

## **Abra Group Limited**

### **Management Discussion and Analysis (MD&A) as of 31 December 2025**

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#### **A. Background**

Abra Group Limited (“Abra” or the “Company”) is a company incorporated and existing under the laws of England and Wales as of February 18, 2022. Abra, together with its subsidiaries, will be referred to as the “Group” for the purposes of this Management discussion and Analysis (“MD&A”).

Abra was incorporated with the objective of facilitating the business combination of GOL and Investment Vehicle 1 Limited (“IV1L”), the parent company of Avianca Airlines (“Avianca”), resulting in the formation of a regional airline carrier group. This group operates in the Latin American, North American, European, and Caribbean aviation markets and owns, controls, and operates airlines within these regions.

From March 2023 until June 6, 2025, Abra’s interest in GOL was held through the Abra LLPs. Although Abra held 99.99% of the economic rights in the LLPs, contractual arrangements granted control to the former shareholders. As a result, GOL was accounted for at the Abra level as an equity investment measured at fair value, rather than being consolidated.

On January 25, 2024, GOL filed for Chapter 11 protection in the U.S. Bankruptcy Court for the Southern District of New York, securing USD 950 million in debtor-in-possession (DIP) financing, which was later increased to USD 1 billion, to support ongoing operations. Passenger flights, cargo services, and the Smiles loyalty program continued without interruption. Throughout 2024, GOL renegotiated lease agreements with lessors covering aircraft and spare engines, with approvals granted by the Bankruptcy Court. In November 2024, GOL entered into a Plan Support Agreement with Abra, its affiliates, and major creditor groups, which led to the filing of a restructuring plan in December 2024.

In March 2025, the Bankruptcy Court approved GOL’s disclosure statement and the company executed backstop commitments with Castlake LP and Elliott Investment Management. On June 6, 2025, GOL successfully emerged from Chapter 11, at which point Abra became the controlling shareholder of GOL, and recognize its contribution to the consolidated results from that date.

At emergence, GOL was accounted for at Abra level using the acquisition method under IFRS 3 Business Combinations. The purchase price allocation (PPA) has been determined provisionally at the reporting date, based on management’s best estimates of the fair values of assets acquired and liabilities assumed. The Group expects to finalize the PPA within the 12-month measurement period.

#### **B. Key figures**

Abra delivered strong financial results in 2025, reporting an accounting EBITDAR of \$2,247.3 million, representing an 86.9% improvement compared to 2024. Despite this strong operating performance, the Company reported net losses of \$74.1 million for the year ended 2025 including a non operational non-cash charge including in 2025.

During the year, Abra reported operating revenues of US\$8,183.8 million, a 58.2% increase compared to 2024, including US\$385.0 million related to Wamos revenues and US\$2,448.7 million from Gol consolidation in 2025.

Passenger revenues increased by US\$2,420 million, or 55.7% year-over-year. Cargo and other revenues grew 71.0%, mainly driven by the consolidation of ACMI revenues from the Wamos Air acquisition in October 2024, as well as the Gol consolidation, and an improvement in Avianca cargo performance as a result of 9.7% increase in operating capacity as a result of a larger fleet and higher operational activity due to the implementation of the new business. Total operating expenses reached US\$7,262.9 million for the year ended

December 31, 2025, an increase of 58.0% compared to US\$4,595.8 million in 2024, a significant portion of this variance, representing approximately \$2,301.1 million of the total change, is attributable to the Gol Consolidation, which contributed to significantly higher operating activity and associated costs. In addition, the consolidation of Wamos Air contributed to the increase in \$269.5 million. For Avianca, the increase is driven by higher operational activity, reflected in a 10.2% increase in capacity, a 7.4% increase in block hours and a 1.8% increase in departures in the passenger segment.

Abra continued to strengthen its balance sheet, closing the year with total liquidity of US\$2.5 billion, which includes available capacity under the RCF and credit card receivables from its Brazilian operations.

### **Operating revenue**

**Passenger revenue** totaled US\$6,762.1 million, a US\$2,420.0 million or 55.7% increase compared to the same period during the year ended December 31, 2024. A significant portion of this growth reflects the consolidation of Gol since June, which contributed \$2,233.1 million, supported by approximately 20.9 million passengers carried and 29.7 billion ASKs, primarily in the Brazilian domestic market. For the Avianca network, passenger revenue increased as a result of a strategy, which focused on expanding international operations and optimizing domestic routes, as a result, capacity increase 10.2% and average fare increase 6.9%.

**Cargo and other revenue** totaled US\$1,421.6 million, with an 71.0% increase compared to the same period in 2024, driven by the consolidation of ACMI revenues resulting from the Wamos Air acquisition in 2024 and GOL consolidation since June, as well as improved cargo performance.

### **Operating expenses**

**Aircraft fuel** for the year ended December 31, 2025, totaled US\$1,985.5 million, with an 40.8% increase. mainly due to the Gol Consolidation, which contributed 215,936 gallons of fuel consumed at an into-plane price of \$2.8. For Avianca, fuel expense decreased as a result of a 7.9% lower into plane price, partially offset by a 6.1% burned gallons volume for passenger and cargo operations

**Salaries, wages and benefits** expenses totaled US\$1,228.4 million, with an 64.0% increase compared to the same period in 2024, primarily due to the Gol Consolidation, which significantly increased total headcount and operating requirements. The consolidation of Wamos Air in October 2024 also contributed to the increase. For Avianca, expenses reflect inflationary impacts and the additional personnel required to support a 10.2% increase in capacity during the year.

**Ground Operations** totaled US\$797.5 million, with an 49.9% increase compared to the same period in 2024, mainly due to Gol Consolidation, which contributed 147,642 additional departures and 298,692 block hours, resulting in higher operating costs, also, an increase in Avianca compared to 2024, due to the expansion of operations measured in departures by 1.8% and block hours by 7.4%.

**Air traffic** totaled US\$363.8 million, with an 41.3% increase compared to the same period in 2024, mainly is attributable to the Gol Consolidation, which added 147,642 departures and 20.9 million passengers carried, resulting in higher airport related and passenger handling costs. For Avianca, air traffic expense increased due to higher international passenger volumes and a 1.8% increase in departures, as well as additional investment in VIP lounges to enhance product and service quality across the network.

**Flight operations** totaled US\$137.0 million, with an 46.3% increase compared to the same period in 2024, mainly due to an increase in pilot travel and training expense due to incremental crews associated with increase in capacity operated. In addition, the effect of the Wamos and GOL consolidation reflecting higher operational costs.

**Passenger services** totaled US\$183.6 million, with an 71.3% increase compared to the same period in 2024, mainly due the Gol consolidation and the costs related to implementation of business class on routes within the Americas and improved service standards in the Avianca network.

**Maintenance and repairs** totaled US\$421.2 million, with an 96.6% increase compared to the same period in 2024, mainly due to the GOL consolidation in June 2025 and the Wamos Air consolidation in October 2024, also, higher operational activity, driven by increased block hours across the Avianca network.

**Selling expenses** totaled US\$434.0 million, with an 65.6% increase compared to the same period in 2024, mainly attributable to the Gol Consolidation, which added higher selling and distribution costs associated with 34.3 million passengers carried, also, higher costs due to higher sales volume in Avianca.

**Fees and other expenses** totaled US\$385.4 million, with an 11.5% increase compared to the same period in 2024, mainly due to the effect of Wamos and GOL consolidation, which resulted in higher costs.

**Rentals** totaled US\$74.8 million, with an 6.0% increase compared to the same period in 2024, mainly driven by engine rentals required to cover engine contingencies, as well as increased use of third party capacity.

**Depreciation of right of use asset** totaled US\$957.8 million, with an 134.1% increase compared to the same period in 2024, mainly driven by GOL consolidation which resulted in higher depreciation charges associated with a total fleet of 146 aircraft and the Wamos ACMI business acquired in October.

**Other depreciation, amortization, impairment, and assets held for sale** totaled US\$293.8 million, representing a 103.2% increase compared to the same period in 2024. This increase was primarily driven by the consolidation of GOL and higher amortization costs, mainly resulting from an increased level of engine maintenance overhauls performed during the period.

**Net interest expenses** totaled \$987.4 million, with an increase of 65.8% compared to the same period in 2024, mainly due to GOL consolidation.