AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES

(England, United Kingdom)

Unaudited Condensed Consolidated Interim Financial Statements
As of September 30, 2024, and
for the nine-month period ended September 30, 2024
with the independent auditor's report on the review of the interim financial statements

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)

Index

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders
Avianca Group International Limited:

Introduction

We have reviewed the accompanying September 30, 2024 condensed consolidated interim financial statements of Avianca Group International Limited ("the Group"), which comprises:

- the condensed consolidated statement of financial position as at September 30, 2024;
- the condensed consolidated statement of comprehensive income for the three-month and nine-month periods ended September 30, 2024;
- the condensed consolidated statements of changes in equity for the nine-month period ended September 30, 2024;
- the condensed consolidated statements of cash flows for the nine-month period ended September 30, 2024; and
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying September 30, 2024 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG S.A.S.

KPMG S.A.S.
Calle 90 No. 19C - 74
November 7, 2024

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)
Condensed Consolidated Statements of Financial Position
(In USD thousands)

	Notes	September 30, 2024 Unaudited	December 31, 2023 Audited
Assets			
Current assets:			
Cash and cash equivalents	8	$ 894,309	$ 767,547
Short-term investments	8	208,422	257,553
Trade and other receivables	9	266,687	263,433
Accounts receivable from related parties	10	8,431	4,897
Current tax assets	18	249,577	196,152
Expendable spare parts and supplies		103,671	93,506
Prepayments		7,307	14,878
Deposits and other assets	11	44,714	56,955
		1,783,118	**1,654,921**
Assets held for sale	12	732	10,743
Total current assets		**1,783,850**	**1,665,664**
Non–current assets:			
Deposits and other assets	11	125,997	124,338
Accounts receivable from related parties	10	121,407	112,726
Intangible assets	14	1,296,446	1,327,475
Goodwill	14	1,524,638	1,524,638
Deferred tax assets	18	46,276	45,444
Right of use assets	15	2,995,521	2,933,247
Property and equipment	13	1,132,772	899,515
Total non–current assets		**7,243,057**	**6,967,383**
Total assets		**$ 9,026,907**	**$ 8,633,047**

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES

(England, United Kingdom)

Condensed Consolidated Statements of Financial Position

(In USD thousands)

	Notes	September 30, 2024 Unaudited	December 31, 2023 Audited
Current liabilities:			
Short-term borrowings and current portion of long term-debt	16	$ 224,753	$ 206,817
Current portion of lease liability	15	279,587	269,360
Accounts payable		622,132	550,680
Accounts payable to related parties	10	874	79
Accrued expenses		69,956	85,799
Current tax liabilities	18	36,544	37,042
Provisions for legal claims	19	36,194	31,125
Provisions for return conditions	15	—	8,098
Employee benefits		115,058	135,749
Air traffic liability		620,847	680,425
Frequent flyer deferred revenue		169,987	164,540
Other liabilities		239	86
Total current liabilities		**2,176,171**	**2,169,800**
Non–current liabilities:			
Long–term debt	16	2,310,006	2,080,841
Long-term lease liability	15	2,375,508	2,214,592
Provisions for return conditions	15	825,677	807,294
Employee benefits		69,912	71,191
Deferred tax liabilities	18	133,365	136,045
Frequent flyer deferred revenue		261,824	271,964
Other liabilities		115	88
Total non–current liabilities		**5,976,407**	**5,582,015**
Total liabilities		**8,152,578**	**7,751,815**
Equity			
Common shares	23	4	4
Share premium		1,145,962	1,145,962
Retained deficit		(288,825)	(208,402)
Other comprehensive income		(1,056)	(72,567)
Equity attributable to owners of the Company		**856,085**	**864,997**
Non–controlling interest (NCI)		18,244	16,235
Total equity		**874,329**	**881,232**
Total liabilities and equity		**$ 9,026,907**	**$ 8,633,047**

See accompanying notes to condensed consolidated interim financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)
Condensed Consolidated Statement of Comprehensive Income (Loss)
(In USD thousands)

	Notes	For the Nine months ended September 30, 2024 Unaudited	For the Nine months ended September 30, 2023 Unaudited
Operating revenue:			
Passenger		$ 3,263,125	$ 2,932,688
Cargo and other		544,761	550,648
Total operating revenue	5, 21	**3,807,886**	**3,483,336**
Operating expenses:			
Aircraft fuel		$ 1,085,656	$ 1,026,271
Salaries, wages, and benefits		500,942	386,524
Ground operations		397,499	345,494
Air traffic		192,483	156,080
Flight operations		70,893	72,459
Passenger services		79,921	64,184
Maintenance and repairs		152,187	133,339
Selling expenses		269,152	267,822
Fees and other expenses		207,402	160,569
Rentals	15	63,505	91,044
Depreciation of right of use asset	15	293,895	239,270
Other depreciation and amortization	13,14	91,480	93,959
Impairment of other investments and assets held for sale		—	9,348
Total operating expenses		**3,405,015**	**3,046,363**
Operating income		**402,871**	**436,973**
Interest expense		(411,849)	(377,071)
Interest income		45,352	36,280
Net interest expense	22	**(366,497)**	**(340,791)**
Foreign exchange, net		(4,220)	(3,218)
Equity method income		609	726
Income before tax		**32,763**	**93,690**
Income tax expense – current	18	(27,891)	(30,095)
Income tax benefit– deferred	18	3,489	22,184
Total tax expenses		**(24,402)**	**(7,911)**
Net income for the period		**$ 8,361**	**$ 85,779**

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES

(England, United Kingdom)

Condensed Consolidated Statement of Comprehensive Income (Loss)

(In USD thousands)

	Notes	For the Nine months ended September 30, 2024 Unaudited	For the Nine months ended September 30, 2023 Unaudited
Net income for the period		**8,361**	**85,779**
Other comprehensive (loss) income:			
Items that will not be reclassified to income or loss in future periods:			
Revaluation of administrative property		(8,512)	27
Remeasurements of defined benefit	7	486	(39,824)
Income tax	18	63	1,716
		(7,963)	**(38,081)**
Items that will be reclassified to Income in future periods:			
Effective portion of changes in fair value of hedging instruments		(6,683)	(559)
Net change in fair value of financial assets with changes in OCI		486	170
Foreign operations — foreign currency translation differences		(1,104)	3,433
		(7,301)	**3,044**
Other comprehensive loss, net of income tax		(15,264)	(35,037)
Total comprehensive (loss) income, net of income tax		**(6,903)**	**50,742**
Income attributable to			
Equity holders of the parent		6,519	81,989
Non–controlling interest		1,842	3,790
Net income		**8,361**	**85,779**
Total comprehensive (loss) income attributable to:			
Equity holders of the parent		(8,912)	46,780
Non–controlling interest		2,009	3,962
Total comprehensive (loss) income		**$ (6,903)**	**$ 50,742**

See accompanying notes to condensed consolidated interim financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)
Condensed Consolidated Statement of Comprehensive Income (Loss)
(In USD thousands)

	Notes	For the three months period from July 1 to September 30, 2024 Unaudited	For the three months period from July 1 to September 30, 2023 Unaudited
Operating revenue:			
Passenger		$ 1,192,784	$ 1,114,805
Cargo and other		173,546	166,678
Total operating revenue	5, 21	**1,366,330**	**1,281,483**
Operating expenses:			
Aircraft fuel		365,304	367,135
Salaries, wages, and benefits		168,145	143,017
Ground operations		134,277	124,315
Air traffic		67,779	59,738
Flight operations		19,617	24,128
Passenger services		29,357	25,180
Maintenance and repairs		54,420	45,640
Selling expenses		91,661	90,832
Fees and other expenses		77,690	38,410
Rentals	15	16,769	26,089
Depreciation of right of use asset		110,521	90,862
Depreciation, amortization and impairment		33,474	33,962
Assets held for sale		—	(513)
Total operating expenses		**1,169,014**	**1,068,795**
Operating income		**197,316**	**212,688**
Interest expense		(146,617)	(145,025)
Interest income		14,082	19,378
Net interest expense	22	**(132,535)**	**(125,647)**
Foreign exchange, net		1,201	(6,383)
Equity method income		205	191
Income before income tax		**66,187**	**80,849**
Income tax expense – current	18	(8,435)	(13,262)
Income tax benefit– deferred	18	255	14,476
Total tax expenses		**(8,180)**	**1,214**
Net income for the period		**$ 58,007**	**$ 82,063**

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)
Condensed Consolidated Statement of Comprehensive Income (Loss)
(In USD thousands)

	Notes	For the three months period from July 1 to September 30, 2024	For the three months period from July 1 to September 30, 2023
		Unaudited	Unaudited
Net income for the period		**$ 58,007**	**$ 82,063**
Other comprehensive (loss) income:			
Items that will not be reclassified to loss or income in future periods:			
Revaluation of administrative property		(207)	—
Remeasurements of defined benefit	7	(3,848)	(43,219)
Income tax	18	—	1,757
		(4,055)	**(41,462)**
Items that will be reclassified to Income in future periods:			
Effective portion of changes in fair value of hedging instruments		(6,683)	(559)
Net change in fair value of financial assets with changes in OCI		425	(37)
Foreign operations — foreign currency translation differences		(853)	374
		(7,111)	**(222)**
Other comprehensive income (loss), net of income tax		(11,166)	(41,684)
Total comprehensive income, net of income tax		**46,841**	**40,379**
Income attributable to:			
Equity holders of the parent		57,705	81,021
Non–controlling interest		302	1,042
Net income		**58,007**	**82,063**
Total comprehensive income attributable to:			
Equity holders of the parent		46,403	39,148
Non–controlling interest		438	1,231
Total comprehensive income		**$ 46,841**	**$ 40,379**

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)
Condensed Consolidated Statement of Changes in Equity
(In USD thousands)

		For the Nine months ended September 30, 2024						
	Notes	Common shares	Share premium	Other comprehensive Income OCI Reserves	Retained deficit	Equity attributable to owners of the Company	Non-controlling interest	Total equity
Balance at December 31, 2023		**$ 4**	**$ 1,145,962**	**$ (72,567)**	**$ (208,402)**	**$ 864,997**	**$ 16,235**	**$ 881,232**
Net income			—	—	6,519	6,519	1,842	8,361
Reclassification of the net defined benefit from OCI	7	—	—	86,942	(86,942)	—	—	—
Other comprehensive income		—	—	(15,431)	—	(15,431)	167	(15,264)
Balance at September 30, 2024 (Unaudited)		**$ 4**	**$ 1,145,962**	**$ (1,056)**	**$ (288,825)**	**$ 856,085**	**$ 18,244**	**$ 874,329**

See accompanying notes to condensed consolidated interim financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED
(England, United Kingdom)
Condensed Consolidated Statement of Changes in Equity
(In USD thousands)

	For the Nine months ended September 30, 2023						
	Common shares	Share premium	Other comprehensive Income	Retained deficit	Equity attributable to owners of the Company	Non-controlling interest	Total equity
			OCI Reserves				
Balance at December 31, 2022	**$ 4**	**$ 1,145,962**	**$ (21,537)**	**$ (336,066)**	**$ 788,363**	**$ 16,139**	**$ 804,502**
Net income	—	—	—	81,989	81,989	3,790	85,779
Sale of Subsidiary	—	—	—	—	—	(2,250)	(2,250)
Other comprehensive income	—	—	(35,209)	—	(35,209)	172	(35,037)
Balance at September 30, 2023 (Unaudited)	**$ 4**	**$ 1,145,962**	**$ (56,746)**	**$ (254,077)**	**$ 835,143**	**$ 17,851**	**$ 852,994**

See accompanying notes to condensed consolidated interim financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED AND SUBSIDIARIES
(England, United Kingdom)
Condensed Consolidated Statement of Cash Flows
(In USD thousands)

	Notes	For the Nine months ended September 30, 2024 Unaudited	For the Nine months ended September 30, 2023 Unaudited
Cash flows from operating activities:			
Net income for the period		$ **8,361**	$ **85,779**
Adjustments for:			
Provision for expected credit losses	9	2,600	21,940
Provision for expandable spare parts and suppliers obsolescence		1,402	1,528
Provision (recovery) of legal claims, net	19	12,766	(2,603)
Depreciation of right of use asset	15	293,895	239,270
Other depreciation, amortization and impairment	13,14	91,480	93,959
Loss (gain) in disposal assets		2,061	(1,907)
Loss on sale subsidiary		—	6,654
Interest income	22	(45,352)	(36,280)
Interest expense	22	411,849	377,071
Deferred tax	18	(3,489)	(22,184)
Current tax expense	18	27,891	30,095
Derivative instruments	24	16,640	275
Unrealized foreign currency loss (gain)		21,698	(21,097)
Changes in:			
Trade and other receivables		(10,112)	(29,100)
Expendable spare parts and supplies		(10,278)	(10,250)
Prepayments		7,527	5,549
Net current tax		(37,177)	33,137
Deposits and other assets		6,985	(41,744)
Accounts payable and accrued expenses		53,996	16,258
Air traffic liability		(59,578)	102,922
Frequent flyer deferred revenue		(6,696)	(22,630)
Provisions for return conditions		(8,099)	(398)
Provisions for legal claims		(3,376)	(6,594)
Employee benefits		(21,392)	(21,717)
Net payments for hedging instruments		(25,303)	(3,304)
Income tax paid		(69,432)	(39,841)
Net cash provided by operating activities		**658,867**	**754,788**
Cash flows from investing activities:			
Acquisition of property and equipment		(315,266)	(222,927)
Reimbursement of equipment acquisition		32,541	25,860
Acquisition of short-term investments		(264,748)	(228,454)
Maturity of short-term investments		314,220	29,542

AVIANCA GROUP INTERNATIONAL LIMITED
(England, United Kingdom)
Condensed Consolidated Statement of Cash Flows
(In USD thousands)

Acquisition of intangible assets		(14,635)	(13,089)
Interest received		35,722	22,845
Proceeds from sale of property and equipment		—	31,784
Consideration received from disposal of subsidiary		—	4,506
Cash and cash equivalents disposed		—	(4,011)
Net cash used in investing activities		**(212,166)**	**(353,944)**
Cash flows from financing activities:			
Proceeds from loans and borrowings	16	300,000	11,500
Transaction costs related to loans and borrowings	16	(9,966)	—
Interest paid	16	(119,642)	(125,357)
Lease interest paid	15	(208,985)	(128,516)
Payment of leases	15	(193,444)	(135,651)
Payment of loans and borrowings	16	(87,785)	(108,931)
Net cash used in financing activities		**(319,822)**	**(486,955)**
Net increase (decrease) cash and cash equivalents		126,879	(86,111)
Exchange rate effect on cash		(117)	640
Cash and cash equivalents at the beginning of the period		767,547	816,716
Cash and cash equivalents at the end of the period	8	**$ 894,309**	**$ 731,245**

See accompanying notes to condensed consolidated interim financial statements.

(In USD thousands)

(1) Reporting entity

Avianca Group International Limited ("AGIL" or the "Company") was incorporated and existing under the laws of England and Wales as of September 27, 2021, with its registered office at 3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT. AGIL, together with its subsidiaries, will be referred to as the "Group" for the purposes of this document.

AGIL is a controlled entity of Abra Group Limited ("Abra") since April 3, 2023. AGIL is the parent entity of a group of leading providers of air travel and cargo services in Latin America and around the globe.

Significant subsidiaries

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

Name Subsidiary	Country of incorporation	Ownership Interest% 2024	Ownership Interest% 2023
Avianca Midco 2 PLC UK	England	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%

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 AGIL have codeshare agreements with the following airlines: Air Canada, Air China, Air India, All Nippon Airways, Azul Linhas Aéreas Brasileiras, Clic, Copa Airlines, Emirates, 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 25 airline members of Star Alliance. Its members include several of the world's most recognized airlines, like Air Canada, Lufthansa, Singapore Airlines, TAP, Thai Airways, United Airlines, among others. All of them are committed to meeting the highest standards in terms of joint connectivity, safety, customer service and benefits.

(In USD thousands)

As of September 30, 2024, and December 31, 2023, Avianca Group International Limited's total fleet is comprised of:

	As of September 30, 2024			As of December 31, 2023		
Aircraft	**Owned**	**Lease (1)**	**Total**	**Owned**	**Lease**	**Total**
Airbus A-319	1	7	**8**	1	9	**10**
Airbus A-320	—	79	**79**	—	79	**79**
Airbus A-320N	—	45	**45**	—	41	**41**
Airbus A-330	1	2	**3**	1	5	**6**
Airbus A330F	—	7	**7**	—	6	**6**
Airbus A300F	3	—	**3**	3	—	**3**
Boeing 787-8	—	16	**16**	—	16	**16**
Boeing 767F	2	—	**2**	2	—	**2**
	7	**156**	**163**	**7**	**156**	**163**

1) There are 2 lease A330 aircraft of the 156 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 lease A330 aircraft of the 156 lease aircraft).

For the nine-month period ended September 30, 2024, the Group finalized lease agreements for two A319 and four A330, also added one A330F, one A330 and four A320 NEO aircraft under leasing agreements.

(2) Basis of presentation of the Condensed Consolidated Interim Financial Statements

Professional Accounting Standards Applied

a) Statement of compliance

The accompanying Condensed Consolidated Interim Financial Statements as of and for the nine month and three-month period ended September 30, 2024, have been prepared in accordance with IAS 34 interim Financial Reporting and should be read in conjunction with the Group´s last annual consolidated financial statements as at and for the year ended December 31, 2023.

The Condensed Consolidated Interim Financial Statements as of and the three-month and nine-month period ended September 30, 2024, do not include all information and disclosures required in the annual financial statements. However, selected 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 year ended December 31, 2023.

(In USD thousands)

The Group's condensed consolidated interim financial statements as of September 30, 2024, and for the three-month and nine-month periods ended September 30, 2024, were authorized by Management on November 7, 2024.

b) Going Concern

Upon approval of these condensed consolidated interim financial statements, management is confident that Group has sufficient resources and continues working on the Group's effective cost discipline and operational excellence, that will ensure Avianca's operational viability in both short and long term. Therefore, management continues to apply the going concern basis of accounting in the preparation of 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

Fuel price fluctuation impacts on profit and/or loss are illustrated below. This analysis shows the estimated impact for 2024 of a 5%, 10% and 15% increase in the underlying reference price per barrel at the end of September 30, 2024. The analysis is based on the historical fuel consumption. This analysis assumes that all other variables remain constant and considers the effect of changes in jet fuel price. An increase or decrease in the underlying reference price per barrel would represent a higher expense or lower expense, respectively.

	Effect in profit or loss							
	Nine months ended September 30,				**For the three months period from July 1 to September 30,**			
	2024		**2023**		**2024**		**2023**	
	Decrease	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**
5% movement	(37,773)	37,773	(53,985)	53,985	(6,956)	6,956	(29,219)	29,219
10% movement	(75,546)	75,546	(107,969)	107,969	(13,911)	13,911	(58,438)	58,438
15% movement	(113,320)	113,320	(161,954)	161,954	(20,867)	20,867	(87,658)	87,658

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), short-term investments that have been measured at FVPL and hedging instruments at FVOCI.

(In USD thousands)

e) Fair value of financial assets and liabilities

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed consolidated statement of financial position for the periods presented, are as follows.

September 30, 2024

Financial assets	Carrying amount measurement	Notes	Carrying amount	Fair value
Short-term Investments	Amortized cost	8	$ 150,310	$ 150,310
Short-term Investments	Fair value through other comprehensive income and amortized cost	8-17	58,112	58,112
Derivatives instruments	Fair value through other comprehensive income	24	1,980	1,980
Plan assets	Amortized cost		246	246
			$ 210,648	**$ 210,648**
Financial liabilities				
Short-term and long-term corporate debt	Amortized cost	16-17	**$ 2,534,759**	**$ 2,524,487**

December 31, 2023

Financial assets	Carrying amount measurement	Notes	Carrying amount	Fair value
Short-term Investments	Amortized cost	8	$ 206,583	$ 206,583
Short-term Investments	Fair value through other comprehensive income and amortized cost	8-17	50,970	50,970
Plan assets	Fair value through other comprehensive income		280,372	280,372
			$ 537,925	**$ 537,925**
Financial liabilities				
Short-term and long-term corporate debt	Amortized cost	16-17	**$ 2,287,658**	**$ 2,047,153**

The fair value of the financial assets and liabilities corresponds the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Management considers that the carrying amount of financial assets and financial liabilities, excluding corporate debt, approximates fair value.

f)Functional and presentation currency

The Condensed Consolidated Interim Financial Statements are presented in US Dollars, which is the functional currency for each legal entity within the Group.

g) Use of judgments and estimates

The preparation of these Condensed Consolidated Interim Financial Statements requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results 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.

(3) 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.

(4) 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 consolidate 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 16, the Group has debt contracts that are subject to specific covenants. While these liabilities are classified as non-current as of September 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 on January 1, 2024 onwards, and the adoption did not have a material impact on the Group's condensed consolidated interim 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 on January 1, 2024 onwards, and the adoption did not have a material impact on our condensed consolidated interim 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 on January 1, 2024 onwards, and the adoption did not have a material impact on our condensed consolidated interim financial statements or related disclosures as the group does not currently engage in these types of transactions.

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

The Group has not early adopted the following new or amended accounting standards in preparing these condensed consolidated interim financial statements. The management is assessing the impact of following new and amended accounting standards on the Group´s consolidated financial statements:

- Lack of Exchangeability (Amendments to IAS 21), this amendment is effective as of January 1, 2025.
- Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS7), this amendment is effective as of January 1, 2026.
- Annual improvements to IFRS Accounting Standards – Volume 11, this amendment is effective as of January 1, 2026.
- Presentation and Disclosure in Financial Statements (IFRS 18), this amendment is effective as of January 1, 2027.
- Subsidiaries without public accountability - Disclosures (IFRS 19), this amendment is effective as of January 1, 2027.

(5) Segment Information

The Group reports information by segments as established in IFRS 8, "Operating segments," which requires an entity to report segment information in a manner that enables financial statement users to view the entity through the eyes of management. An operating segment is a component of an entity that engages in business activities for which discrete financial information is available and whose operating results are regularly reviewed by the entity's chief operating decision maker, or CODM.

The Board of Directors is the CODM and monitors the operating results of the Group's segments on the basis of the organization of the entity, which is based generally on the differences in services provided under each segment. The Group has two reportable segments that align with the operational reporting used by the CODM:

- Air Transportation: Corresponds to passenger and cargo operations including ancillaries and other revenues for scheduled flights and freight transport, respectively.

- Loyalty: Corresponds to the LifeMiles program, for the loyalty subsidiaries of the Group.

Corporate functions that are not specifically attributable to an individual reportable segment are presented as Corporate in the tables below.

Segment performance is evaluated based on statement of comprehensive income and is measured consistently with the Group's consolidated financial statements. The Group's operational information by reportable segment is as follows:

(In USD thousands)

	For the nine months ended September 30, 2024				For the nine months ended September 30, 2023			
	Air transportation	**Loyalty**	**Corporate**	**Consolidated**	**Air transportation**	**Loyalty**	**Corporate**	**Consolidated**
Operating revenue								
Tickets	$ 2,366,701	$ —	$ —	$ 2,366,701	$ 2,096,926	$ —	$ —	$ 2,096,926
Ancillaries	684,606	—	—	684,606	650,119	—	—	650,119
Cargo & courier	487,752	—	—	487,752	509,704	—	—	509,704
Loyalty	—	234,524	—	234,524	—	205,173	—	205,173
Other	34,303	—	—	34,303	21,414	—	—	21,414
Total operating revenue	**3,573,362**	**234,524**	**—**	**3,807,886**	**3,278,163**	**205,173**	**—**	**3,483,336**
Operating expenses before depreciation and amortization	2,894,018	125,622	—	3,019,640	2,578,770	105,851	19,165	2,703,786
Other depreciation, amortization, impairment and right of use asset	343,262	11,534	30,579	385,375	293,266	9,773	39,538	342,577
Operating Income	**$ 336,082**	**$ 97,368**	**$ (30,579)**	**$ 402,871**	**$ 406,127**	**$ 89,549**	**$ (58,703)**	**$ 436,973**

For the nine months ended September 30, 2024 inter-segment operating revenues and inter-segment operating expenses between our air transportation and loyalty segments were $81,200 and $477, respectively (for the nine months ended September 30, 2023: $63,894 and $291). Inter-segment revenues are eliminated upon consolidation.

(In USD thousands)

	For the three months between July 1 and September 30, 2024				For the three months between July 1 and September 30, 2023			
	Air transportation	Loyalty	Corporate	Consolidated	Air transportation	Loyalty	Corporate	Consolidated
Operating revenue								
Tickets	$ 877,633	$ —	$ —	$ 877,633	$ 811,460	$ —	$ —	$ 811,460
Ancillaries	235,905	—	—	235,905	243,872	—	—	243,872
Cargo and courier	155,391	—	—	155,391	155,350	—	—	155,350
Loyalty	—	86,345	—	86,345	—	65,116	—	65,116
Other	11,056	—	—	11,056	5,685	—	—	5,685
Total operating revenue	**1,279,985**	**86,345**	**—**	**1,366,330**	**1,216,367**	**65,116**	**—**	**1,281,483**
Operating expenses before depreciation and amortization	981,068	43,951	—	1,025,019	900,211	39,857	4,416	944,484
Other depreciation, amortization, impairment and right of use asset	129,938	3,784	10,273	143,995	107,735	3,307	13,269	124,311
Operating Income	**$ 168,979**	**$ 38,610**	**$ (10,273)**	**$ 197,316**	**$ 208,421**	**$ 21,952**	**$ (17,685)**	**$ 212,688**

For the three months between July 1 and September 30, 2024, inter-segment operating revenues and inter-segment operating expenses between our air transportation and loyalty segments were $31,835 and $143, respectively (for the three months between July 1 and September 30, 2023: $32,442 and $118. Inter-segment revenues are eliminated upon consolidation.

(In USD thousands)

The Group's revenues by geographic area are as follows:

	For the nine months ended September 30,		For the three months between July 1 to September 30,	
	2024	2023	2024	2023
Colombia	$ 1,631,572	$1,507,816	$ 558,495	$ 550,026
North America (1)	751,978	711,506	276,998	266,592
Central America and the Caribbean	646,028	520,602	234,718	167,216
South America (ex-Colombia)	562,979	524,202	197,826	187,757
Europe	214,318	219,156	98,098	109,872
Other	1,011	54	195	20
Total operating revenue	**$ 3,807,886**	**$3,483,336**	**$ 1,366,330**	**$ 1,281,483**

(1) Include the United States for $580,125 (Nine months ended September 30, 2023: $576,186), Canada and Mexico.

The Group allocates revenues by geographic area based on a given point of sale of first flight's point of origin. Non-current assets are comprised primarily of aircraft and aeronautical equipment, which are used throughout different countries and are therefore not assignable to any geographic area. Any individual geographic region responsible for 10% or more of total operating revenue is presented separately.

(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 typically concentrated in the months of February, March, and May (depending on whether the Easter holiday falls in March or April). 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 performance. However, management has concluded that this does not constitute "highly seasonal" as defined by IAS 34.

(7) Employee benefits

The Group provides certain post-employment benefits. These benefits are unfunded as of September 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:

(In USD thousands)

	September 30, 2024	December 31, 2023
Defined benefit plan	$ 70,870	$ 78,081
Other benefits - short term	101,089	118,879
Other benefits - long term	13,011	9,980
Total	**$ 184,970**	**$ 206,940**
Current (1)	115,058	135,749
Non-current	69,912	71,191
Total	**$ 184,970**	**$ 206,940**

(1) During the nine-month period ending September 30, 2024 the decrease corresponds primarily to payments of short term employee benefits.

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 01, 1994, which transition regime is administered by CAXDAC. As a result, the Group´s obligation was recognized and regulated by Law 860 of 2003, Decree 2210 of 2004 and Decree 2210 of 2004 and Decree 1269 of 2009.

The CAXDAC pension situation as of September 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; this approval was formalized for Avianca S.A., on January 26, 2024.

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, such that Avianca S.A. was released from this obligation to CAXDAC from that date. As of September 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).

As a result of the aforementioned above, during the nine months ended September 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.

(In USD thousands)

- **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.

On August 22, 2024, Tampa Cargo S.A.S. obtained a certification from CAXDAC notifying Tampa Cargo S.A.S. of its satisfaction of legal liability under the pension plan. Consequently, the liability and asset plan were integrated, such that Tampa Cargo S.A.S. was released from this obligation to CAXDAC from that date. As of September 30, 2024, due the integration, the actuarial obligation and the fair value of the plan assets is $0 (December 31, 2023: $7,326 in plan assets and $7,633 in actuarial obligations).

As a result of the aforementioned above, during the nine months ended September 30, 2024, the reserve related to the actuarial gains and losses of the CAXDAC pension plan for $1,271 was reclassified from other comprehensive income ("OCI") to retained earnings under the scope of IAS 19.

- **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 September 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 10.34% on September 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:

	Nine months ended September 30,		For the three months between July 1 to September 30,	
	2024	**2023**	**2024**	**2023**
Actuarial gains (losses) recognized in other comprehensive income	$ 821	$ (32,803)	$ (4,004)	$ (28,673)
Adjustment in return on plan assets	(335)	(7,021)	156	(14,546)
Income (losses) recognized in other comprehensive income	**$ 486**	**$ (39,824)**	**$ (3,848)**	**$ (43,219)**

(In USD thousands)

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

	September 30, 2024	December 31, 2023
Cash on hand and bank deposits	$ 882,303	$ 748,343
Cash equivalents (1)	12,006	19,204
Cash and cash equivalents	**$ 894,309**	**$ 767,547**
Short-Term investments (2)	$ 208,422	$ 257,553
Short-term investments	**$ 208,422**	**$ 257,553**

(1) As of September 30, 2024, investment funds accrued annual interest rates between 9.01% and 9.83% 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. As of September 30, 2024 the Group presented in *deposits and other assets* $19,608 of restricted cash, 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 11.

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

As of September 30, 2024, the Group's cash and cash equivalents are free of restriction or charges that could limit its availability.

(In USD thousands)

(9) Trade and other receivables

	September 30, 2024	December 31, 2023
Trade	$ 257,419	$ 246,612
Employee advances	3,711	4,450
Others	18,537	25,070
	279,667	**276,132**
Less estimate for expected credit losses (1)	(12,980)	(12,699)
Total	**$ 266,687**	**$ 263,433**

Trade receivables are non-interest bearing.

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

	September 30, 2024	December 31, 2023
Balance at beginning of year	$ 12,699	$ 8,736
Net (recovery) provision for expected credit losses (1.1)	281	3,963
Total	**$ 12,980**	**$ 12,699**

1.1 Includes expense for expected credit losses for the nine-months period ended September 30, 2024 for $2,600 (for the nine-months period ended September 30, 2023: $21.940).

(In USD thousands)

(10) Balances and transactions with related parties

		As of September 30, 2024		For the nine months ended September 30, 2024		As of December 31, 2023		For the nine months ended September 30, 2023	
Company	**Country**	**Account Receivables**	**Account Payables**	**Revenues**	**Expenses**	**Account Receivables**	**Account Payables**	**Revenues**	**Expenses**
Investment Vehicle 1 Limited	Cayman Islands	$ 123,899	$ 489	$ 8,822	$ —	$ 112,879	$ —	$ 5,785	$ —
Abra Group Limited	Gran Bretaña	5,939	—	—	—	4,744	—	—	—
Others		—	385	—	1,377	—	79	—	566
Total		**$ 129,838**	**$ 874**	**$ 8,822**	**$ 1,377**	**$ 117,623**	**$ 79**	**$ 5,785**	**$ 566**

	September 30, 2024		December 31, 2023	
	Account Receivables	**Account Payables**	**Account Receivables**	**Account Payables**
Short term	$ 8,431	$ 874	$ 4,897	$ 79
Long term (1)	121,407	—	112,726	—
Total related parties	**$ 129,838**	**$ 874**	**$ 117,623**	**$ 79**

(1) Avianca Group International Limited (AGIL) entered into an intercompany agreement with Investment Vehicle 1 Limited (IV1) in April 2022 for a total amount of US$121,407 ($97,800 initial loan and $23,607 for amortization and interest capitalization). This intercompany loan has a term of five years, the interest for which to be capitalized on and added to the outstanding balance, to be paid on the maturity date.

(In USD thousands)

Key management personnel compensation expense

	For the Nine months ended September 30,		For the three months between July 1 to September 30,	
	2024	**2023**	**2024**	**2023**
Salaries/Bonuses	$ 27,624	$ 28,133	$ 6,134	$ 5,714
Benefits/Social Charges	3,142	3,182	829	873
Total	**$ 30,766**	**$ 31,315**	**$ 6,963**	**$ 6,587**

(11) Deposits and other assets

	September 30, 2024	December 31, 2023
Short-term:		
Deposits with lessors	$ 4,627	$ 2,809
Guarantee deposits	10,051	15,069
Commission	14,808	13,447
Restricted cash (1)	12,851	10,794
Others	397	14,836
Subtotal	**$ 42,734**	**$ 56,955**
Fair value of derivative instruments (2)	1,980	—
Total	**$ 44,714**	**$ 56,955**
Long-term:		
Deposits with lessors	$ 61,842	$ 64,487
Guarantee deposits	19,763	21,123
Labor lawsuits	29,770	25,369
Restricted cash (1)	6,757	5,517
Others	227	146
Long term investments	7,638	7,696
Subtotal	**125,997**	**124,338**
Total	**$ 170,711**	**$ 181,293**

(1) As of September 30, 2024 the Group maintain $19,608 of restricted cash, 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 8.

(2) As of September 30, 2024, include collateral receivables pending to recover in relation to hedge instruments further described in note 24.

(In USD thousands)

(12) Assets held for sale

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

As of September 30, 2024, the Group classified as held for sale two (2) aircraft, A330-F. (December 31, 2023: three (3) aircraft, A330-F). During the nine months ended September 30, 2024 1 of the 3 aircraft A330-F previously classified as held for sale does not meet the criteria stated by IFRS 5.7 and consequently has been reclassified to property and equipment (see note 13).

(In USD thousands)

(13) Property and equipment, net

	Flight Equipment	Capitalized Maintenance	Rotable Spare parts	PDPs	Administrative Property	Other property and equipment	Total
Cost							
December 31, 2023	**$ 171,810**	**$ 240,539**	**$ 222,343**	**$ 106,986**	**$ 114,995**	**$ 125,058**	**$ 981,731**
Additions	121,221	149,693	41,812	12,347	—	4,970	**330,043**
Revaluation	—	—	—	—	(207)	—	(207)
Disposals	—	(84)	(7,774)	—	(8)	(1,899)	**(9,765)**
Transfers	3,493	(469)	(3,857)	—	—	833	—
Transfers from assets held for	52,555	—	—	—	—	—	52,555
Reclassification to lease asset	(41,068)	—	(17,439)	—	—	—	**(58,507)**
September 30, 2024	**$ 308,011**	**$ 389,679**	**$ 235,085**	**$ 119,333**	**$ 114,780**	**$ 128,962**	**1,295,850**
Accumulated depreciation:							
December 31, 2023	**$ 15,359**	**$ 5,991**	**$ 16,127**	**$ —**	**$ 3,046**	**$ 41,693**	**$ 82,216**
Additions	8,474	21,531	9,164	—	1,646	8,811	**49,626**
Disposals	—	(84)	(3,764)	—	—	(1,615)	**(5,463)**
Transfers	178	—	(178)	—	—	—	—
Transfers from assets held for	42,555	—	—	—	—	—	42,555
Reclassification to lease asset	(5,566)	—	(290)	—	—	—	**(5,856)**
September 30, 2024	**$ 61,000**	**$ 27,438**	**$ 21,059**	**$ —**	**$ 4,692**	**$ 48,889**	**163,078**
Net balances:							
December 31, 2023	**$ 156,451**	**$ 234,548**	**$ 206,216**	**$ 106,986**	**$ 111,949**	**$ 83,365**	**$ 899,515**
September 30, 2024	**$ 247,011**	**$ 362,241**	**$ 214,026**	**$ 119,333**	**$ 110,088**	**$ 80,073**	**$ 1,132,772**

(In USD thousands)

	Flight Equipment	Capitalized Maintenance	Rotable Spare parts	Reimbursement of predelivery payments	Administrative Property	Other property and equipment	Total
Cost							
December 31, 2022	**$ 134,704**	**$ 98,137**	**$ 214,207**	**$ 88,687**	**$ 97,573**	**$ 105,027**	**$ 738,335**
Additions	41,044	107,113	44,182	11,882	—	8,963	213,184
Disposals	(14,265)	(9,802)	(18,175)	—	—	(8,816)	(51,058)
Revaluation	—	—	—	—	27	—	27
Transfers	28,284	2,490	(24,371)	(1,000)	(5,404)	1	—
September 30, 2023	**$ 189,767**	**$ 197,938**	**$ 215,843**	**$ 99,569**	**$ 92,196**	**$ 105,175**	**900,488**
Accumulated depreciation:							
December 31, 2022	**$ 11,384**	**$ 133**	**$ 10,555**	**$ —**	**$ 1,419**	**$ 28,392**	**$ 51,883**
Additions	3,627	13,065	6,986	—	1,176	10,545	35,399
Disposals	(3,290)	(9,832)	(3,587)	—	—	(4,786)	(21,495)
Transfers	2,926	(2,387)	(630)	—	—	5	(86)
September 30, 2023	**$ 14,647**	**$ 979**	**$ 13,324**	**$ —**	**$ 2,595**	**$ 34,156**	**65,701**
Net balances:							
December 31, 2022	**$ 123,320**	**$ 98,004**	**$ 203,652**	**$ 88,687**	**$ 96,154**	**$ 76,635**	**$ 686,452**
September 30, 2023	**$ 175,120**	**$ 196,959**	**$ 202,519**	**$ 99,569**	**$ 89,601**	**$ 71,019**	**$ 834,787**

(In USD thousands)

(14) Intangible asset and goodwill, net

	September 30, 2024	December 31, 2023
Trademarks	$ 644,141	$ 644,141
Customer Relationships & Routes	506,642	526,104
Software & Webpages	83,753	89,853
Agreements (Codeshare and Star Alliance)	52,404	57,871
Slots	9,506	9,506
Subtotal	**1,296,446**	**1,327,475**
Goodwill	1,524,638	1,524,638
Total intangible asset	**$ 2,821,084**	**$ 2,852,113**

(In USD thousands)

The following provides detail on intangible assets and goodwill as of September 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	—	—	—	—	18,958	—	18,958
September 30, 2024	**$ 1,524,638**	**$ 592,010**	**$ 73,025**	**$ 644,141**	**$ 176,217**	**$ 9,506**	**$ 3,019,537**
Accumulated Amortization:							
December 31, 2023	**$ —**	**$ 65,906**	**$ 15,154**	**$ —**	**$ 67,406**	**$ —**	**$ 148,466**
Amortization for the period	—	19,462	5,467	—	25,058	—	49,987
September 30, 2024	**$ —**	**$ 85,368**	**$ 20,621**	**$ —**	**$ 92,464**	**$ —**	**$ 198,453**
Carrying Amounts:							
December 31, 2023	**$ 1,524,638**	**$ 526,104**	**$ 57,871**	**$ 644,141**	**$ 89,853**	**$ 9,506**	**$ 2,852,113**
September 30, 2024	**$ 1,524,638**	**$ 506,642**	**$ 52,404**	**$ 644,141**	**$ 83,753**	**$ 9,506**	**$ 2,821,084**

(In USD thousands)

The following provides detail on intangible assets and goodwill as of September 30, 2023:

	Goodwill	Customer Relationships & Routes	Agreements (Codeshare and Star Alliance)	Trademarks	Software & Webpages	Slots	Total
Cost:							
December 31, 2022	**$ 1,524,638**	**$ 592,010**	**$ 73,025**	**$ 644,141**	**$ 135,298**	**$ 9,506**	**$ 2,978,618**
Additions	—	—	—	—	14,493	—	14,493
September 30, 2023	**$ 1,524,638**	**$ 592,010**	**$ 73,025**	**$ 644,141**	**$ 149,791**	**$ 9,506**	**$ 2,993,111**
Accumulated Amortization:							
December 31, 2022	**$ —**	**$ 42,297**	**$ 7,852**	**$ —**	**$ 35,282**	**$ —**	**$ 85,431**
Amortization for the period	—	29,084	5,462	—	24,012	—	58,558
September 30, 2023	**$ —**	**$ 71,381**	**$ 13,314**	**$ —**	**$ 59,294**	**$ —**	**$ 143,989**
Carrying Amounts:							
December 31, 2022	**$ 1,524,638**	**$ 549,713**	**$ 65,173**	**$ 644,141**	**$ 100,016**	**$ 9,506**	**$ 2,893,187**
September 30, 2023	**$ 1,524,638**	**$ 520,629**	**$ 59,711**	**$ 644,141**	**$ 90,497**	**$ 9,506**	**$ 2,849,122**

(In USD thousands)

As of September 30, 2024, the Group maintains two CGU´s: air transportation CGU and loyalty CGU which are also the Group's operating and reporting segments. As of September 30, 2024, no indications of impairment have been identified for CGU´s, which require a new impairment test to be carried out.

As of December 31, 2023, in accordance with the accounting policy, the Group performed the annual impairment test. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the air transportation CGU and loyalty CGU which are also the Group's operating and reporting segments.

The carrying amount of goodwill and intangible assets with indefinite useful life allocated to the Group's air transportation and loyalty CGUs are as follows:

	September 30, 2024	December 31, 2023
Goodwill	1,524,638	1,524,638
Trademarks	644,141	644,141
Routes	94,949	94,949
Slots	9,506	9,506

As of December 31, 2023, the Group performed the impairment test and did not identify any indicators of impairment associated with the above assets.

(15) Leases

The Group leases certain aircraft under long-term lease agreements with an average duration of 8 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, 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

As of September 30, 2024 the Group presented in a separated line the Right of use of aircraft, engines and other property for $2,995,521 in the condensed consolidated statement of financial position as "Right of use assets" that was previously presented as part of the "Property and equipment". The comparative periods (December 31, 2023: $2,933,247) has been modified to reflect the classification of the current period.

(In USD thousands)

	Aircraft	Return conditions	Real estate	Total
Balance As of December 31, 2023	**$ 2,317,399**	**$ 534,307**	**$ 81,541**	**$ 2,933,247**
Additions	197,774	37,778	7,680	243,232
Transfer	4,266	(4,266)	—	—
Modification of leases	174,502	(61,565)	—	112,937
Depreciation expense	(235,162)	(49,158)	(9,575)	(293,895)
Balance As of September 30, 2024	**$ 2,458,779**	**$ 457,096**	**$ 79,646**	**$ 2,995,521**

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 nine-month period ended September 30, 2024 are primarily related to: $153,011 for recognition of the aircraft leasing of four (4) aircraft A320N and one (1) A330F, $6,880 for recognition of the leasing of one (1) engine, $37,778 for the recognition of the return conditions provision of four (4) aircraft A320N and one (1) engine, and $7,680 for leasing of other assets. The modifications of leases during the nine-month period ending September 30, 2024 are related to: $174,502 for amendment of eleven (11) A320 and two (2) A330F aircraft contracts and $(61,565) of provision for return conditions write off of ten (10) A320 aircraft and one (1) A330F contracts renegotiated.

	Aircraft	Return conditions	Real estate	Total
Balance As of December 31, 2022	**$ 1,506,208**	**$ 406,215**	**$ 73,034**	**$ 1,985,457**
Additions	896,033	133,151	10,049	1,039,233
Depreciation expense	(176,405)	(57,091)	(5,774)	(239,270)
Balance As of September 30, 2023	**$ 2,225,836**	**$ 482,275**	**$ 77,309**	**$ 2,785,420**

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 nine-month period ended September 30, 2023 are primarily related to: $848,227 for recognition of the aircraft leasing of twenty nine (29) aircraft A320 and six (6) B787, and five (5) spare engines, $152,522 for the recognition of the return conditions provision of twenty seven (27) A320, four (4) B787 and three (3) engines, and $10,049 for leases of other assets.

Lease liabilities

As of September 30, 2024 the Group presented in a separated line the lease liability of aircraft, engines and other property for $2,655,095 in the condensed consolidated statement of financial position as "Right of use liability" that was previously presented as part of the "Short-term borrowings and long-term debt". The comparative periods (December 31, 2023: $$2,483,952 has been modified to reflect the classification of the current period.

(In USD thousands)

	September 30, 2024	December 31, 2023
Current portion of lease liability		
Aircraft	$ 271,685	$ 258,010
Real estate	7,902	11,350
	279,587	**269,360**
Long-term lease liability		
Aircraft	2,315,738	2,154,280
Real estate	59,770	60,312
	2,375,508	**2,214,592**
Total lease liabilities	**$ 2,655,095**	**$ 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 are as follows:

	September 30, 2024	December 31, 2023
Current	$ —	$ 8,098
Non-current	825,677	807,294
Total	**$ 825,677**	**$ 815,392**

Changes in provisions for return conditions are as follows:

	September 30, 2024	December 31, 2023
Opening balance	$ 815,392	$ 559,508
Recognition of provisions	37,778	186,940
Recovery of provisions (1)	(61,565)	—
Present value adjustment	42,171	69,341
Provision used	(8,099)	(397)
Total provision for return conditions	**$ 825,677**	**$ 815,392**

(In USD thousands)

(1) During the nine-month period ending September 30, 2024, the group recognize the write-off return condition provision for ten (10) A320 and one (1) A330F aircraft associated to renegotiation of the contracts.

Future aircraft and engines lease 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 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-six (156) aircraft that are under leases, two (2) of them consist in short-term and variable rent leases and one hundred fifty-four (154) 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 leases as of September 30, 2024, all amounts are gross and undiscounted:

	Aircraft
Less than one year	$ 512,312
Between one and five years	1,909,893
More than five years	1,345,117
	$ 3,767,322

Avianca Group International has eleven (11) spare engines that are under leases to support its aircraft fleet of A320, A320 NEO, A319 and A321. The following is the summary of the future commitments of leases as of September 30, 2024, all amounts are gross and undiscounted:

	Spare Engines
Less than one year	$ 19,073
Between one and five years	58,459
More than five years	42,362
	$ 119,894

The value of payments recognized as expenses during the periods presented are as follows:

	For the Nine months ended September 30,		For the three months period from July 1 to September 30,	
	2024	**2023**	**2024**	**2023**
Variable lease payments	43,641	90,799	15,979	25,849
Leases of low-value assets	19,864	245	790	240
Total	**63,505**	**91,044**	**16,769**	**26,089**

(In USD thousands)

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

Aircraft and engines lease liabilities

September 30, 2024

	Years						
	One	**Two**	**Three**	**Four**	**Five**	**Six and later**	**Total**
Principal	263,778	278,920	348,198	265,555	316,400	1,106,746	**2,579,597**
Interest	267,607	238,938	206,817	173,016	140,508	280,733	**1,307,619**

December 31, 2023

	Years						
	One	**Two**	**Three**	**Four**	**Five**	**Six and later**	**Total**
Principal	248,562	267,669	277,493	267,268	238,826	1,103,025	**2,402,843**
Interest	248,514	222,344	194,128	165,386	125,076	325,710	**1,281,158**

Other lease Liabilities

September 30, 2024

	Years						
	One	**Two**	**Three**	**Four**	**Five**	**Six and later**	**Total**
Principal	11,243	9,435	5,623	3,730	3,013	27,451	**60,495**
Interest	4,567	3,941	3,174	2,779	2,499	9,890	**26,850**

December 31, 2023

	Years						
	One	**Two**	**Three**	**Four**	**Five**	**Six and later**	**Total**
Principal	10,272	6,808	7,093	3,919	2,994	28,099	**59,185**
Interest	6,150	4,074	3,429	9,468	2,557	11,561	**37,239**

(In USD thousands)

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

	January 1, 2024	New Leases (1)	Financial cost	Payments	Interest Payments	Others	September 30, 2024
Aircraft and engines rentals - lease liabilities	$ 2,412,290	$ 336,013	$ 203,927	$ (184,982)	$ (205,380)	$ 25,554	$ 2,587,422
Other rentals - lease liabilities	71,662	6,987	3,935	(8,462)	(3,605)	(2,844)	67,673
Total lease liabilities from financing activities	**$ 2,483,952**	**$ 343,000**	**$ 207,862**	**$ (193,444)**	**$ (208,985)**	**$ 22,710**	**$ 2,655,095**

(1) The main additions in aircraft and engine rentals for the nine months ended September 30, 2024, correspond primarily to: $153,011 for four (4) aircraft A320N, one (1) A330F, $6,880 for one (1) engine, $174,530 for the effect for aircraft contracts amendment of eleven (11) A320 and two (2) A330F and $1,592 for additions of incremental rent, and $ 6,987 for other rentals.

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

	January 1, 2023	New Leases (1)	Financial cost	Payments	Interest Payments	Others	Reclassific ations	September 30, 2023
Aircraft and engines rentals - lease liabilities	$ 1,554,702	$ 881,818	$ 151,716	$ (132,886)	$ (125,972)	$ (482)	$ (11,986)	$ 2,316,910
Other rentals - lease liabilities	42,889	2,163	4,274	(2,765)	(2,544)	10,195	—	54,212
Total lease liabilities from financing activities	**$ 1,597,591**	**$ 883,981**	**$ 155,990**	**$ (135,651)**	**$ (128,516)**	**$ 9,713**	**$ (11,986)**	**$2,371,122**

(1) The main additions in aircraft rentals for the nine months ended September 30, 2023, correspond primarily for the lease liability of of twenty-nine (29) aircraft A320, six (6) B787 and three engine and additions of incremental rent.

(In USD thousands)

(16) Debt

	September 30, 2024		December 31, 2023	
Current portion of long-term debt	$	224,753	$	206,817
Long-term debt		2,310,006		2,080,841
	$	**2,534,759**	**$**	**2,287,658**

Terms and conditions of the Group's outstanding obligations for the periods presented is as follows:

			September 30, 2024			
	Due through	**Weighted average interest rate**	**Nominal Value**		**Carrying Amount**	
Long-term debt	2030	9.41%	$	2,555,014	$	2,534,759
Total			**$**	**2,555,014**	**$**	**2,534,759**

			December 31, 2023			
	Due through	**Weighted average interest rates**	**Nominal value**		**Carrying Amount**	
Long-term debt	2030	9.41%	$	2,431,027	$	2,287,658
Total			**$**	**2,431,027**	**$**	**2,287,658**

Bank guarantees

In order to comply with certain contractual or operating obligations, as of September 30, 2024, the Group has a total of $22,044 (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, AGIL's sole shareholder (see note 23), 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 under short-term loans and long-term debt for $2,534,759 (December 31, 2023: $2,287,658) was secured by a substantial portion of our assets, including, (i) shares of substantially all of our 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.

Covenants

Our debt facilities contain certain covenants limiting our ability to, among other things, make certain types of restricted payments, incur debt and operating leases beyond specified thresholds, grant liens, merge or consolidate with others, dispose of assets, enter into certain transactions with affiliates, engage in certain business activities or make certain investments, in all cases subject to customary baskets and exclusions. In terms of financial covenants, the Group is required to maintain a consolidated cash balance of no less than $400 million and Lifemiles Ltd. a total net leverage ratio below 4.00:1.00. As of September 30, 2024, the Group has complied with all financial and non-financial covenants outlined in its contracts.

Lifemiles Ltd Debt.

Lifemiles Ltd. has secured an additional $100,000 under its existing loan agreement with Morgan Stanley, the Administrative Agent. The increase is provided under the same terms and conditions as previously agreed in the original loan contract, including interest rates and repayment schedule.

USAVFLOW II limited financing

In September 2024, the company secured a loan totaling $200,000 for general corporate purposes, backed by future cash flows from certain credit card receivables sold by Taca International Airlines S.A. and Aerovías del Continente Americano S.A. (Avianca S.A.) for a period of five years. The loan is fully guaranteed by Avianca Group International Limited and Avianca Costa Rica S.A.

Future payments on long-term debt

The following future payments including interests in long–term debt for the period ended September 30, 2024. All amounts are gross and undiscounted and include contractual interest payments while excluding the impact of netting agreements.

(In USD thousands)

September 30, 2024

	Years					
	One	**Two**	**Three**	**Four**	**Five and later**	**Total**
Principal	$ 136,830	$ 122,627	$ 385,029	$ 70,029	$ 1,786,366	**$ 2,500,881**
Interest	$ 197,832	$ 217,140	$ 197,653	$ 165,623	$ 83,341	**$ 861,589**

December 31, 2023

	Years					
	One	**Two**	**Three**	**Four**	**Five and later**	**Total**
Principal	$ 177,246	$ 72,115	$ 259,469	$ 27,960	$ 1,753,689	**$ 2,290,479**
Interest	$ 208,376	$ 190,654	$ 179,112	$ 158,358	$ 159,484	**$ 895,984**

(In USD thousands)

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

	January 1, 2024	New Loans (1)	Financial cost	Payments (3)	Interest Payments	Others	Reclassifications	Transaction cost (2)	September 30, 2024
Current portion of long-term debt	$ 206,817	$ —	$ 166,938	$ (89,788)	$ (119,642)	$ (441)	$ 60,869	$ —	$ 224,753
Non-current portion of long-term debt	2,080,841	300,000	—	—	—	—	(60,869)	(9,966)	2,310,006
Total	**$ 2,287,658**	**$300,000**	**$ 166,938**	**$ (89,788)**	**$ (119,642)**	**$ (441)**	**$ —**	**$ (9,966)**	**$ 2,534,759**

(1) In September 2024, Taca International Airlines S.A. and Avianca S.A. entered into a debt agreement for a total of $200,000 for a period of five years. Additionally, a $100,000 loan was obtained from LifeMiles Ltda. under similar terms.
(2) As part of the new loans, the companies incurred in transaction costs, according to the definition of IFRS 9, for $7,118 for Taca International Airlines S.A. and Avianca S.A. and $2,849 for LifeMiles Ltda.
(3) The difference between these payments and the payments in the condensed consolidated statement of cash flows corresponds to payments with miles for $2,003.

Changes in liabilities derived from financing activities at September 30, 2023

	January 1, 2023	New Loans (1)	Financial cost	Payments (2)	Interest Payments	Others	Reclassifications	September 30, 2023
Short term loans	$ 6,303	$ —	$ 76	$ (6,303)	$ (76)	$ —	$ —	$ —
Current portion of long-term debt	74,110	11,500	163,401	(104,631)	(125,281)	(263)	71,005	89,841
Non-current portion of long-term debt	2,306,831	—	—	—	—	381	(59,019)	2,248,193
Total	**$ 2,387,244**	**$ 11,500**	**$ 163,477**	**$(110,934)**	**$(125,357)**	**$ 118**	**$ 11,986**	**$ 2,338,034**

(1) Corresponds to a new loan, at a fixed rate of 13%, to enable the Group to complete a densification project for $11,500.
(2) The difference between these payments and the payments in the condensed consolidated statement of cash flows corresponds to payments with miles for $2,003.

(In USD thousands)

(17) Fair value measurements

The following table provides the fair value measurement hierarchy of the Group's assets for period specified:

As of September 30, 2024

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**
Short-term Investments	$ —	58,112	—	$ 58,112
Derivatives instruments (note 24)	$ —	1,980	—	$ 1,980
Revalued administrative property (note 13)	$ —	—	110,088	$ 110,088

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**
Short–term borrowings and long–term debt	$ —	2,524,487	—	$ 2,524,487

(In USD thousands)

As of December 31, 2023

Quantitative disclosures of fair value measurement hierarchy for assets:

Assets measured at fair value		Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Total
Assets of the benefits plan	$	—	280,372	—	$	280,372
Airbus aircraft held for sale (note 12)	$	—	10,743	—	$	10,743
Short-term Investments	$	—	50,970	—	$	50,970
Revalued administrative property (note 13)	$	—	—	111,949	$	111,949

Quantitative disclosures of fair value measurement hierarchy for liabilities:

Liabilities measured at fair value		Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Total
Short–term borrowings and long–term debt	$	—	2,047,153	—	$	2,047,153

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 appraisers are based on active market prices, adjusted for differences 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.

Valuation techniques and significant unobservable inputs

(1) The following table shows the valuation technique used to measure the fair value for the periods presented:

Administrative Property

Country	Valuation technique
San Salvador, El Salvador	Market comparison approach: a method of valuing property based on the criteria of a market survey conducted within the area of the administrative property, a survey of the land, consideration of future uses within the area, location, degree of urbanization, and other characteristics of the environment that allow us to establish the value of the property.
Bogotá, Colombia	Market comparison approach: a method of assessing property by analyzing the prices of similar properties sold in the past and then making adjustments based on differences between the properties and the relative age of the other sale.

Short- term investments

Valuation technique
Income approach: The fair value of short-term investments is determined by reference to the present value of future principal and interest cash flows, discounted at a market based interest rate at the reporting date

Airbus aircraft and engines held for sale

Valuation technique
The fair value of assets held for sale is determined by reference of a potential bid price at the reporting date.

Short–term borrowings and long–term debt

Valuation technique
The fair value of short–term borrowings and long–term debt is determined by reference to the present value of future principal and interest cash flows, discounted at a market based interest rate at the reporting date

(2) 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 on September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Revalued administrative property	$ 110,088	Market comparison approach	Monthly rental value per square meter (El Salvador)	$ 20.00	The higher the monthly rental value per square meter, the higher the fair value
			Square vara price (El Salvador)	$ 585.00	The higher the square vara price, the higher the fair value
			Monthly rental value per square meter (Colombia)	$ 16.00	The higher the monthly rental value per square meter, the higher the fair value
			Square vara price (Colombia)	$ 2,666.00	The higher the square vara price, the higher the fair value
			Appreciation or depreciation of Colombian peso against US Dollar	9.00%	The higher appreciation of Colombian peso against US Dollar, the higher the fair value

(In USD thousands)

	Fair value on December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Revalued administrative property	$ 111,949	Market comparison approach	Monthly rental value per square meter (El Salvador)	$ 20.00	The higher the monthly rental value per square meter, the higher the fair value
			Square vara price (El Salvador)	$ 585.00	The higher the square vara price, the higher the fair value
			Monthly rental value per square meter (Colombia)	$ 16.00	The higher the monthly rental value per square meter, the higher the fair value
			Square vara price (Colombia)	$ 2,666.00	The higher the square vara price, the higher the fair value
			Appreciation or depreciation of Colombian peso against US Dollar	21%	The higher appreciation of Colombian peso against US Dollar, the higher the fair value

(18) Income tax expense and other taxes

	September 30, 2024	December 31, 2023
Current income tax – assets	$ 176,826	$ 126,089
Other current taxes		
Current VAT – assets	47,386	48,411
Other current taxes	25,365	21,652
Total other current taxes	72,751	70,063
Total current taxes – assets	**249,577**	**196,152**
Current income tax – liabilities	(27,427)	(25,523)
Others	(9,117)	(11,519)
Total Current income tax – liabilities	**$ (36,544)**	**$ (37,042)**

Income tax expense for the nine-month period ended September 30, 2024, is comprised of the following:

(In USD thousands)

Condensed Consolidated statement of comprehensive income

	For the nine months ended September 30,		For the three months period from July 1 to September 30,	
	2024	**2023**	**2024**	**2023**
Current income tax:				
Current income tax charge	$ (27,891)	$ (30,095)	$ (8,435)	$ (13,262)
Deferred tax expense:				
Relating to origination and reversal of temporary differences	3,489	22,184	255	14,476
Income tax expense reported in the income statement	**$ (24,402)**	**$ (7,911)**	**$ (8,180)**	**$ 1,214**

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

	For the nine months ended September 30,		For the three months period from July 1 to September 30,	
	2024	**2023**	**2024**	**2023**
Items that will not be reclassified to income or loss in future periods - Remeasurements of defined benefit	**63**	**1,716**	**—**	**1,757**

Changes in deferred tax assets and deferred tax liabilities

	For the nine months ended September 30,	
	2024	**2023**
Deferred tax assets		
As of December 31	**$ 45,444**	**$ 27,397**
Recognized as income	809	12,128
Recognized in other comprehensive income	63	1,710
Exchange differences	(40)	185
Total Deferred tax assets as of	**$ 46,276**	**$ 41,420**

(In USD thousands)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023
Deferred tax liabilities		
As of December 31	**$ (136,045)**	**$ (155,681)**
Recognized as income and (loss)	2,680	10,056
Recognized in other comprehensive income	—	6
Exchange differences	—	837
Total Deferred tax liabilities	**$ (133,365)**	**$ (144,782)**

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

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

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

(**) LifeMiles, Ltd. operates under a special tax regime with a 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.

(In USD thousands)

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 profits" 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 performed the analysis of its impact based on the projected results for the end of the year. Said analysis concludes that no impact will arise in any of the of the jurisdictions the Group operates since the ETR in the jurisdictions with a profit before is 15% or higher and other jurisdictions are in a loss position. Moreover, the Group is also analyzing whether its Country-by-Country report is a "qualified CBC" for purposes of the UX Pillar 2 rules in order to apply for the different safe harbors (i.e. simplified ETR; of minims exclusion test and routine profit test).

(19) Provisions for legal claims

As of September 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 loss of $36,194 as of September 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.

The changes in provision for legal claims during the periods presented is as follows:

	September 30, 2024	**December 31, 2023**
Opening Balance	$ 31,125	$ 47,124
Provisions constituted	15,888	8,409
Provisions reverse	(3,122)	(7,996)
Reclasifications to liabilities	(5,041)	—
Lawsuits deposits	—	(8,828)
Provisions used	(2,656)	(7,584)
Balances at the end of the period	**$ 36,194**	**$ 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 September 30, 2024, these contingencies totaled $110,430 (December 31, 2023: $149,414). Certain losses that could arise from this 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 $11,988 as of September 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 Bogotá offices. In addition, 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 did not intend to recommend any 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, 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 ("SIC") notified the opening of an investigation against the Colombian airline (i.e., Aerovías del Continente Americano S.A. Avianca) ("Avianca") for allegedly engaging in unlawful business activities prior to obtaining the necessary regulatory approval for 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 SIC argued that the (i) acquisition of economic rights of Viva by Investment Vehicle 1 Limited entailed – in and of itself – the acquisition of control, and, thus, required clearance by the Aerocivil; and (ii) separation of economic 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 SIC notified Avianca of the dismissal of the investigation subject to some commitments different to those initially offered by Avianca. On May 16, 2023, Avianca filed a remedy of reconsideration requesting some modified commitments suggested by the SIC (the "Remedy").

On August 23, 2023, the SIC notified Avianca of the final and non-appealable decision with respect to the acceptance of the commitments 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 commitments, 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. On July 4, 2024, the SIC notified Avianca of its observations and recommendations regarding the antitrust program. On September 13, 2024, Avianca filed the antitrust program with the SIC observations and recommendations addressed, and, on September 30, 2024 in accordance with the commitments agreed upon with the SIC, the passengers protection plan was fully implemented.

(In USD thousands)

(20) Acquisition of aircraft

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

	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Aircraft and engine purchase commitments	$ 380,102	$ 2,076,634	$ 2,106,743	$ 1,138,665	$ 5,702,144

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.

(21) 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:

	For the Nine months ended September 30,				For the three months between July 1 to September 30,			
	2024	%	2023	%	2024	%	2023	%
Domestic								
Tickets	$ 846,465	22%	$ 673,867	19%	286,092	19%	257,949	20%
Ancillaries (1)	229,179	6%	215,680	6%	76,784	6%	77,339	6%
Cargo and courier	211,840	6%	262,712	8%	64,838	5%	75,515	6%
Loyalty (2)	92,228	2%	65,739	2%	37,155	3%	28,376	2%
	1,379,712	**36%**	**1,217,998**	**35%**	**464,869**	**33%**	**439,179**	**34%**
International								
Tickets	1,520,236	40%	1,423,059	41%	591,541	43%	553,511	43%
Ancillaries (1)	455,427	12%	434,439	12%	159,121	12%	166,533	13%
Cargo and courier	275,912	7%	246,992	7%	90,553	7%	79,835	6%
Loyalty (2)	142,296	4%	139,434	4%	49,190	4%	36,740	3%
	2,393,871	**63%**	**2,243,924**	**64%**	**890,405**	**66%**	**836,619**	**65%**
Other	34,303	1%	21,414	1%	11,056	1%	5,685	1%
Total revenue	**$ 3,807,886**	**100%**	**$ 3,483,336**	**100%**	**$ 1,366,330**	**100%**	**$ 1,281,483**	**100%**

(In USD thousands)

(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.

The disaggregation of operating revenues by the categories presented in the Condensed Consolidated Statement of Comprehensive Income (Loss) for the periods presented is as follows:

	For the nine months ended September 30,				**For the three months between July 1 to September 30,**			
	2024	**%**	**2023**	**%**	**2024**	**%**	**2023**	**%**
Passenger:								
Tickets	$ 2,366,701	62%	$ 2,096,926	59%	$ 877,633	63%	$ 811,460	62%
Ancilliaries	684,606	18%	650,119	19%	235,905	17%	243,872	19%
Loyalty	208,905	5%	182,665	5%	77,835	6%	58,365	5%
Other	2,913	1%	2,978	1%	1,411	1%	1,108	1%
	3,263,125	**86%**	**2,932,688**	**84%**	**1,192,784**	**87%**	**1,114,805**	**87%**
Cargo and other:								
Loyalty	25,619	1%	22,508	1%	8,510	1%	6,751	1%
Cargo	487,752	12%	509,704	14%	155,391	11%	155,350	11%
Other	31,390	1%	18,436	1%	9,645	1%	4,577	1%
	544,761	**14%**	**550,648**	**16%**	**173,546**	**13%**	**166,678**	**13%**
Total revenue	**$ 3,807,886**	**100%**	**$ 3,483,336**	**100%**	**$ 1,366,330**	**100%**	**$ 1,281,483**	**100%**

(In USD thousands)

(22) Net Interest Expense

The interest expense and income for the periods presented is as follows:

	Notes	Nine months ended September 30,		For the three months period from July 1 to September 30,	
		2024	2023	2024	2023
Debt interest	16	$ 166,938	$ 163,477	$ 56,716	$ 57,269
Lease interest	15	207,862	155,990	71,133	61,163
Other interest expense		37,049	57,604	18,768	26,593
Interest Income from cash and cash equivalents and short-term investments		(36,604)	(29,403)	(11,119)	(16,969)
Intercompany loan agreement		(8,748)	(6,877)	(2,963)	(2,409)
Total		**$ 366,497**	**$ 340,791**	**$ 132,535**	**$ 125,647**

(23) Common Shares

	September 30, 2024	September 30, 2023
Common shares issued and paid	39,611,023	39,545,045
Common shares value	$ 4	$ 4

The nominal value per share is $0.0001 Expressed in cents

Common Shares

Holders of these shares are entitled to dividends as declared by the Board of Directors from time to time. As of the date of these condensed consolidated financial statements, Investment Vehicle 1 Limited (“IV1L”) is AGIL’s sole shareholder.

Issue of common shares and additional paid in capital

The following table reconciles AGIL’s opening share balance to the closing share balance for the periods presented.

(In USD thousands)

	Shares Issued and Outstanding
As of December 31, 2023	39,569,223
May 15, 2024 Issuance of shares to GUCs (1)	40,466
July 17, 2024 Issuance of shares to GUCs (2)	1,334
As of September 30, 2024	**39,611,023**

	Shares Issued and Outstanding
As of December 31, 2022	39,210,000
June 7, 2023 Issuance of shares to GUCs (3)	335,045
November 15, 2023 Issuance of shares to GUCs (4)	24,178
As of December 31, 2023	**39,569,223**

(1) On May 15, 2024, pursuant to the Further Modified Joint Chapter 11 Plan of Avianca Holdings S.A. and its Affiliated Debtors Docket No. 2259, which was confirmed by the U.S. Bankruptcy Court for the Southern District of New York on November 2, 2021 (the "Plan"), subsequent issuances of shares to 9 Electing General Unsecured Claimholders (as defined in the Plan, the "GUCs") were completed (the "Third Tranche Issuances"). The Third Tranche Issuances, which were all implemented on May 15, 2024, included:

- the allotment and issuance to the GUCs of 40,466 ordinary shares of US $0.0001 each in the capital of AGIL;
- immediately after, the exchange of the shares received in AGIL for an equal number of IV1L shares; and
- immediately after, the transfer to Abra Group Limited ("Abra") of the shares received in IV1L in consideration for such number of shares in Abra as established in the transaction documents.

(2) On July 17, 2024, pursuant to the Plan, subsequent issuances of shares to 9 GUCs were completed (the "Fourth Tranche Issuances"). The Fourth Tranche Issuances, which were all implemented on July 17, 2024, included:

- the allotment and issuance to the GUCs of 1,334 ordinary shares of US $0.0001 each in the capital of AGIL;
- immediately after, the exchange of the shares received in AGIL for an equal number of IV1L shares; and
- immediately after, the transfer to Abra of the shares received in IV1L in consideration for such number of shares in Abra as established in the transaction documents.

(3) On June 7, 2023, pursuant to the Plan, subsequent issuances of shares to 129 GUCs were completed (the "First Tranche Issuances"). The First Tranche Issuances, which were all implemented on June 7, 2023, included:

- the allotment and issuance to the GUCs of 335,045 ordinary shares of US $0.0001 each in the capital of AGIL;
- immediately after, the exchange of the shares received in AGIL for an equal number of IV1L shares; and
- immediately after, the transfer to Abra of the shares received in IV1L in consideration for such number of shares in Abra as established in the transaction documents.

(4) On November 15, 2023, pursuant to the Further Modified Joint Chapter 11 Plan of Avianca Holdings S.A. and Its Affiliated Debtors [Docket No. 2259], which was confirmed by the U.S. Bankruptcy Court for the Southern District of New York on November 2, 2021 (the "Plan"), subsequent issuances of shares to 49, respectively, Electing General Unsecured Claimholders (as defined in the Plan, each such claimholder a "GUC") were completed (the "Issuances"). The Issuances, which were all implemented on November 15, 2023, included:

•The allotment and issuance to each GUC of 24,178 ordinary shares of US$0.0001 each in the capital of AGIL;
•Immediately after, the exchange of the shares received in AGIL for an equal number of IV1L shares;
•Immediately after, the transfer to Abra of the shares received in IV1L in consideration for such number of shares in Abra as established in the transaction documents.

After the implementation of the First Tranche Issuances and the Third Tranche Issuances, described in (1) and (2), the GUCs are currently Abra shareholders, Abra remains IV1L's sole shareholder and IV1L remains AGIL's sole shareholder. Further issuances of shares to the remaining GUCs are expected to take place in the near future in a similar fashion as described above.

(24) Derivative Instruments

The Group purchases jet fuel on an ongoing basis as its operating activities require a significant ongoing supply of this commodity. The composition of jet fuel can be understood as the sum of the West Texas Intermediate ("WTI") price and the crack spread. WTI: It is a type of crude oil that serves as a price reference in international markets. Crack Spread: it is the difference between the price of jet fuel and the WTI, reflecting the costs and refining margins required to convert crude into refined products, such as jet fuel.

The Group then perceives two risks: the price volatility of the WTI and the price of the Crack Spread, both of which influence the final cost of the jet fuel. For third quarter of 2024, the Group decided to specifically cover the crack spread. The decision was made to mitigate the potential impacts of hurricane season, as these events can disrupt the production and distribution of refined products, leading to a reduction in supply and potential logistical disruptions, these influences the price of the underlying fuel, which the Group uses as the aircraft's final fuel.

The Group must enter in hedging contracts to mitigate crack spread volatility, aligned with the risk management strategy outlined by the Board of Directors. The contracts are intended to hedge crack spread price volatility for monthly periods between July and October 2024 based on existing purchase agreements. The Group always designates a qualifying instrument in its entirety as a hedging instrument.

(In USD thousands)

The Group has designated certain crack spread swaps as of September 30, 2024 (September 30, 2023: Jet fuel call options) as a cash flow hedge. The quantity and maturity of swaps and their corresponding hedged items must remain the same. The group has determined that there is an economic relationship between the hedged item and the hedging instrument.

The Group performs a qualitative assessment of effectiveness, as the cost of jet fuel and the crack spread, which serves as an input cost, are both separately identifiable costs with known market structures (the price is driven by the market) the critical terms match. Considering that the critical terms match, it is assumed that there is 100% hedge effectiveness and that a hedge ineffectiveness scenario does not exist.

The primary source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the option contracts, which is not reflected in the fair value of the hedged item. The Group has determined that the effect of credit risk does not influence the value changes that result from that economic relationship.

The notional value of derivatives recognized as hedging instruments for the nine months ended September 30, 2024 is equivalent to 102,000,000 gallons of crack spread (September 30, 2023: 71,612,265 gallons of Jet Fuel). The Group hedges approximately 28% (12,000,000 gallon) of the expected fuel gallon consumption for the month of July 2024, and approximately 75% (30,000,000 gallon per month) of the expected fuel gallon consumption for the months of August, September and October 2024 at average strike price of $25.23.

The following table details outstanding hedging instruments at the end of the reporting periods, as well as information regarding their related hedged items. Hedging instruments are reported within the "Deposits and other assets" line within the statement of financial position (see note 11):

September 30, 2024

Strike price per gallon	Quantity (gallons)	Carrying amount of the hedging instruments as of January 01, 2024	Cash payme nts, net	Change in the fair value of hedging instrument recognized in OCI	Amount from cost of hedging reserve transferred to Losses	Line item in profit or loss in which the transferred amount is included	Carrying amount of the hedging instruments as of September 30, 2024
26.87	48,000,000	$ —	$12,433	$ 3,101	$ 8,540	Aircraft fuel	$ 792
24.93	24,000,000	—	6,046	1,700	3,818	Aircraft fuel	528
23.90	30,000,000	—	6,824	1,882	4,282	Aircraft fuel	660
	102,000,000	**$ —**	**$25,303**	**$ 6,683**	**$ 16,640**		**$ 1,980**

(In USD thousands)

September 30, 2023

Strike price per gallon	Quantity (gallons)	Carrying amount of the hedging instruments as of January 01, 2023	Cash payments, net	Change in the fair value of hedging instrument recognized in OCI	Amount from cost of hedging reserve transferred to Losses	Line item in profit or loss in which the transferred amount is included	Carrying amount of the hedging instruments as of September 30, 2023
3.25	$ 71,612	$ —	$ 3,304	$ 559	$ 275	Aircraft fuel	$ 2,470
	$ 71,612	**$ —**	**$ 3,304**	**$ 559**	**$ 275**		**$ 2,470**

(25) Subsequent Events

As part of the identification of opportunities to expand our coverage through strategic investments and acquisitions complementary to our current geographic footprint, the Group, through Avianca Midco 2 Plc, entered into an agreement subject to regulatory approvals and other conditions to acquire the majority of the economic rights of Wamos Air, S.A. a leading Spanish base airline that offers charter and Aircraft Crew Maintenance and Insurance (also known as just ACMI) services with fleet of 13 A330 aircraft. On October 15, 2024, after the closing conditions were satisfied, we closed the transaction and completed our strategic investment in Wamos Air S.A. that will complement our strategic network by providing optionality to expand Avianca's existing global footprint, which we expect to utilize to enhance European connectivity.

The Group is unable to disclose the requirements of IFRS 3-B64 (e)-(q) because the business combination is incomplete at the time of these consolidate financial statements are authorized for issue.

On October 22, 2024, Abra Global Finance ("AGF"), a wholly owned subsidiary of Abra, closed a private placement of $510 million in initial aggregate principal amount of senior secured notes due 2029 and obtained senior secured term loans maturing in 2029 in an initial aggregate principal amount of $740 million (collectively, the "Refinancing Debt"). AGF applied the net proceeds from the Refinancing Debt, together with cash on hand, to fund the redemption of all of AGF's senior secured notes due 2028 and to pay related fees and expenses. The documents governing the Refinancing Debt contain covenants requiring that the "loan to value ratio" of Abra not exceed certain thresholds at the end of each fiscal quarter and upon the consummation of certain transactions. The equity interests of IV1L held by Abra were pledged to secure the obligations in respect of the Refinancing Debt. In addition, such equity interests of IV1L held by Abra continue to secure AGF's obligations in respect of its approximately $587 million in aggregate principal amount of senior secured exchangeable notes due 2028.

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