAC. As a result the Group's obligation (while outstanding) was recognized and regulated by Law 860 of 2003, Decree 2210 of 2004 and Decree 1269 of 2009.

The CAXDAC pension situation as of June 30, 2024, for the components of Avianca S.A. and Tampa Cargo S.A.S is as follows:

- **Avianca S.A.**

As of December 31, 2023, the Group requested the approval of the actuarial calculation to the Superintendencia de Transporte in order to integrate the pension liability with CAXDAC for Avianca S.A. subsidiary. The approval was granted on December 31, 2023 by Superintendencia de Transporte.

On January 26, 2024, the effects of the reclassification were formalized by the competent entity. On January 29, 2024, Avianca S.A. obtained a certification from CAXDAC notifying Avianca S.A. of its satisfaction of legal liability under the pension plan. Consequently, the liability and asset plan were integrated, in such a way Avianca S.A. was released from this obligation to CAXDAC from that date. As of June 30, 2024, due the integration, the actuarial obligation and the fair value of the plan assets is $0 (December 31, 2023: $272,797 in plan assets and $272,797 in actuarial obligations).

During the six months ended June 30, 2024, the reserve related to the actuarial gains and losses of the CAXDAC pension plan for $85,671 was reclassified from other comprehensive income ("OCI") to retained earnings under the scope of IAS 19 (six months ended June 30, 2023: remeasurement of defined benefit of CAXDAC pension plan for ($6,994) were recognized in OCI).

- **Tampa Cargo S.A.S.**

The approval of the actuarial calculation to the Superintendencia de Transporte was requested on February 12, 2024 for the purpose of integrating the pension obligation. As of June 30, 2024, approval is still pending and is expected to be resolved during the first half of 2024. Until then, the Group is responsible for the obligation. As of June 30, 2024, the value of the actuarial calculation obligation is ($7,312) (December 31, 2023: ($7,633)) and the fair value of the plan assets is $6,831 (December 31, 2023: $7,326).

The plan assets are not available for payments to creditors and cannot be paid directly to the Group. Fair value is based on market price information and in the case of quoted securities on the published bid price.

For six months ended June 30, 2024, the return and assumptions on CAXDAC plan assets and obligation for $494 were recognized in OCI (three months ended June 30, 2023: ($130)).

- **Other pension plans**

The other pension plans are measured using a discount rate based on the government bonds of each country in which the respective benefit plan is established.

As of June 30, 2024, the defined benefit liability is comprised of the present value of the defined benefit obligation using a discount rate based on government bonds for each country where the respective benefit plan is established, less the fair value of plan assets out of which the obligations are to be settled.

For the other pension liability plans and post-retirement medical benefits for the Group, the average discount rate was 10.69% on June 30, 2024 (December 31, 2023: 10.03%). The increase in the discount rate on the other pension plans were recognized in other comprehensive income.

Movements of actuarial valuation of employee benefits

The following table summarizes the components of net benefit expense recognized in other comprehensive income within the condensed consolidated statements of comprehensive income (loss) for the periods presented:

	Six months ended June 30,		For the three months between April 1 and June 30,	
	2024	**2023**	**2024**	**2023**
Actuarial gains (losses) recognized in other comprehensive income	4,824	(4,130)	3,498	(5,008)
Adjustment in return on plan assets	(490)	7,525	(362)	68
Total	**4,334**	**3,395**	**3,136**	**(4,940)**

(8) Cash and cash equivalents and Short-Term Investments

	June 30, 2024	December 31, 2023
Cash on hand and bank	$ 735,965	$ 863,849
Cash equivalents (1) & (2)	16,979	19,204
Cash and cash equivalents	**$ 752,944**	**$ 883,053**
Short-term investments (3)	**$ 253,200**	**$ 257,553**

(1) As of June 30, 2024, investment funds accrued annual interest rates between 5.51% and 9.75% in Colombian pesos (December 31, 2023: 6.18% and 19.69%). The use of term deposits depends on the Group's cash requirements during the period.

(2) As of June 30, 2024 the Group presented in deposits and other assets $18,003 of cash collaterals, pledged from its checking and saving accounts to fulfill collateral requirements according to the definition of demand deposit - IAS 7 (December 31, 2023: $16,311). The comparative period previously presented has been modified to reflect the classification of the current period. See note 12.

(3) The short-term classification corresponds to funds invested for terms of less than one year; investments correspond to CDTs and bonds constituted by trusts held by the Group.

As of June 30, 2024, except for the cash pledged to fulfill collateral requirement, the Group's cash and cash equivalents are free of restriction or charges that could limit its availability.

(9) Trade and other receivables, net of expected credit losses

	June 30, 2024	December 31, 2023
Trade	$ 246,427	$ 247,134
Employee advances	4,059	4,450
Others	15,173	22,376
	$ 265,659	**$ 273,960**
Less estimate for expected credit losses (1)	(10,071)	(10,005)
Total net current	**$ 255,588**	**$ 263,955**

Trade receivables are non-interest bearing.

(1) The movement of impairment for expected credit losses is as follows:

	June 30,2024	December 31,2023
Opening balance	$ 10,005	$ 8,736
Provision for expected credit losses (1.1)	66	1,269
Total	**$ 10,071**	**$ 10,005**

(1.1) Includes expense for expected credit losses for the six months period ended June 30, 2024 for $1,846 (for the six months period ended June 30, 2023: $11,885).

(10) Balances and transactions with related parties

	As of June 30, 2024			As of December 31, 2023	
Company	**Country**	**Receivables**	**Payables**	**Receivable**	**Payables**
Caoba Capital S.A.	Panamá	—	10	—	10
Others	Colombia	51	4	49	79
Total		**$ 51**	**$ 14**	**$ 49**	**$ 89**

No material related party revenues were recognized, or expenses incurred for the six-month period ending June 30, 2023, and 2024

Key management personnel compensation expense

	Six months ended June 30, 2024	Six months ended June 30, 2023	For the three months between April 1 and June 30,2024	For the three months between April 1 and June 30,2023
Share-based payment (1)	$14,799	$58,977	$4,739	$12,721
Salaries and bonuses	30,386	23,741	17,739	7,025
Benefits and social charges	2,117	2,308	1,296	945
Others	526	526	263	263
Total	**$47,828**	**$85,552**	**$24,037**	**$20,954**

(1) Considers management incentive compensation plans described in note 23. The effect on the result referring to the share-based payment is based on the variation of the Company's share value, which is updated at each reporting period, and does not represent a cash outflow.

(11) Investment in financial instrument

On March 2, 2023, Mobi, the controlling shareholder of GOL, contributed all of its GOL shares (the "Mobi GOL Shares") in equal parts to two limited liability partnerships in which Abra holds substantially all the economic interests (the "Abra LLPs"). In exchange for the contribution of the Mobi GOL Shares to the Abra LLPs, Mobi received newly issued Abra shares. The Mobi GOL Shares represent 100% of the voting stock and 52.59% of the economic interest of GOL. Upon closing of the transactions under the MCA, GOL was controlled by the Abra LLPs, which, in turn, are controlled by the former controlling shareholders of GOL and IV1L.

Abra doesn't hold any substantive voting rights over GOL and therefore it accounts for its investment as a financial instrument in accordance with the principles in IFRS 9, which in the case of this investment it is recognized at amortized cost.

As explained in Note (1), on January 25, 2024, GOL voluntarily filed for Chapter 11 U.S. Court and subsequently suspended trading its ADS in the US Market.

Management concluded that the financial investment in GOL should be fully written-off as of and for the year ended December 31, 2023, recognizing an adjustment in the Share premium of $791,297 due to the following:

- Impairment indicators existed as of December 31, 2023 given the possibility of GOL entering into Chapter 11 (as evidenced by the press release GOL issued in December 2023).
- The Chapter 11 filing in January 2024 confirms that the impairment indicators existed as of December 31, 2023, as mentioned above.
- Management has analyzed the potential recovery of its investment in GOL and has concluded that the most probable outcome of the Chapter 11 restructuring is that all equity holders will not be able to recover any significant amount of their investment in this entity.

(12) Deposits and other assets

	June 30, 2024		December 31, 2023	
Short Term:				
Deposits with lessors	$	3,772	$	2,809
Guarantee deposits		8,963		15,069
Commission		19,582		13,447
Cash collaterals (1)		11,644		10,794
Others		6,828		1,848
Subtotal		**50,789**	**$**	**43,967**
Long Term:				
Deposits with lessors	$	60,684	$	64,487
Guarantee deposits		20,217		21,123
Labor lawsuits		26,221		25,369
Cash collaterals (1)		6,359		5,517
Others		111		146
Long term investments		7,433		7,696
Subtotal		**121,025**		**124,338**
Total	$ **$**	**171,814**	$	**168,305**

(1) As of June 30, 2024, the Group maintain $18,003 of cash collaterals, pledged from its checking and saving accounts to fulfill collateral requirements classified as deposits and other assets according to the definition of demand deposit - IAS 7 (December 31, 2023: $16,311). The comparative period previously presented has been modified to reflect the classification of the current period. See note 9

(13) Assets and liabilities of held for sale

	June 30, 2024		December 31, 2023	
Airbus aircraft and engines	$	10,732	$	10,743
Total assets held for sale	$	**10,732**	**$**	**10,743**

As of June 30, 2024, the Group classified as held for sale one aircraft A330-F. (December 31, 2023: three aircraft A330-F).

(14) Property and equipment, net

Cost	Flight Equipment	Capitalized Maintenance	Rotables Spare	Reimbursement of predelivery	Administrative property	Others	Total
December 31, 2023	**$ 171,810**	**$ 240,539**	**$ 222,343**	**$ 106,986**	**$ 114,995**	**$ 125,135**	**$ 981,808**
Additions	76,432	67,814	28,659	7,248	—	3,770	$ 183,923
Disposals	—	(84)	(4,974)	—	—	(848)	(5,906)
Transfers	2,555	(469)	(2,538)	—	—	446	(6)
Reclassification to right of use	(11,793)	—	(2,895)	—	—	—	(14,688)
June 30, 2024	**$ 239,005**	**$ 307,800**	**$ 240,595**	**$ 114,234**	**$ 114,995**	**$ 128,503**	**$ 1,145,132**
Accumulated depreciation:							
December 31, 2023	**$ 15,358**	**$ 5,991**	**$ 16,127**	**$ —**	**$ 3,046**	**$ 41,701**	**$ 82,223**
Additions	6,562	12,621	6,190	—	1,093	6,076	32,542
Disposals	—	(84)	(2,251)	—	—	(716)	(3,051)
Transfers	109	—	(109)	—	—	—	—
Reclassification to right of use	(9,031)	—	(54)	—	—	—	(9,085)
June 30, 2024	**$ 12,998**	**$ 18,528**	**$ 19,903**	**$ —**	**$ 4,139**	**$ 47,061**	**$ 102,629**
Net balances:							
December 31, 2023	**$ 156,453**	**$ 234,548**	**$ 206,216**	**$ 106,986**	**$ 111,949**	**$ 83,434**	**$ 899,585**
June 30, 2024	**$ 226,007**	**$ 289,272**	**$ 220,700**	**$ 114,234**	**$ 110,856**	**$ 81,442**	**$ 1,042,503**

The additions during the six-month period ended June 30, 2023, are primarily related to flight equipment for $25,277, capitalized maintenance for $39,911, and rotable and spare parts for $28,211.

(15) Leases

The Group leases certain aircraft under long-term lease agreements with an average duration of 6.5 years. Certain of the Group's aircraft operating leases contain renewal clauses that may be exercised based on the Group's business plan. Renewal clauses are considered in determining the lease term only when it is reasonably certain to be exercised.

Other leased assets include real estate, airport and terminal facilities, and general offices. Most other lease agreements include renewal options and some include escalation clauses, but none include purchase options.

Information about leases for which the Group is a lessee is presented below:

Right of use assets

	Aircraft and engines	Return conditions	Real estate	Total
Balance as of December 31, 2023	**$ 2,317,399**	**$ 534,307**	**$ 81,541**	**$ 2,933,247**
Additions	102,017	20,633	4,273	126,923
Amendments	174,503	(61,565)	—	112,938
Transfers	4,266	(4,266)	—	—
Depreciation expense	(152,532)	(24,338)	(6,504)	(183,374)
Balance as of June 30, 2024	**$ 2,445,653**	**$ 464,771**	**$ 79,310**	**$ 2,989,734**

Additions and amendments of the right-of-use assets include new leases, contract extensions, changes in discount rate and changes in rental payments. The additions during the six-month period ending June 30, 2024 are primarily relate to: $91,826 for recognition of the aircraft leasing of two (2) aircraft A320N and one (1) A330F, $16,367 for the recognition of the return conditions provision of four (4) A320N, $6,880 for recognition of the leasing of one (1) engine and $4,273 for leasing of other assets. The modifications of leases during the six-month period ending June 30, 2024 are relate to: $174,503 for amendment of eleven (11) A320 and two (2) A330F aircraft contracts and $61,565 of provision for return conditions write off of twelve (12) A320 aircraft contracts renegotiated as a financial lease.

	Aircraft and engines	Return conditions	Real estate	Total
Balance as of December 31, 2022	**$ 1,506,208**	**$ 406,216**	**$ 73,034**	**$ 1,985,458**
Additions	428,491	53,410	6,740	488,641
Depreciation expense	(108,700)	(36,295)	(3,413)	(148,408)
Balance as of June 30, 2023	**$ 1,825,999**	**$ 423,331**	**$ 76,361**	**$ 2,325,691**

Additions and amendments of the right-of-use assets include new leases, contract extensions, changes in discount rate and changes in rental payments. The additions during the six-month period ending June 30, 2023 are primarily relate to: $411,420 for recognition of the aircraft leasing of sixteen (16) aircraft A320 and three (3) B787, and three (3) spare engines, $53,410 for the recognition of the return conditions provision of eight (8) A320, six (6) A320 and three (3) engines, and $6,740 for leases of other assets.

Lease Liabilities

	June 30, 2024	December 31, 2023
Current portion of lease liability		
Aircraft and engines	$ 259,974	$ 258,010
Real estate	11,205	11,350
	271,179	**269,360**
Long-term lease liability		
Aircraft and engines	2,305,392	2,154,280
Real estate	55,763	60,312
	2,361,155	**2,214,592**
Total lease liabilities	**$ 2,632,334**	**$ 2,483,952**

Provisions for return conditions

For certain operating leases, the Group is obligated to return aircraft in a contractually predefined condition. The Group records a provision to account for the cost to be incurred to return said leased aircraft to the lessor in the agreed-upon condition, which is capitalized within the right-of-use asset and recognized as a liability for return condition.

Provisions for return conditions as of June 30, 2024, is as follows:

	June 30, 2024	December 31, 2023
Current	$ —	$ 8,098
Non-current	787,446	807,294
Total	**$ 787,446**	**$ 815,392**

Changes in provisions for return conditions are as follows:

	June 30, 2024	December 31, 2023
Opening balance	$ 815,392	$ 559,508
Recognition of provisions	—	186,940
Recovery of provisions	(40,932)	—
Present value adjustment	21,084	69,341
Provision used	(8,098)	(397)
Total provision for return conditions	**$ 787,446**	**$ 815,392**

(1) During the six-month period ending June 30, 2024, the group recognize the write off the provisions of seven (12) A320 aircraft contracts renegotiated as a financial lease.

Future aircraft leases payments

Under IFRS 16, the right of use of an identifiable asset granted to the Group through a lease agreement is recorded as a right-of-use asset within the condensed consolidated statement of financial position. A lease liability is also recorded at lease inception and represents the present value of the minimum payments required under the lease agreement.

The Group has one hundred fifty-five (155) aircraft that are under leases, three (3) of them consist in short-term and variable rent leases and one hundred fifty-two (152) corresponds to right of use assets for an average lease term of 96 months. Leases can be renewed, in accordance with the Group's business plan. The following is the summary of the future commitments of right of use leases as of June 30, 2024:

	Aircraft
Less than one year	$ 498,348
Between one and five years	1,887,720
More than five years	1,373,991
	$ 3,760,059

The Group has eleven (11) spare engines that are under leases to support its aircraft fleet of A320, A320 NEO, A319, A321 families. The following is the summary of the future commitments of leases:

	Spare Engines
Less than one year	$ 19,927
Between one and five years	58,719
More than five years	41,645
	$ 120,291

The value of payments recognized as expenses during the six-month period ending June 30, 2024:

	For the six months ended June 30, 2024	For the six months ended June 30, 2023	For the three months between April 1 and June 30, 2024	For the three months between April 1 and June 30, 2023
Variable lease payments	$ 26,446	$ 64,950	$ 8,859	$ 34,633
Leases of low-value assets	19,074	5	10,209	—
Total	**$ 45,520**	**$ 64,955**	**$ 19,068**	**$ 34,633**

The following future payments include interest accrued on lease liabilities for the periods presented. All amounts are gross and undiscounted.

Aircraft rights of use

June 30, 2024

	Years					
	One	Two	Three	Four	Five and later	Total
Principal	$ 251,943	$ 272,085	$ 340,476	$ 262,433	$ 1,430,398	$ 2,557,335
Interest	$ 266,332	$ 238,314	$ 208,914	$ 173,706	$ 435,749	$ 1,323,015

December 31, 2023

	Years					
	One	Two	Three	Four	Five and later	Total
Principal	$ 248,562	$ 267,669	$ 277,493	$ 267,268	$ 1,341,851	$ 2,402,843
Interests	$ 248,514	$ 222,344	$ 194,128	$ 165,386	$ 450,787	$ 1,281,159

Other lease liabilities

June 30, 2024

	Years					
	One	Two	Three	Four	five and later	Total
Principal	$ 8,563	$ 8,644	$ 6,569	$ 3,446	$ 29,508	$ 56,730
Interest	$ 4,386	$ 3,929	$ 3,145	$ 2,724	$ 12,871	$ 27,055

December 31, 2023

	Years					
	One	Two	Three	Four	ive and later	Total
Principal	$ 10,272	$ 6,808	$ 7,093	$ 3,919	$ 31,093	$ 59,185
Interest	$ 6,150	$ 4,074	$ 3,429	$ 9,468	$ 14,118	$ 37,239

Changes in liabilities derived from lease financing activities at June 30, 2024

	December 31, 2023	New Loans (1)	Financial cost	Payments	Interest Payments	Others	June 30, 2024
Aircraft rentals – lease liabilities	2,412,290	274,829	134,209	(122,918)	(135,473)	2,429	2,565,366
Other rentals - lease liabilities	71,662	3,350	2,520	(5,617)	(2,432)	(2,515)	66,968
Total lease liabilities from financing activities	**$ 2,483,952**	**$ 278,179**	**$ 136,729**	**$ (128,535)**	**$ (137,905)**	**$(86)**	**$ 2,632,334**

(1) The main additions in aircraft rentals for the six months ended June 30, 2024, correspond primarily for the lease liability of two (2) aircraft A320N and one (1) A330F for $91,826, one (1) A320N for $6,880 engine, additions of incremental rent for $1,592 and the effect for an amendment of seven (7) A320 and two (2) A330F aircraft contracts for $174.531.

Changes in liabilities derived from lease financing activities at June 30, 2023

	December 31, 2022	New Loans (1)	Financial cost	Payments	Interest Payments	Others	Reclassification	June 30, 2023
Aircraft rentals – lease liabilities	1,554,702	411,420	93,437	(81,245)	(73,583)	—	(11,987)	1,892,744
Other rentals - lease liabilities	42,889	—	1,390	(1,060)	(1,397)	11,943	—	53,765
Total lease liabilities from financing activities	**$ 1,597,591**	**$ 411,420**	**$ 94,827**	**$ (82,305)**	**$ (74,980)**	**$11,943**	**$ (11,987)**	**$ 1,946,509**

(1) The main additions in aircraft rentals for the six months ended June 30, 2023, correspond primarily for the lease liability of nineteen (19) aircraft of the families A320 and B787 and three (3) spare engines for a total of $393,558 and additions of incremental rent for $17,862.

(16) Intangible asset and goodwill, net

	June 30, 2024	December 31, 2023
Trademarks	$ 644,141	$ 644,141
Customer Relationships & Routes	513,177	526,104
Software and webpages	82,876	89,853
Agreements (Code-share and Star Alliance)	54,240	57,871
Slots	9,506	9,506
Subtotal	**1,303,940**	**1,327,475**
Goodwill	1,524,638	1,524,638
Total Intangible Assets	**$ 2,828,578**	**$ 2,852,113**

The following provides detail on intangible assets and goodwill as of December 31, 2023, and June 30, 2024:

	Goodwill	Customer Relationships & Routes	Agreements (Codeshare and Star Alliance)	Trademarks	Software & Webpages	Slots	Total
Cost:							
December 31, 2023	**$ 1,524,638**	**$ 592,010**	**$ 73,025**	**$ 644,141**	**$ 157,259**	**$ 9,506**	**$ 3,000,579**
Additions	—	—	—	—	10,069	—	10,069
June 30, 2024	**$ 1,524,638**	**$ 592,010**	**$ 73,025**	**$ 644,141**	**$ 167,328**	**$ 9,506**	**$ 3,010,648**
Accumulated Amortization:							
December 31, 2023	**$ —**	**$ 65,906**	**$ 15,154**	**$ —**	**$ 67,406**	**$ —**	**$ 148,466**
Amortization for the period	—	12,927	3,631	—	17,046	—	33,604
June 30, 2024	**$ —**	**$ 78,833**	**$ 18,785**	**$ —**	**$ 84,452**	**$ —**	**$ 182,070**
Carrying Amounts:							
December 31, 2023	**$ 1,524,638**	**$ 526,104**	**$ 57,871**	**$ 644,141**	**$ 89,853**	**$ 9,506**	**$ 2,852,113**
June 30, 2024	**$ 1,524,638**	**$ 513,177**	**$ 54,240**	**$ 644,141**	**$ 82,876**	**$ 9,506**	**$ 2,828,578**

(17) Investments in Equity Instruments and Other Investments

	June 30,2024	December 31,2023
Convertible Loan Sky	$ 111,612	$ 104,889
Rexton Loans	25,771	25,771
Less estimated for expected credit losses - Rexton	(25,771)	(25,771)
Total other investments	**$ 111,612**	**$ 104,889**

Investment in Sky

In September 2021, Andes Limited Inc. ("Andes") loaned $70,000 to Sky Airlines S.A. ("Sky") under a convertible loan agreement ("Convertible Loan") due in October 2026. The loan may convert to a minority stake in Sky. Interest will be added to the unpaid balance, payable on the due date for Sky's working capital and general purposes. On May 8, 2022, IV1L acquired all of Andes' shares, issuing 2,983,325 ordinary shares to former Andes investors, making IV1L Andes' sole shareholder. Andes' status as a non-business entity under IFRS 3 led to its acquisition being treated as a financial asset under IFRS 9. The fair value of the investment acquired was $87,348, paid in equity, while the Convertible Loan was valued at $107,541 as of March31, 2024. Credit risk associated with the loan is monitored through quarterly analyses of financial targets outlined in the loan agreement. The Borrower granted the Lender a lien and security interest in Collateral, including cash accounts, assets used by Sky, intellectual property, and shares, as per Pledge Agreements.

Investment in Viva

On April 28, 2022, Rexton Enterprises, S.A. ("Rexton"), owner of Viva Airlines, transferred its voting rights to a third-party beneficiary while retaining full economic interests in Viva. The next day, IV1L acquired 100% of Rexton's shares, indirectly gaining control of Viva's economic interests. IV1L obtained antitrust approval in Colombia for this acquisition, requested by Avianca. An agreement was signed on August 5, 2022, transferring voting rights to West Castle Limited, excluding veto rights over specific decisions. Economic rights remained with IV1L. ULCC Holdings Limited was formed on November 23, 2022, to acquire Rexton's shares from IV1L. Despite these changes, IV1L doesn't exert control over Rexton, but retains economic rights. The investment in Rexton was designated under IFRS 9 as at FVOCI, determined using a discounted cash flow model with Level 3 inputs. In 2022, Viva faced financial difficulties, leading to insolvency and operational suspension by February 2023, resulting in a significant decrease in IV1L's fair value investment in Viva. The value of the investment remains at zero as of June 30, 2024

Strategic investment in Wamos Air

On May 9, 2024 the Group announced that has agreed to make a strategic investment in Wamos Air, a world-leading Spanish company in charter aircraft leasing and wet lease services.

Wamos Air will maintain its leadership team, continue to operate independently under its existing business model, and will continue to serve its customers around the world.

The agreement is being celebrated in compliance with European Union regulations on air services, airline ownership and control, and its implementation is subject to standard closing conditions for such transactions, including obtaining approvals from competent authorities.

Investment in GOL

In February 2023, the Group signed the Support Agreement with GOL to invest in GOL from the issuance of Senior Secured Notes maturing in 2028. For this purpose, Abra agreed to issue Senior Secured Notes ("SSNs") maturing in 2028, convertible into Exchangeable Senior Secured Notes ("ESSNs") maturing in 2028.

In March 2023, Abra issued the SSNs and entered into the Senior Secured Note Purchase Agreement with GOL as the guarantor and paying agent, GOL Finance as the issuer. On the same date, GOL issued Senior Secured Notes 2028 ("SSNs 2028") to Abra, which provide for an interest rate of 18.0%, payable semiannually, with 4.5% in cash coupons and 13.5% p.a. in PIK (Payment in Kind). SSNs 2028 are backed by intellectual property, system infrastructure, data and Smiles loyalty program manuals.

On September 29, 2023, GOL converted $1,180,442 of SSN 2028 into Exchangeable Senior Secured Notes 2028 (“ESSNs 2028”), which may be converted into GOL preference shares by Abra and are subject to certain conditions precedent, which may or may not be met. The SSNs 2028 converted into ESSNs 2028 had a carrying amount of $1,279,570. This reclassification was assessed in accordance with IFRS 9 and had no impact in the profit and loss of the Company.

As of June 30, 2024, GOL owed $261,199 (December 2023 $233,304) to Abra, in the form of Senior Secured Notes 2028. As of the same date, GOL owed $1,125,837 (December 2023$1,065,436) in the form of Exchangeable Senior Secured Notes 2028 ("ESSNs 2028").

As of June 30, 2024, there is no impairment amount recognized on the SSNs 2028 due to the following primary factors, which have led management to conclude that they will recover the amounts of the outstanding GOL Notes:

- Seniority of the GOL Notes held by Abra respective of other creditors.
- Collateral held by Abra over assets of GOL, whose fair value is greater than the amounts of the outstanding GOL Notes.

  Orders issued by the Chapter 11 Bankruptcy Court guaranteeing adequate protection for Abra to continue to receive payment on interest and principal associated with the GOL Notes.

As June 2024

	Notional	New Issuances	Capitalized PIK	Prepayment	Interest (Cash)	Interest (PIK)	OID	OID Amortization	Balance
GOL SSN 2028	252,446	17,647	17,021	(15,000)	1,020	3,061	(26,641)	3,155	252,709
GOL SSEN 2028	1,207,445	-	81,503	-	4,834	14,501	(177,066)	29,313	1,160,529
Total	**1,459,891**	**17,647**	**98,523**	**(15.000)**	**5,854**	**17,562**	**(203,708)**	**32,468**	**1,413,238**

Accounts receivables	**$ 8,757**
Total June 30, 2024	**$ 1,421,995**

As December 2023

	Notional	Interest (Cash)	Interest (PIK)	OID	OID Amortization	Balance
GOL SSN 2028	$ 252,446	$ 898	$ 2,694	$ (23,994)	$ 1,261	$ 233,304
GOL SSEN 2028	1.207,445	4,528	13,584	(177,066)	16,946	1,065,436
Total	**$ 1,459,891**	**$ 5,426**	**$ 16,277**	**$ (201,061)**	**$ 18,207**	**1,298,740**
Accounts receivables						**$ 8,757**
Total December 31, 2023						**$ 1,307,497**

(18) Debt

	June 30, 2024	December 31, 2023
Currents:		
Short-term borrowings and current portion of long-term debt	$222,233	$206,818
Long term debt	3,292,503	3,306,645
	$ 3,514,736	**$ 3,513,463**

Abra

In March 2023, Abra Global Finance, a Cayman subsidiary of Abra, issued US$960 million Abra senior secured notes due 2028 (the "Abra SSN") and US$458 million in Abra senior secured exchangeable notes due 2028 (the "Abra SSEN"), including an Original Issue Discount ("OID") of 6.6% and 9.1% respectively.

Abra SSN Terms

Abra SSN shall bear interest at an interest rate as follows (i) 6.00% per annum and shall be payable entirely in cash semi-annually in arrears on each interest payment date and (ii) 5.50% per annum shall be payable per the terms dictated per the indenture. The notes shall mature on March 2, 2028.

Unless Abra elects to render interest payments on the defined interest payment date, interest shall automatically be capitalized, rounded up to the nearest dollar and added to the outstanding principal balance of Abra SSN on each interest payment date. Capitalized interest shall also accrue interest in accordance with the terms of the Abra SSN's indenture agreement. Notwithstanding the capitalization of interest payments, Abra shall pay the outstanding principal amount and all accrued and unpaid interest including all capitalized interest added and capitalized to the outstanding principal balance of the Abra SSN on the earliest of (i) the Abra SSN maturity date, (ii) any repurchase or redemption of the notes or a portion thereof pursuant to the terms of the indenture agreement, or as a result of an change of control offer to purchase, and (iii) the date of any acceleration of all principal of, and accrued and unpaid interest (including without limitation the Abra SSN capitalized interest) on the Abra SSN.

The effective interest rate of these notes is 13.67%.

Abra SSEN Terms

Abra SSEN shall bear interest at an interest rate of 5.00% per annum, from the issue date or from the most recent interest payment date, to, but excluding, the next scheduled interest payment date, until the maturity date of March 2, 2028.

Unless Abra elects to pay interest in cash on an interest payment date, interest shall automatically be capitalized, rounded up to the nearest dollar and added to the outstanding principal balance of Abra SSEN on each interest payment date. Capitalized interest as added to the principal balance shall also accrue interest in accordance with the terms of the Abra SSEN's indenture.

Notwithstanding the capitalization of interest payments, Abra shall pay the outstanding principal amount including all capitalized interest added and capitalized to the outstanding principal balance of Abra SSEN on each interest payment date and all accrued and unpaid interest including any interest accruing on such capitalized interest in cash on the earliest of (i) the Abra SSEN maturity date, (ii) any repurchase or redemption of the notes of Abra SSEN or a portion thereof pursuant to Abra SSEN's indenture agreement, (iii) the exchange date relating to such note of Abra SSEN or portion thereof, and (iv) the date of any acceleration of all principal of, and accrued and unpaid interest on Abra SSEN.

The effective interest rate of these notes is 7.48%.

In accordance with the Abra SSEN indenture, each holder of a Abra SSEN note shall have the right, to exchange all or any portion of an Abra SSEN's note at any time prior to its maturity date for one preference share (the "conversion option"), with a paid-up value of $1,000 USD, per $1,000 USD principal amount of notes, which preference share shall immediately be exchanged by the holder for ordinary shares at an initial exchange rate of 1,000 ordinary shares per $1,000 USD principal amount of preference shares, subject to the adjustments set forth Abra SSEN's indenture.

The embedded conversion option within the Abra SSEN requires bifurcation as a derivative liability and therefore to be recorded at fair value with subsequent changes in fair value affecting the year results. The initial fair value of the bifurcated conversion option created a debt discount on the Notes amounting to US$ $172,485. As of December 31, 2023, the derivative liability amounts to US$166,674, with and impact on the 2023 year results of US$ 5,811. As of June 30, 2024 the derivative liability amounts to US$229,668.

Forbearance Agreements

On 25 January 2024, at the time of GOL's Chapter 11 filing, Abra entered in a Forbearance Agreement with its noteholders (the "Forbearing Holders"), which has been amended from time to time, through which they agreed to a limited forbearance regarding the exercise of all of its rights and remedies in respect of certain Specified Defaults under the Note Documents and under applicable law, rule or regulation, including, without limitation, (a) any right to accelerate any principal, premium or interest in respect of the Notes or any other Notes Obligations and (b) any right of set off and recoupment (during the period commencing on the GOL's Chapter 11 petition date and terminating upon the occurrence of a termination event (the "Limited Forbearance"). As of [August 6, 2024], the Limited Forbearance expiration date is August 17, 2024.

As consideration for the Limited Forbearance, Abra agreed to, among other things:

I. On January 25, 2024, the upfront payment of a 1% of the aggregate principal amount of the Notes, and a ticking fee at a per annum rate of 2.50%

II. On June 10, 2024, the additional upfront payment of a 1% of the aggregate principal amount of the Notes, and the continuation of a ticking fee at a per annum rate of 2.50%

		June 30, 2024		
	Due through	**Weighted average interest rates**	**Nominal value**	**Carrying Amount**
Long term debt	2030	9.15%	2,431,031	2,250,633
SSN & ESSN	2030	11.67%	1,418,180	1,264,103
			3,849,211	**3,514,736**

		December 31, 2023		
	Due through	**Weighted average interest rates**	**Nominal value**	**Carrying Amount**
Long term debt	2032	9.41%	2,431,027	2,287,659
SSN & ESSN	2028	11.67%	1,418,180	1,225,804
			3,849,207	**3,513,463**

Bank guarantees

In order to comply with certain contractual or operating obligations, as of June 30, 2024, the Group has a total of

$21,761 (December 31, 2023: $20,244), in guarantees issued through financial entities. These guarantees are issued in favor of third parties.

Abra's Pledge of IV1L Shares

As of the date of these condensed consolidated financial statements, IV1L is a wholly-owned subsidiary of Abra. Abra has pledged all of its ordinary shares of IV1L as collateral securing Abra's senior secured notes due 2028 and senior secured exchangeable notes due 2028. For a specified period of time, Abra has entered into a forbearance agreement with certain noteholders with respect to specified events of default. Certain of the debt instruments and aircraft leases of IV1L's subsidiaries, including, among others, the Tranche A-1 Senior Notes and the Tranche A-2 Senior Notes (together, the "Exit Notes") issued by Avianca Midco 2 PLC ("Midco 2"), contain change of control provisions that may be triggered if the pledged IV1L shares were foreclosed upon by Abra's noteholders. In the event of a change of control (as defined in the indentures with respect to the Exit Notes) that results in a specified decline in the ratings of the Exit Notes, Midco 2 would be required to offer to repurchase the Exit Notes at a price of 101% of the outstanding principal amount.

Debt collaterals

Certain Group obligations accounted in the subsidiary IVL1 under short-term loans and long-term debt for $2,250,632 (December 31, 2023: $2,287,659) were secured by a substantial portion of its assets, including, (i) shares of substantially all of its operating subsidiaries, (ii) security over certain aircraft, engines and spare parts, (iii) a lien on the Avianca administrative building located in Bogotá, Colombia, (iv) security over slots at certain airports, (v) certain credit card and cargo receivables, (vi) cash and cash equivalents pledged in deposit or security accounts and (vii) certain intellectual property rights, and (viii) and all tangible and intangible assets of LifeMiles Ltd. and its subsidiaries.

Future payments on long-term debt and lease obligations

The following future payments including interests in long–term debt for the period ended December 31, 2023.

All amounts are gross and undiscounted and include contractual interest payments while excluding the impact of netting agreements.

Corporate debt

June 30, 2024

	Years					
	One	**Two**	**Three**	**Four**	**Five and later**	**Total**
Principal	$ 173,093	$ 71,571	$ 237,917	$ 1,978,596	$ 1,740,872	$ 4 ,202,049
Interest	$ 258,207	$ 252,611	$ 236,965	$ 194,803	$ 80,999	$ 1,023,586

December 31, 2023

	Years					
	One	**Two**	**Three**	**Four**	**Five and later**	**Total**
Principal	$ 177,246	$ 72,115	$ 259,469	$ 27,960	$ 3,683,341	$ 4,220,131
Interests	$ 208,376	$ 255,985	$ 248,065	$ 231,134	$ 159,484	$ 1,165,106

Changes in liabilities derived from financing activities at June 30, 2024

	December 31, 2023	Financial cost	Payments	Interest Payments	Others	Reclassifications	June 30, 2023
Current portion of long-term credits(excluding items listed below)	$ 206,818	$ 110,220	$ (41,271)	$ (105,940)	$ (35)	$ 52,441	$ 222,233
Non-current portion long-term debt and lease obligations	3,306,645	85,874	—	(30,706)	(16,869)	(52,441)	3,292,503
Total liabilities from financing activities	**$3,513,463**	**$ 196,094**	**$ (41,271)**	**$ (136,646)**	**$ (16,904)**	**$ —**	**$ 3,514,736**

(1) The difference between these payments and the payments in the consolidated statement of cash flows corresponds to non-cash payments in miles for $2,003.

(19) Other liabilities

	June 30, 2024	December 31, 2023
Current	$ 282	$ 87
Non-current (1)	$ 36,696	$ 28,128

(1) Non-current	June 30, 2024	December 31, 2023
Founder Warrants	$ 36,605	$ 28,040
Others	91	88
Total	**$ 36,696**	**$ 28,128**

Founder Warrants

On April 3, 2023, the Company issued warrants to purchase ordinary shares of the Company, for no consideration, to a group of historical shareholders or strategic investors in the Company's legacy organization structure. These were issued to maintain those strategic relationships going forward. Management compares these Warrants akin to granting "founder shares" or "friends and family equity" in connection with the set-up of the Company.

Upon issuance of the Founder Warrants, the Company recognized a liability of $33,163 against Equity (as management of the Company believes the circumstances of these Warrants is similar to a "special dividend" or deemed dividend and therefore the debit entry should be recorded in Equity). As of December 31, 2023, the fair value of the liability amounted to $28,040 and a gain in the 2023-year results for $5,123 was recognized. As of June 30, 2024, the fair value of the liability amounted to $36,605 and a loss in the 2024-first half results for $8,565 was recognized.

(20) Fair value measurements

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Quantitative disclosures of fair value measurement hierarchy for assets:

	Fair value measurement using			
Assets measured at fair value	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Airbus aircraft and engines held for sale (note 13)	—	10,732	—	10,732
Investments	—	51,719	—	51,719
Convertible loan agreement (Note 17)	—	—	111,612	111,612
Revalued administrative property (note 14)	—	—	110,856	110,856

Quantitative disclosures of fair value measurement hierarchy for liabilities:

	Fair value measurement using			
Liabilities measured at fair value	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Liabilities for which fair values are disclosed				
Short–term borrowings and long–term debt	—	2,158,964	—	2,158,964
Warrants	—	36,605	—	36,605

Fair values hierarchy

The different levels have been defined as follows:

Level 1 Observable inputs such as quoted prices in active markets.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 Inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognized within the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in hierarchy by re–assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

(a) The fair value of financial assets which changes in OCI is determined by reference to the present value of future principal and interest cash flows, discounted at a market based on interest rate at the reporting date.

(b) The Group uses the revaluation model to measure the value of its land and buildings which are comprised of administrative properties. Management has determined that this constitutes one class of asset under IAS 16 based on the nature, characteristics, and risks of the property. Property fair values were determined using market comparable methods. This means that valuations performed by appraisals are based on active market prices, adjusted for difference in the nature, location, or condition of the specific property. The Group engaged accredited independent appraisers to determine the fair value of its land and buildings.

The following table shows the valuation technique used to measure the fair value of the administrative property, as well as the unobservable investment used.

Valuation technique and significant unobservable entries

The following tables present qualitative information of significant unobservable inputs and sensitivity analysis of changes in hypothetical significant unobservable inputs to valuation model used in Level 3 fair value measurement for the periods presented.

	Fair value at June 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Convertible loan agreement	111,611	Market discount rate	Discount rate	23	The higher the discount rate, the lower the fair value
Revalued administrative property	110,856	Market comparison approach	Monthly rental value per square meter (El Salvador)	20	The higher the monthly rental value per square meter, the higher the fair value
			Square vara price (El Salvador)	585	The higher the square vara price, the higher the fair value
			Monthly rental value per square meter (Colombia)	16	The higher the monthly rental value per square meter, the higher the fair value
			Square meter price (Colombia)	2,666	The higher the Square meter price, the higher the fair value
			Appreciation or depreciation of Colombian peso against US Dollar	(8.50)%	The higher the appreciation of Colombian peso against US Dollar, the higher the fair value

Investments in equity instruments

December 31,2023	
Valuation technique	**Significant unobservable entries (In dollars)**
Public company method: this method employs market multiples derived from market prices of stocks of companies that are engaged in the same or similar lines of business and that are actively traded on a free and open market. The application of the selected multiples to the corresponding measure of financial performance for the subject company produces estimates of value at the marketable-minority level.	As of December 31, 2023, the No approval Scenario was realized concluding a Fair value of $0. December 31, 2022: Scenario 1- Delayed/No approval: Concluded Fair Value of Equity: $15,200 Probability: 98% Scenario 2- Successful transaction: Concluded Fair Value of Equity: $205,956 Probability: 2%

Convertible loan agreement

December 31,2023	
Valuation technique	**Significant unobservable entries (In dollars)**
The fair value of the embedded conversion option within the Abra SSEN has been measured using the Black-Scholes option pricing model.	Risk free rate 3.29% - Volatility 35.7%
The fair value of the ABRA’s investment in the GOL 2028 ESSNs is measured and accounted for (as a whole) at FVTPL with no bifurcation of the embedded derivative, since it has been considered that the fair value of the option is zero.	None

December 31,2023

Valuation technique	Significant unobservable entries (In dollars)
The secured convertible loan to Sky Airlines S.A. was registered at fair value based on a market discount rate, cashflows to be received pursuant to the credit agreement, and conversion assumptions. The discount rate considers Sky Airlines S.A.'s specific risk-profile based on size, profitability and credit and metrics, as well as relevant market references as of the valuation date. The cashflows to be received are based on contractual interest and amortization payments.	Discount Rate as of June 30, 2024: 22.3% (December 31, 2023: 21.2%).

Equity-settled share-based payments

December 31,2023

Valuation technique	Significant unobservable entries (In dollars)
The fair value of the Founder Warrants has been measured using the Black-Scholes option pricing model	Risk free rate 3.29% - Volatility 35.7%
The fair value of the Ordinary shares deferred has been measured using the Black-Scholes option pricing model.	Risk free rate 3.29% - Volatility 35.7%
The fair value of the employee Non-Qualified Share Option has been measured using the Black-Scholes option pricing model. The fair value has been measured using a market approach: guideline public company method with a weight of 75% and an income approach: discounted cash flow method with a weight of 25%.	The detail of significant unobservable entries was described in note 7.

(21) Income tax expense and other taxes

	June 30, 2024	December 31, 2023
Current income tax – assets	$ 155,083	$ 126,089
Other current taxes		
Current VAT – assets	48,945	48,410
Other current taxes	24,853	21,653
Total other current taxes	73,798	70,063
Total current taxes – assets	**$ 228,881**	**$ 196,152**
Current income tax – liabilities	(33,195)	$ (25,523)
Others	(9,326)	(11,519)
Total Current income tax – liabilities	**$ (42,521)**	**$ (37,042)**

Income tax expense for six-month period ending June 30, is comprised of the following:

Consolidated statement of comprehensive income

	For the six months ended June 30,		For the three months period from April 1 to June 30,	
	2024	2023	2024	2023
Current income tax:				
Current income tax charge	$ (19,456)	$ (16,833)	$ (10,952)	$ (11,312)
Deferred tax expense:				
Relating to origination and reversal of temporary differences	3,234	7,708	1,578	7,897
Income tax expense reported in the income statement	**$ (16,222)**	**$ (9,125)**	**$ (9,374)**	**$ (3,415)**

In addition to the amount charged to income or loss, the following amounts relating to tax have been recognized in other comprehensive income:

	Six months ended June 30,		For the three- months period from April 1 to June 30,	
	2024	2023	2024	2023
Items that will not be reclassified to income or loss in future periods - Remeasurements of defined benefit	$ 63	$ (41)	$ 63	$ (41)

Changes in deferred tax assets and deferred tax liabilities

	For the six months ended June 30,	
	2024	**2023**
Deferred tax assets		
As of December 31	**$ 45,444**	**$ 27,397**
Recognized as income	554	2,112
Recognized in other comprehensive income	63	(47)
Exchange differences	22	230
Total Deferred tax assets as of	**$ 46,083**	**$ 29,692**

	For the six months ended June 30,	
	2024	**2023**
Deferred tax liabilities		
As of December 31	**$ (136,045)**	**$ 155,681**
Recognized as income and (loss)	2,680	(5,596)
Recognized in other comprehensive income	—	(6)
Exchange differences	—	(795)
Total Deferred tax liabilities	**$ (133,365)**	**$ 149,284**

Taxation for the different jurisdictions is calculated at the following rates:

Country	Applicable tax rate
Colombia (*)	35%
United Kingdom (*)	25%
Cayman Islands (***)	0%
Brazil	34%
Chile	27%
Costa Rica (****)	30%
Ecuador	28%
El Salvador	30%
Guatemala	25%
Honduras	25%
México	35%
Nicaragua	30%
Panamá	25%
United States	21%

(*) Aerovias del Continente Americano S.A. – Avianca S.A. subscribed a legal stability contract which sets a tax rate of 33% for this company only.

(**) The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate in the United Kingdom from 19% to 25% with effect on April 1, 2023.

(***) The Cayman Islands do not impose taxes, however IV1L is UK tax resident, so it is subject to taxation in the UK.

(****) The entity that deals with the Loyalty program (LifeMiles, Ltd) operates under a special tax regime (Tax rate 0%).

Uncertainty over income tax treatments

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessments of many factors, including interpretations of tax law and prior experience. There are no uncertainties over income tax treatments with adverse impacts for the Group identified in the assessments performed.

Global minimum top-up tax

On October 8th, 2021, 136 countries reached an agreement for an international tax reform. The agreement proposes two pillars. The first pillar is about how to divide taxing rights between countries. The second pillar is about how to ensure that multinational enterprises pay a minimum level of tax. The Pillar Two Global Anti-Base Erosion Model Rules propose four new taxing mechanisms. These mechanisms would ensure that multinational enterprises pay a minimum level of tax. These mechanisms include:

1. The "subject to tax" rule, which proposes a minimum tax on certain cross-border intercompany transactions that are not subject to a minimum level of tax.

2. The "income inclusion" rule, which proposes a minimum tax on the income arising in each jurisdiction in which the Group operates.

3. The "undertaxed payments" rule, which proposes a minimum tax on certain cross-border payments that are subject to tax but taxed at a low rate.

4. The "qualified domestic minimum top-up tax", which generally proposes a minimum tax on the income arising in each jurisdiction in which the Group operates.

Although the Group operates in several jurisdictions, the UPE (Ultimate Parent Entity) has been determined to be in the United Kingdom. The UK has already enacted legislation to implement the global minimum top-up tax. The Group has already initiated the analysis of its impact, focusing mainly on Cayman Islands, where the results, if any, of Abra Global Finance (the company that issued the Abra SSN and SSENS and holds the GOL SSN and GOL ESSNS) would be subject to a tax rate of 0%, and Costa Rica, where the loyalty business is subject to tax at a rate of 0%. From projections up to date, the company in Cayman Islands may not have annual positive results and also preliminary result shows that the Group will have an ETR in Costa Rica of 15% which imply that no top up tax would arise from the results on those jurisdictions.

In addition, the Group is considering any potential impact derived from its results in Bermuda, but further analysis is being carried out. Moreover, the Group is also analyzing whether its Country-by-Country report is a "qualified CBC" for purposes of the UK Pillar 2 rules in order to apply for the safe harbor in those jurisdictions where the Group has an ETR equal or higher than 15%.

(22) Provisions for legal claims

As of June 30, 2024, the Group has been involved in various lawsuits and legal actions that arise through normal commercial activities. Of the total lawsuits and legal actions; management has calculated a probable and probable loss of $31,235 as of June 30, 2024 (December 31, 2023: $31,125). These lawsuits are reflected in the condensed consolidated interim financial statements position under the "Provision for Legal Claims" section.

Changes in litigation provisions during the six-month periods ended June 30, 2024, is as follows

		June 30, 2024		December 31, 2023
Opening Balance	$	31,125	$	47,124
Provisions constituted		4,972		8,409
Provisions reverse		(2,516)		(7,996)
Provisions reclassification		(5,041)		—
Lawsuits deposits		—		(8,828)
Provisions used		(2,346)		(7,584)
Balances at the end of the period	**$**	**26,194**	**$**	**31,125**

Certain litigation are contingent liabilities and are therefore classified as potential future obligations and are subsequently categorized as possible. Based on plaintiffs' claims for the periods ended June 30, 2024, these contingencies totaled $116,419 (December 31, 2023: $149,414). Certain losses that could arise from these litigation will be covered by insurance or with funds provided by third parties. The judicial processes resolved with said forms of payment are estimated at $11,495 as of June 30, 2024 (December 31, 2023: $13,878).

In accordance with IAS 37, the processes that the Company considers as representing a remote risk are not included within the Condensed Consolidated Statements of Financial Position.

Internal investigations to determine whether we may have violated the U.S. Foreign Corrupt Practices Act and other laws

In August 2019, Avianca Holdings S.A. (former parent of the Avianca group) disclosed that it had discovered a business practice whereby, years before, certain employees, including members of senior management, as well as certain members of Avianca's board of directors, provided 'things of value' to government employees in certain countries which, based on its understanding, were limited to free and discounted airline tickets and upgrades. Avianca commenced an internal investigation and retained reputable external counsel as well as a specialized forensic investigatory firm to determine whether this practice may have violated the FCPA or other potentially applicable U.S. and non-U.S. anti-corruption laws. In 2018, Avianca revised its policies to prevent said practices from reoccurring. This included limiting the number of persons at Avianca authorized to issue free and discounted airline tickets and upgrades and requiring additional internal approvals. In August 2019, Avianca voluntarily disclosed this investigation to the U.S. Department of Justice, the U.S. Securities and Exchange Commission (the "SEC"), and the Colombian Financial Superintendence.

In September 2019, the Colombian Superintendence of Companies (the "CSC") inspected Avianca's Bogota offices. In February 2020, the Office of the Attorney General of Colombia served Avianca with a warrant to inspect its offices in order to collect information related to the CSC's preliminary investigation. The CSC sent several requests of information that were timely responded by Avianca.

On May 28, 2021, the SEC informed Avianca that it had "concluded the investigation as to Avianca Holdings S.A." and "does not intend to recommend an enforcement action by the Commission against Avianca Holdings S.A."

To Avianca's knowledge and as of the date hereof, the CSC's preliminary investigation described above has not resulted in the opening of a formal investigation . Moreover, Avianca is of the view that the CSC is time-barred from commencing a formal investigation proceeding and should have closed the preliminary investigation, pursuant to applicable law. Formally, no employee or manager related to Avianca has been linked to any investigations conducted by the Colombian authorities in connection with those practices.

Internal Investigation regarding potential impacts at the Group due to corrupt business practices at Airbus

In January 2020, Airbus, the Company's primary aircraft supplier, entered into a settlement with authorities in France, the United Kingdom and the United States regarding corrupt business practices.

Airbus' settlement with French authorities references a possible request by an Avianca "senior executive" in 2014 for an irregular commission payment, which was ultimately not made. As a result of the foregoing, Avianca voluntarily conducted an internal investigation to analyze its commercial relationship with Airbus and to determine if it was the injured party of any improper or illegal acts. This internal investigation was disclosed to the U.S. Department of Justice and to the SEC as well as the Colombian Superintendence of Industry and Commerce and the Office of the Attorney General of Colombia.

To Avianca's knowledge and as of the date hereof, the Office of the Attorney General of Colombia and the Superintendence of Industry and Commerce are conducting preliminary investigations, in which they have requested information from Avianca, which, as usual, has been provided under the principle of active collaboration with authorities. Formally, no employee or collaborator related to Avianca has been linked to the investigations conducted by the Colombian authorities.

SIC investigation into the acquisition of the Airlines Viva

On December 19, 2022, Colombian Superintendency of Industry and Commerce notified the opening of an investigation against the Colombian airline (i.e., Aerovías del Continente Americano S.A. Avianca) ("Avianca") for alleged gun jumping with regards to the acquisition of economic rights of the Viva airlines which was completed in April 2022 (excluding political rights which were isolated through a trust structure and granted to an independent third party).

The Superintendency argues that the (i) acquisition of economic rights of Viva by Investment Vehicle 1 Limited entails – in and of itself – the acquisition of control, and, thus, required clearance by the Aerocivil; and (ii) separation of political and voting rights is not real.

Certain commitments for the investigation to be dismissed were offered on January 16, 2023, and defense arguments were filed on January 17, 2023 arguing that (a) the deal was structured on the basis of the hold separate theory that is expressly allowed per Colombian merger control regulations and has been consistently recognized by antitrust authorities worldwide; and (b) there is evidence of the fact that the airlines have been acting independently, and have not incurred in any collusion or coordination activities.

On May 2, 2023, the Superintendency of Industry and Commerce notified Avianca of the dismissal of the investigation subject to some remedies different to those initially offered by Avianca. On May 16, 2023, Avianca filed a remedy of reconsideration requesting some adjustments to the remedies imposed by the Superintendency (the “Remedy”).

On August 23, 2023, the Superintendency of Industry and Commerce notified Avianca of the final and non-appealable decision with respect to the acceptance of the remedies offered by Avianca. Consequently, the investigation has been terminated (the “Final Decision”). On, or around September 7, 2023, as per the Final Decision, Avianca, implemented most of the remedies, including but not limited to: (a) a corporate reorganization with respect to the economic rights of the Viva entities and the shares and economic rights of Rexton Enterprises, S.A.; and (b) a passengers protection plan by providing flight services to customers of the former airline Viva Air until September 2024, under certain specific conditions.

On March 1, 2024, Avianca filed before the SIC and within the time established by this authority the antitrust program for it to be reviewed by the SIC in accordance with the ninth remedy applicable commitment pursuant to the Final Decision.

(23) Share-based payment

a) Share-based payment IVL1

Our Management Incentive Plan (the “MIP plan”) consists of two Awards: (i) Non-Qualified Share Options (“NSO”) and (ii) Restricted Share Units (“RSU”). Under the MIP plan, the Company may grant NSOs of and RSUs of IV1L to eligible employees and directors. The exercise price of the NSOs shall be not be less than 100% of the Fair Market Value of the ordinary shares on the grant date. Certain key employees and directors received awards which were classified as equity-settled. For the six months ended June 30, 2024, the Company recognized $14,799 (for the six months ended June 30 2023: $58,977) as compensation expense associated with the MIP plan in our condensed consolidated interim statements of comprehensive income (loss).

i) Non-Qualified Share option (“NSO”)

As of June 30, 2024 there are a total of 1,851,905 NSOs outstanding, of which 1,534,488 are fully vested and 317,417 remain unvested. The NSOs vest and become non-forfeitable per the vesting schedule set outlined in the applicable award agreements, subject to the participant’s continuous service or employment with the Company of its affiliates from the grant date through the applicable vesting date. A vested NSO may be exercised with the maximum term of 10 years from the grant date.

ii) Restricted share Units (“RSU”)

As of June 30, 2024 there are a total of 2,403,432 RSUs outstanding, of which 2,119,480 RSUs are fully vested and 283,952 remain unvested. Each RSU represents the right to receive one ordinary share of IV1L subject to the terms and conditions in the MIP plan. The RSUs vest and become non-forfeitable per the vesting schedule outlined in the applicable award agreements, subject to the participant’s continuous service or employment with the Company or its affiliates from the grant date through the applicable vesting date. The RSUs vest in installments of up to three years.

<u>Measurement of fair values</u>

The fair value of the employee Non-Qualified Share Option has been measured using the Black-Scholes option pricing model. The fair value or Restricted Share Units has been measured using a market approach: guideline public company method with a weight of 75% and an income approach: discounted cash flow method with a weight of 25%.

The inputs used in the measurement of the fair value at grant date and measurement date were as follows (all of them with reference to IV1L shares):

	NSO	**RSU**
Value per common shares	$ 31,71	$ 31,71
Value per common shares adjusted for expected dividends	$ 31,71	$ 31,71
Exercise Price per Share	31,15	31,15
Years to Expiration Date	6	6
Volatility	70%	70%
Zero-coupon Risk-Free Rate	4%	4%
Expected Dividend Yield	0.0%	0.0%
Value per Option	$20.86	N/A
Number of Outstanding	1,851,905	2,403,432

The expected life of the share options considers the remaining time until expiration of the options and the vesting schedule and is not necessarily indicative of exercise patterns that may occur. The group’s equity volatility for a term corresponding to the expected life for each grant, is estimated as the historical equity volatility for each term, averaged over the selected industry guideline companies. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Reconciliation of outstanding share options

	NSO		RSU	
	Number (in thousands)	**Weighted average exercise price (in $)**	**Number (in thousands)**	**Weighted average exercise price (in $)**
Outstanding at the beginning of the year	—	28,56	—	31,71
Granted during the year	1,852	28,56	2,403	31,71
Forfeited during the year	—	28,56	—	31,71
Exercised during the year	—	28,56	—	31,71
Expired during the year	—	28,56	—	31,71
Outstanding at the end of the year	1,852	28,56	2,403	31,71
Exercisable at the end of the year	**1,534**	**28,56**	**2,119**	**31,71**

b) Share-based payment -ABRA

Certain executives received share-based compensation from the Company through a Management Incentive Plan, which can be equity-settled or cash settled at election of the Company.

The Plan consists of three Awards (i) Options granted as an Incentive Stock Option or as a Nonqualified Share Option, at the discretion of the Human Resources and Compensation Committee of the Board (the "Committee"); (ii) Restricted Share Awards and (iii) Restricted Share Units Awards.

i) **Incentive Stock Option and Non-qualified Share Option:** The Committee may grant Share Options to eligible individuals, designating them as either Incentive Stock Options or Nonqualified Share Options, ensuring compliance with tax regulations. The exercise price per share must be at least the Fair Market Value on the Grant Date, with the Committee having discretion to set it higher. The Committee determines when Share Options become vested or exercisable based on various factors such as continued service or performance goals, potentially accelerated by a Qualified Liquidity Event. Vested Share Options can be exercised within a period specified by the Committee, up to a maximum of 10 years from the Grant Date. Vested Share Options can be exercised, subject to compliance with applicable tax regulations. Payment methods include cash, Common Shares, or other approved methods. Eligibility, annual limits, termination of employment provisions, non-transferability, and reporting requirements for disqualifying dispositions are outlined to ensure compliance with tax regulations.

ii) **Restricted Share Awards:** The Committee may grant Restricted Share Awards to eligible individuals, possibly requiring payment of a purchase price by the participant. Dividends and distributions may be paid to participants according to the terms set in the Award Agreement. Restrictions on shares granted under a Restricted Share Award will lapse based on vesting requirements specified in the Award Agreement, which may include continued service or performance goals. Vesting may be accelerated by a Qualified Liquidity Event, and failure to meet vesting requirements results in forfeiture of the award. Participants benefit from all rights attached to the Common Shares issued under the Restricted Share Award, including voting rights and receipt of dividends and distributions, subject to the restrictions outlined in the Company's articles of association.

iii) **Restricted Share Units Awards**: The Committee may grant Restricted Share Unit Awards to eligible individuals, possibly requiring payment of a purchase price by the participant. These awards may be settled in Common Shares, cash equivalent, a combination of both, or other forms of consideration as determined by the Committee and specified in the Award Agreement. If settled in Common Shares, participants must adhere to certain shareholder agreement terms. Restrictions on shares granted under a Restricted Share Unit Award will lapse based on vesting requirements specified in the Award Agreement, which may include continued service, performance goals, or other conditions approved by the Committee. Vesting may be accelerated by a Qualified Liquidity Event, and failure to meet requirements results in forfeiture. Participants have no shareholder rights until Common Shares are issued upon settlement of the award, including voting rights and receipt of dividends or distributions. Dividend equivalents may be credited to participants, which can be converted into additional Common Shares covered by the award at the discretion of the Committee, subject to the terms of the Award Agreement. No Restricted Share Unit Award shall be settled until all withholding tax obligations are met as per the terms specified in the Award Agreement.

On 29 December 2023, 2,500,000 Non-qualified share options awards were granted to eligible executives for the purchase of 2,500,000 ordinary shares, each valued at $0.00001 in the capital of the Company, with an exercise price of US$1 per share. This Non-qualified share options awards vested on the same day.

On 30 December 2023, 11,998,299 Non-qualified share options awards were granted to eligible executives for the purchase of 11,998,299 ordinary shares, each valued at $0.00001 in the capital of the Company, with an exercise price of US$1 per share. Additionally, on the same date, 11,998,299 Restricted share units awards were granted to eligible executives. Both instruments have a vesting period ranging from 3 to 4 years, and no effect of their valuation has been recognized in the financial statements, considering the dates of granting and the year-end.

On 21 January 2024 (a) 6,692,082 Restricted share unit's awards were granted to eligible executives and board members; (b) Non-qualified share options awards were granted to eligible executives for the purchase of 204,082 ordinary shares, each valued at $0.00001 in the capital of the Company, with an exercise price of US$1 per share and; (c) 669,000 Restricted shares awards were granted to eligible board members. All these instruments have a vesting period ranging from 3 to 4 years.

During the second quarter of 2024, 2,020,408 Non-qualified share options awards were vested. In the same period, 3,703,408 Restricted share units were vested.

(24) Acquisition of aircraft

In accordance with the agreements in effect, future commitments related to the acquisition of aircraft and engines as of June 30, 2024, are as follows:

	Less than one year	1-3 years	3-5 years	More than 5 years	Total
Aircraft and engine purchase commitments	$ 184,163	$ 2,266,208	$ 2,112,664	$ 1,138,626	$ 5,701,661

Amounts disclosed reflect certain discounts negotiated with suppliers as of the balance sheet date, which discounts are calculated on highly technical bases and are subject to multiple conditions and constant variations. Among the factors that may affect discounts are changes in our purchase agreements, including order volumes.

The Group plans to finance the acquisition of the commitments acquired with the resources generated by the Group and the financial operations that can be formalized with financial entities and aircraft leasing companies.

(25) Operating Revenue

The Group has identified international and domestic revenue based on route for those revenues related with flown and point of sale for some ancillaries collected at sales.

Operating revenues for the periods presented is as follows:

	Six months ended June 30, 2024	% of total	Six months ended June 30, 2023	% of total	For the three months between April 1 and June 30, 2024	% of total	For the three months between April 1 and June 30, 2023	% of total
Domestic								
Tickets	$ 560,373	22.9%	$ 415,919	18.9%	$ 261,963	22.3%	$ 214,889	19.3%
Ancillaries (1)	152,395	6.2%	138,340	6.3%	74,845	6.4%	70,089	6.3%
Cargo and courier	147,002	6.0%	187,197	8.5%	72,913	6.2%	96,428	8.7%
Loyalty (2)	55,073	2.3%	37,362	1.7%	26,923	2.3%	24,262	2.2%
	914,843	**37.4%**	**778,818**	**35.4%**	**436,644**	**37.1%**	**405,668**	**36.4%**
International								
Tickets	928,695	38.0%	869,548	39.5%	444,195	37.6%	442,014	39.7%
Ancillaries (1)	296,306	12.1%	267,906	12.2%	144,175	12.3%	137,674	12.4%
Cargo and courier	185,359	7.6%	167,157	7.6%	49,287	4.2%	78,868	7.1%
Loyalty (2)	93,106	3.8%	102,694	4.7%	92,326	7.8%	45,191	4.1%
	$1,503,466	**61.6%**	**$1,407,305**	**63.9%**	**729,983**	**62.0%**	**$ 703,747**	**63.1%**
Other	23,247	1,0%	15,730	0.7%	9,919	0.8%	5,294	0.5%
Total revenue	**$2,441,556**	**100%**	**$2,201,853**	**100%**	**$1,176,546**	**100%**	**$1,114,709**	**100%**

(1) The ancillaries' revenues were disaggregated according to the information regularly reviewed by the Chief operating Decision Maker (CODM) for evaluating the financial performance of operating segment. This information considers the ancillaries that are sold separately and the breakdown of the bundle fare. The value of ticket and ancillaries (seats and upgrades, baggage, changes and fees, other air ancillaries and non-air ancillaries), has been separated based on the basic fare associated with the route.

(2) Corresponds to revenues related to passenger services acquired through loyalty miles redeemed

(26) Common shares

	June 30, 2024	December 31, 2023
Common shares issued and paid	2,483,985,747	2,482,275,517

The nominal value per share is $1. The common shares include the ordinary shares deferred.

(27) Subsequent Events

There have been no post-balance sheet events that have occurred since the balance sheet date that would require disclosure in or amendment of these financial statements.

****