AVIANCA GROUP INTERNATIONAL LIMITED

Unaudited Interim Condensed Consolidated Financial Statements

As of June 30, 2026, and
for the six months ended June 30, 2026 and 2025

AVIANCA GROUP INTERNATIONAL LIMITED

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AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of financial position as at
(In thousands of United States dollar - US)

	Notes	June 30, 2026	December 31, 2025
		Unaudited	
Assets			
Current assets:			
Cash and cash equivalents	7	$ 736,339	$ 943,686
Short-term investments	7	217,510	218,072
Trade and other receivables, net of expected credit losses	8	281,238	287,221
Financial assets with related parties	9	50,571	39,723
Income tax		94,820	124,330
Other taxes		153,625	130,421
Inventories		137,148	118,233
Prepayments	10	15,662	11,310
Deposits and other assets	10	96,847	42,908
		1,783,760	**1,915,904**
Assets held for sale		—	2,211
Total current assets		**1,783,760**	**1,918,115**
Non–current assets:			
Deposits and other assets	10	176,372	169,978
Financial assets with related parties	9	166,483	138,776
Intangible assets		1,248,666	1,293,271
Goodwill		1,613,442	1,616,217
Deferred tax assets		87,392	70,652
Right of use assets	12	2,710,938	2,927,080
Property and equipment	11	2,059,583	1,645,943
Total non–current assets		**8,062,876**	**7,861,917**
Total assets		**$ 9,846,636**	**$ 9,780,032**

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of financial position as at
(In thousands of United States dollar - US)

	Notes	June 30, 2026 Unaudited	December 31, 2025
Liabilities and equity			
Current liabilities:			
Debts	13	$ 144,678	$ 115,220
Leases	12	451,344	382,194
Obligations with lessor	12.1	2,186	—
Accounts payable and others		987,444	848,030
Financial liabilities with related parties	9	12,395	2,353
Income tax payable		44,847	50,969
Others tax payable		8,759	11,417
Provisions for legal claims	17	50,021	32,626
Provisions for return conditions	12	25,891	28,122
Employee benefits		130,946	136,128
Air traffic liability		807,924	645,348
Deferred revenue		23,232	22,847
Frequent flyer		219,974	201,009
Other liabilities		31,908	5,794
Total current liabilities		**2,941,549**	**2,482,057**
Non–current liabilities:			
Debts	13	2,585,877	2,427,090
Leases	12	2,214,197	2,453,910
Obligations with lessor	12.1	4,798	—
Provisions for return conditions	12	601,344	588,315
Employee benefits		68,727	56,906
Deferred tax liabilities		132,580	138,361
Frequent flyer		287,806	282,468
Other liabilities		264	200
Total non–current liabilities		**5,895,593**	**5,947,250**
Total liabilities		**8,837,142**	**8,429,307**
Equity			
Share capital	14	$ 4	$ 4
Additional paid-in capital		1,152,673	1,150,094
Retained (losses) earnings		(121,500)	188,742
Other comprehensive income		(38,241)	(5,438)
Equity attributable to owners of the Group		**992,936**	**1,333,402**
Non–controlling interest		16,558	17,323
Total equity		**1,009,494**	**1,350,725**
Total liabilities and equity		**$ 9,846,636**	**$ 9,780,032**

See accompanying notes to consolidated financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of profit or loss for the
(In thousands of United States dollar - US)

	Notes	Six months ended June 30,		Three months ended June, 30	
		2026	**2025**	**2026**	**2025**
		Unaudited		Unaudited	
Net revenue:					
Passenger		$ 2,414,029	$ 2,102,006	$ 1,215,394	$ 1,046,798
Cargo and other		653,636	579,955	342,389	310,642
Total net revenue	**18**	**3,067,665**	**2,681,961**	**1,557,783**	**1,357,440**
Operating expenses:					
Aircraft fuel		$ 884,095	$ 659,900	$ 533,535	$ 317,815
Salaries, wages, and benefits		475,655	396,722	239,248	199,854
Ground operations		359,124	286,541	182,628	144,405
Air traffic		172,601	132,467	88,749	68,399
Flight operations		61,824	52,328	31,167	28,565
Passenger services		114,001	57,884	61,250	29,877
Maintenance and repairs		158,662	160,028	81,781	81,421
Selling expenses		159,640	129,668	81,494	72,309
Fees and other expenses		199,144	154,063	122,830	76,150
Rentals		82,365	45,909	44,822	31,305
Depreciation of right of use assets	12	249,789	223,955	113,120	76,645
Other depreciation and amortization		151,953	89,490	89,410	89,490
Impairment of intangible assets	20	24,971	—	24,971	—
Total operating expenses		**3,093,824**	**2,388,955**	**1,695,005**	**1,216,235**
Operating (Loss) profit		**(26,159)**	**293,006**	**(137,222)**	**141,205**
Interest expense		(308,497)	(306,880)	(136,540)	(140,613)
Interest income and other financial income		28,419	29,270	13,954	12,891
Net interest expense	**19**	**(280,078)**	**(277,610)**	**(122,586)**	**(127,722)**

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of profit or loss for the
(In thousands of United States dollar - US)

	Notes	Six months ended June 30, 2026	Six months ended June 30, 2025	Three months ended June, 30 2026	Three months ended June, 30 2025
		Unaudited		Unaudited	
Net change in fair value of assets					
Foreign exchange, net		(12,659)	(12,335)	(6,044)	(5,561)
Equity method income		560	285	316	116
(Loss) profit before income tax		**(318,336)**	**3,346**	**(265,536)**	**8,038**
Income tax expense - current		(4,271)	(20,022)	(3,376)	(14,560)
Income tax benefit - deferred		11,575	16,371	9,670	16,075
Total income tax expense	16	**7,304**	**(3,651)**	**6,294**	**1,515**
Net (loss) profit for the period		**$ (311,032)**	**$ (305)**	**$ (259,242)**	**$ 9,553**
Attributable to:					
Equity holders of the parent		(310,242)	1,147	(259,008)	11,084
Non–controlling interest.		(790)	(1,452)	(234)	(1,531)
Net (loss) profit for the period		**(311,032)**	**(305)**	**(259,242)**	**9,553**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of comprehensive income for the
(In thousands of United States dollar - US)

	Notes	Six months ended June 30, 2026	Six months ended June 30, 2025	Three months ended June, 30 2026	Three months ended June, 30 2025
		Unaudited		Unaudited	
Net (loss) profit for the period		**$ (311,032)**	**$ (305)**	**$ (259,242)**	**$ 9,553**
Other comprehensive income (loss):					
Items that will not be reclassified to income or loss in future periods:					
Revaluation of administrative property		6	268	—	—
Remeasurements gain (loss) of defined benefit		715	3,823	(1,069)	1,461
Income tax		329	(14,461)	(25,275)	(14,461)
Total non-reclassifiable items		**1,050**	**(10,370)**	**(26,344)**	**(13,000)**
Items that will be reclassified to profit or (loss) in subsequent periods:					
Net change in cash flow hedges	6	(23,070)	(2,141)	(145,938)	(2,141)
Net change in cost of hedging	6	(10,341)	—	(10,341)	—
Net change in fair value of financial assets with changes in OCI		24	261	15	111
Foreign operations — foreign currency translation differences		(11,466)	9,867	(59)	7,752
Income tax		11,025	—	11,025	—
Total reclassifiable items		**(33,828)**	**7,987**	**(145,298)**	**5,722**
Other comprehensive loss, net of income tax		(32,778)	(2,383)	(171,642)	(7,278)
Total comprehensive loss, net of income tax		**(343,810)**	**(2,688)**	**(430,884)**	**2,275**
Attributable to:					
Equity holders of the parent		(343,045)	(1,114)	(430,713)	2,074
Non–controlling interest		(765)	(1,574)	(171)	201
Total comprehensive loss		**$ (343,810)**	**$ (2,688)**	**$ (430,884)**	**$ 2,275**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of changes in equity for the Six months ended June 30,
(In thousands of United States dollar - US)

	Share capital	Additional paid-in capital	Other comprehensive Income	Retained earnings (losses)	Equity attributable to owners of the Group	Non-controlling interest	Total equity
Balance at December 31, 2025	**$ 4**	**$ 1,150,094**	**$ (5,438)**	**$ 188,742**	**$ 1,333,402**	**$ 17,323**	**$ 1,350,725**
Net loss for the period	—	—	—	(310,242)	(310,242)	(790)	(311,032)
Share-based payments	—	2,579	—	—	2,579	—	2,579
Other comprehensive income	—	—	(32,803)	—	(32,803)	25	(32,778)
Balance at June 30, 2026 (Unaudited)	**$ 4**	**$ 1,152,673**	**$ (38,241)**	**$ (121,500)**	**$ 992,936**	**$ 16,558**	**$ 1,009,494**

	Share capital	Additional paid-in capital	Other comprehensive Income	Retained earnings (losses)	Equity attributable to owners of the Group	Non-controlling interest	Total equity
Balance at December 31, 2024	**$ 4**	**$ 1,145,962**	**$ (3,463)**	**$ (87,487)**	**$ 1,055,016**	**$ 15,828**	**$ 1,070,844**
Net loss for the period	—	—	—	1,147	1,147	(1,452)	(305)
Share-based payments	—	2,304	—	—	2,304	—	2,304
Other comprehensive income	—	—	(2,261)	—	(2,261)	(122)	(2,383)
Balance at June 30, 2025 (Unaudited)	**$ 4**	**$ 1,148,266**	**$ (5,724)**	**$ (86,340)**	**$ 1,056,206**	**$ 14,254**	**$ 1,070,460**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statement of cash flows for the Six months ended June 30,
(In thousands of United States dollar - US)

	Notes	2026	2025
		Unaudited	
Cash flows from operating activities:			
Net loss for the period		**$ (311,032)**	**$ (305)**
Adjustments to reconcile profit (loss) to net cash flow:			
Provisions for legal claims	17	16,443	4,322
Depreciation of right of use asset	12	249,789	223,955
Other depreciation and amortization		151,953	89,490
Impairment of assets	20	24,971	—
Interest income	19	(28,419)	(29,270)
Interest expense	19	308,497	306,880
Income tax benefit – deferred	16	(11,575)	(16,371)
Income tax expense – current	16	4,271	20,022
Unrealized foreign currency loss (gain)		20,713	(870)
Changes in:			
Trade and other receivables		(5,146)	(30,005)
Financial assets with related parties		(23,661)	(13,395)
Inventories		(30,106)	1,050
Prepayments		(4,427)	1,469
Net current tax		43,345	27,502
Deposits and other assets		(68,783)	(21,696)
Accounts payable and others		101,787	5,591
Financial liabilities with related parties		5,777	6,524
Air traffic liability		164,508	99,544
Frequent flyer		22,300	11,073
Provisions for return conditions		(13,498)	(6,995)
Provisions for legal claims	17	(1,544)	(1,197)
Employee benefits		(6,343)	7,954
Income tax paid		(46,884)	(39,948)
Net cash provided by operating activities		**562,936**	**645,324**

AVIANCA GROUP INTERNATIONAL LIMITED
Interim condensed consolidated statements of cash flows for the Six months ended June 30,
(In thousands of United States dollar - US)

	Notes	2026	2025
Cash flows from investing activities:			
Acquisition of property and equipment		(520,103)	(261,473)
Acquisition of property and equipment financed PDP		(78,270)	(14,737)
Reimbursement of equipment acquisition		30,316	28,060
Interest received		21,326	20,900
Maturity (Acquisition) of financial instruments		2,367	(28,990)
Acquisition of intangible assets		(10,007)	(8,494)
Proceeds from sale of property and equipment		59,570	4,405
Proceeds from sale and lease back		14,737	—
Net cash used in investing activities		**(480,064)**	**(260,329)**
Cash flows from financing activities:			
Financing of pre-delivery payments	13	78,270	31,659
Proceeds from debts	13	848,289	1,022,932
Transaction cost related to debts	13	(11,008)	(50,305)
Proceeds from obligations with lessor	12.1	13,498	—
Interest paid of debts	13	(97,439)	(86,593)
Payment of debts	13	(757,323)	(961,461)
Payments of pre-delivery payments financing	13	(14,737)	—
Payments of obligations with lessor	12.1	(6,601)	—
Lease interest paid	12	(150,665)	(142,034)
Payment of leases	12	(174,636)	(161,193)
Prepaid debt call premiums	19	(15,945)	(6,788)
Net cash used in financing activities		**(288,297)**	**(353,783)**
Net (decrease) increase in cash and cash equivalents		(205,425)	31,212
Exchange rate effect on cash and cash equivalents		(1,922)	7,243
Cash and cash equivalents at the beginning of the year		943,686	873,717
Cash and cash equivalents at the end of the period		**$ 736,339**	**$ 912,172**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

(In thousands of United States dollar - US, unless otherwise noted)

(1) Reporting entity

Avianca Group International Limited ("AGIL" or the "Company") was incorporated and exists 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 an indirect controlled entity of Abra Group Limited ("Abra") since April 3, 2023. AGIL is the subparent entity of one of the leading airline groups in Latin America, providing passenger air transportation and cargo services across South America, Central America, North America and Europe.

Significant subsidiaries

The following are the Group's significant subsidiaries owned directly and indirectly by Avianca Group International Limited included within these interim condensed consolidated financial statements:

Subsidiary name	Country of incorporation	Ownership interest	Ownership interest as of	
			June 30, 2026	December 31, 2025
Avianca Midco 2 PLC	United Kingdom	Indirect	100%	100%
Avianca Ecuador S.A.	Ecuador	Indirect	99.62%	99.62%
Aerovías del Continente Americano S.A. (Avianca)	Colombia	Indirect	99.98%	99.98%
LifeMiles Ltd.	Bermuda	Indirect	100%	100%
Avianca Costa Rica S.A.	Costa Rica	Indirect	92.42%	92.42%
Taca International Airlines, S.A.	El Salvador	Indirect	96.83%	96.83%
Tampa Cargo S.A.S.	Colombia	Indirect	100%	100%
Wamos Air, S.A.U	Spain	Indirect	(*)	(*)

(*) Indirectly the Group owns 49.97% voting rights and 99% of the economic rights of Wamos Air S.A.U.

(2) Basis of presentation of the consolidated financial statements

The interim condensed consolidated financial statements as of and for the six months ended June 30, 2026, have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2025.

The Group's interim condensed consolidated financial statements as of and for the six months ended June 30, 2026, were prepared and presented by management and authorized for issuance by the Board on August 12, 2026.

(3) Material accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025, except for the new standards effective as of January 1, 2026 (see note 4).

(4) New and amended accounting standards

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The new standards, interpretations and amendments with implementation effective from January 1, 2026, are as follows:

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

(a) Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
(b) Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
(c) Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
(d) The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The application of these amendments did not have a material impact on the Group's financial statements.

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The application of these annual improvements did not have a material impact on the Group's financial statements.

(5) Seasonality of operations

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 expects quarterly operating results to continue to fluctuate on a quarterly basis. This information is provided to allow for a better understanding of the results. However, management has concluded that this is not 'highly seasonal' in accordance with IAS 34.

(6) Risk management activities

Cash flow hedges of aggregated exposures arising from fuel price risk

In accordance with its risk management policy, the Group applies cash flow hedge accounting to certain aggregated exposures comprising highly probable forecast passenger jet fuel purchases and related derivative positions.

The Group designates the intrinsic value of the relevant option contracts as the hedging instrument, while the time value is accounted for separately as a cost of hedging in accordance with IFRS 9. The Group has concluded that an economic relationship exists between the hedging instruments and the aggregated exposures, with credit risk not dominating the hedge relationships.

During the six months ended June 30, 2026, and for the three months period from April 1 to June 30, the Group recognized a net gain of $147,078 and net gain of $87,767, respectively in profit or loss under the line-item aircraft fuel and representing the effective portion of cash flow hedges reclassified from equity upon maturity. As of June 30, 2026, the fair value of outstanding passenger fuel hedges resulted in a net loss of $33,411 recognized in Other Comprehensive Income. This amount comprises: (i) $23,070 related to changes in the intrinsic value of the options designated as hedging instruments, recognized in the cash flow hedge reserve; and (ii) $10,341 related to changes in the time value of the options, recognized in other comprehensive income as cost of hedging within a separate component of equity.

These derivative positions are recorded on the Interim condensed consolidated statements of financial position under the line item Deposits and other assets of $4,950 of premiums (see Note 10) and Other liabilities of $27,786.

During the period, changes in the cash flow hedge reserve primarily relate to (i) the effective portion of changes in fair value of hedging instruments recognized in other comprehensive income and (ii) amounts reclassified to profit or loss upon occurrence of the hedged transactions.

Collateral

As of June 30, 2026, the Group had transferred cash amounting to $45,260 to fulfill the collateral requirements associated with its derivative contracts. The counterparties are contractually obligated to return these amounts to the Group upon settlement or termination of the related contracts. This amount has been presented as other assets (see Note 10) in the interim condensed consolidated statement of financial position.

(In thousands of United States dollar - US, unless otherwise noted)

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

	June 30, 2026	December 31, 2025
Cash on hand	$ 509	$ 479
Bank balances (1)	698,709	930,616
Total cash	**$ 699,218**	**$ 931,095**
Cash equivalents	$ 37,121	$ 12,591
Total cash and cash equivalents	**$ 736,339**	**$ 943,686**
Short - term investments	$ 148,153	$ 156,748
Time deposits	69,357	61,324
Total short - term investments	**$ 217,510**	**$ 218,072**

(1) As of June 30, 2026, and December 31, 2025, the majority of the bank accounts pay interest to the Group for the daily or monthly balances.

As of June 30, 2026, the Group maintains a Revolving Credit Facility with a total commitment up to $200 million, which was fully undrawn and available as of that date.

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

	June 30, 2026	December 31, 2025
Trade accounts receivable	$ 266,972	$ 244,007
Other accounts receivable	26,149	53,798
	293,121	**297,805**
Less estimate for expected credit loss	$ (11,883)	$ (10,584)
Total Trade and other receivables, net of expected credit losses	**$ 281,238**	**$ 287,221**

The fair value of trade and other accounts receivable does not differ significantly from the book value.

(In thousands of United States dollar - US, unless otherwise noted)

|(9) Financial assets and liabilities with related parties

					June 30, 2026		December 31, 2025		For the six months ended June 30, 2026		For the six months ended June 30, 2025	
Company	**Country**	**Nature of relationship with related parties**	**Nature of related parties transactions**	**Currency**	**Financial assets with related parties**	**Financial liabilities with related parties**	**Financial assets with related parties**	**Financial liabilities with related parties**	**Revenue**	**Expense**	**Revenue**	**Expense**
Investment Vehicle 1 Limited (1)	Cayman Islands	Shareholder	Loans provided	USD	$ 145,483	$ —	$ 138,776	$ —	$ 6,707	$ —	$ 6,098	$ —
			Payment on Behalf and Fees	USD	36,739	1,631	31,204	1,650	—	267	—	267
Abra Group Limited	United Kingdom	Indirect Shareholder	Services received	USD	—	10,180	—	—	—	20,353	—	16,772
			Payment on Behalf	USD	11,634	—	6,810	—	—	—	—	—
Gol Linhas Aereas S.A.	Brasil	Fellow subsidiary	Services received and provided	USD	22,204	412	1,282	613	331	3,426	—	48
Others	—	—	—	USD	994	172	427	90	3,057	617	2	782
Total					**$ 217,054**	**$ 12,395**	**$ 178,499**	**$ 2,353**	**$ 10,095**	**$ 24,663**	**$ 6,100**	**$ 17,869**

(In thousands of United States dollar - US, unless otherwise noted)

	June 30, 2026		December 31, 2025	
	Financial assets with related parties	Financial liabilities with related parties	Financial assets with related parties	Financial liabilities with related parties
Short term	$ 50,571	$ 12,395	$ 39,723	$ 2,353
Long term	166,483	—	138,776	—
Total related parties	**$ 217,054**	**$ 12,395**	**$ 178,499**	**$ 2,353**

(10) Prepayments and Deposits and other assets

		Short Term		Long Term		Total	
	Note	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
Prepayments							
Insurance		$ 8,646	$ 6,799	$ —	$ —	$ 8,646	$ 6,799
Other		7,016	4,511	—	—	7,016	4,511
Total Prepayments		**$ 15,662**	**$ 11,310**	**$ —**	**$ —**	**$ 15,662**	**$ 11,310**
Deposits and other assets							
Deposits with lessors		$ 3,612	$ 6,283	$ 106,495	$ 97,689	$ 110,107	$ 103,972
Guarantee deposits		5,409	8,846	15,632	15,237	21,041	24,083
Fuel derivative	6	4,950	—	—	—	4,950	—
Travel agency commissions		12,730	11,294	—	—	12,730	11,294
Labor lawsuits		—	—	22,323	24,395	22,323	24,395
Long-term investments		—	—	8,160	8,527	8,160	8,527
Other assets (1)		70,146	16,485	23,762	24,130	93,908	40,615
Total Deposits and other assets		**$ 96,847**	**$ 42,908**	**$ 176,372**	**$ 169,978**	**$ 273,219**	**$ 212,886**
Total		**$ 112,509**	**$ 54,218**	**$ 176,372**	**$ 169,978**	**$ 288,881**	**$ 224,196**

(1) As of June 30, 2026, the Group maintains restricted cash of $47,693, pledged from its checking and savings accounts to fulfill collateral requirements classified as deposits and other assets according to the definition of demand deposit - IAS 7 (December 31, 2025: $40,250). Additionally, amounts of 45,260 were recognized in respect of cash posted as collateral to support fuel hedging transactions (see Note 6).

(In thousands of United States dollar - US, unless otherwise noted)

(11) Property and equipment

The tables presented below detail the cost activity recognized in each asset class for the period presented.

	Flight Equipment	Capitalized Maintenance	Rotable Spare parts	Predelivery payments	Administrative Property	Other equipment	Total
Cost							
January 1, 2026	**$ 291,059**	**$ 827,806**	**$ 239,649**	**$ 270,146**	**$ 118,540**	**$ 120,141**	**$ 1,867,341**
Additions	176,462	284,184	38,927	117,745	—	4,231	621,549
Disposals	(50,645)	(20,843)	(5,041)	(14,737)	—	(4,509)	(95,775)
Transfers	3,276	1,747	(7,959)	(1,281)	—	4,217	—
Transfers from assets held for sale	—	—	24	—	—	41	65
Reclassification from (to) right of use assets	(23,997)	—	(5,600)	(2,286)	—	6,767	(25,116)
Foreign currency translation	(547)	(577)	(165)	—	—	(195)	(1,484)
June 30, 2026	**$ 395,608**	**$ 1,092,317**	**$ 259,835**	**$ 369,587**	**$ 118,540**	**$ 130,693**	**$ 2,366,580**

(In thousands of United States dollar - US, unless otherwise noted)

Accumulated depreciation:							
January 1, 2026	**$ 22,978**	**$ 107,397**	**$ 29,112**	**$ —**	**$ 8,360**	**$ 53,551**	**$ 221,398**
Additions	20,670	79,743	7,275	—	1,709	8,608	118,005
Disposals	(8,307)	(20,843)	(3,245)	—	—	(1,421)	(33,816)
Transfers	561	—	(561)	—	—	—	—
Transfers from assets held for sale	—	—	17	—	—	40	57
Reclassification from (to) right of use assets	1,633	—	(127)	—	—	—	1,506
Foreign currency translation	—	(142)	(9)	—	—	(2)	(153)
June 30, 2026	**$ 37,535**	**$ 166,155**	**$ 32,462**	**$ —**	**$ 10,069**	**$ 60,776**	**$ 306,997**
Net balances:							
June 30, 2026	**$ 358,073**	**$ 926,162**	**$ 227,373**	**$ 369,587**	**$ 108,471**	**$ 69,917**	**$ 2,059,583**

Non- cash transactions

The Group had non-cash additions of property and equipment that were settled with accounts payables, capitalized interests and others of $53,492 during the six months ended June 30, 2026

(In thousands of United States dollar - US, unless otherwise noted)

(12) Leases

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

Right of use assets

	Aircraft and engines	Real estate	Total
January 1, 2026	**$ 2,850,851**	**$ 76,229**	**$ 2,927,080**
Additions (1)	90,494	962	91,456
Depreciation expense	(243,456)	(6,333)	(249,789)
Lease termination	(75,318)	(3,785)	(79,103)
Foreign currency translation	(5,272)	(56)	(5,328)
Reclassification from Property and Equipment	33,389	(6,767)	26,622
June 30, 2026	**$ 2,650,688**	**$ 60,250**	**$ 2,710,938**

(1) During the six months ended June 30, 2026, additions of the right-of-use assets of $91.456 include one new LEAP engine, and one new A320N aircraft lease agreement as well as amendments, incremental rent adjustment, contract extensions, sale and leaseback and other aeronautical and non-aeronautical lease agreements.

Lease liabilities

	June 30, 2026	December 31, 2025
Current portion of lease liability		
Aircraft and engines	$ 446,228	$ 374,407
Real estate	5,116	7,787
	$ 451,344	**$ 382,194**
Long-term lease liability		
Aircraft and engines	$ 2,155,747	$ 2,393,787
Real estate	58,450	60,123
	$ 2,214,197	**$ 2,453,910**
Total lease liabilities	**$ 2,665,541**	**$ 2,836,104**

(In thousands of United States dollar - US, unless otherwise noted)

Changes in liabilities derived from lease financing activities

	Note	Aircraft and engines rentals – lease liabilities	Other rentals – lease liabilities	Total lease liabilities from financing activities
January 1, 2026		**$ 2,768,194**	**$ 67,910**	**$ 2,836,104**
Additions (1)		83,025	1,976	85,001
Financial cost	19	148,287	2,378	150,665
Payments		(169,277)	(5,359)	(174,636)
Interest payments		(148,287)	(2,378)	(150,665)
Lease termination		(77,647)	(4,669)	(82,316)
Foreign exchange and others		(2,320)	3,708	1,388
June 30, 2026		**$ 2,601,975**	**$ 63,566**	**$ 2,665,541**

(1) The additions in aircraft and engine rentals for the period ended June 30, 2026, of $85,001 include new lease of one LEAP engine, and one A320N aircraft lease agreement, as well as amendments, incremental leases, extensions, sale and leaseback and other aeronautical and non-aeronautical lease agreements.

Provisions for return conditions

Provisions for return conditions are as follows:

	June 30, 2026	December 31, 2025
Current	$ 25,891	$ 28,122
Non-current	601,344	588,315
Total	**$ 627,235**	**$ 616,437**

Changes in provisions for return conditions are as follows:

	June 30, 2026
As of January 1, 2026	$ 616,437
Recognition and remeasurement of provisions	32,411
Provision reversed	(20,682)
Present value adjustment	12,578
Provision used	(13,498)
Foreign exchange	(11)
As of June 30, 2026	**$ 627,235**

(In thousands of United States dollar - US, unless otherwise noted)

Future payments

The following future payments include interest accrued on lease liabilities as of June 30, 2026. All amounts are gross and undiscounted.

	Aircraft and engines	Real estate
One	$ 694,572	$ 14,561
Two	560,305	9,730
Three	552,788	9,399
Four	495,545	8,723
Five	391,150	8,199
Six and later	978,719	37,334
	$ 3,673,079	**$ 87,946**

(12.1) Obligations with lessors

	June 30, 2026	December 31, 2025
Return Costs	$ 6,984	$ —
Total	**$ 6,984**	**$ —**
Current	$ 2,186	—
Non-Current	4,798	—
Total	**$ 6,984**	**$ —**

For the six months ended June 30, 2026, the Group made principal payments of $6,601 related to its lease obligations and obtained new financing of $13,498. These amounts were recognized in accordance with the contractual terms and reflected in the statement of cash flow.

(In thousands of United States dollar - US, unless otherwise noted)

(13) Debts

	June 30, 2026	December 31, 2025
Notes	$ 61,996	$ 35,996
Other debt	82,682	79,224
Total short term	**$ 144,678**	**$ 115,220**
Notes	$ 2,135,715	$ 2,080,286
Other debt	450,162	346,804
Total long Term	**$ 2,585,877**	**$ 2,427,090**
Total	**$ 2,730,555**	**$ 2,542,310**

(In thousands of United States dollar - US, unless otherwise noted)

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

	Covenants	Issuer	Issuer country	Currency	Prinicipal amount outstanding	Carrying Value		Issuance date	Maturity Date	Annual Effective rate	Annual Nominal rate	Amortization
Notes						**June 30, 2026**	**December 31, 2025**					
Senior Secured Notes 2031 (1)	*	Avianca Midco 2 PLC	United Kingdom	USD	$ 750,000	$ 769,557	$ —	2026	2031	10.12%	9.50%	Maturity
Senior Secured Notes 2030	*	Avianca Midco 2 PLC	United Kingdom	USD	1,000,000	1,010,596	1,008,052	2025	2030	10.77%	9.63%	Maturity
Tranche A-1 Senior Exchange Notes (1)	*	Avianca Midco 2 PLC	United Kingdom	USD	415,157	414,765	1,105,436	2025	2028	9.60%	9.00%	Maturity
Tranche A-1 Senior unsecured Notes	*	Avianca Midco 2 PLC	United Kingdom	USD	2,774	2,793	2,794	2024	2028	9.21%	9.00%	Maturity
Other Debt												
USAVFlow II Facility	*	Avianca S.A and Taca International S.A	Colombia El Salvador	USD	162,500	160,320	183,975	2024	2029	12.07%	10.12%	Monthly
Taca Credit Card Flow Limited	*	Taca International S.A	El Salvador	USD	85,123	82,770	92,685	2024	2028	7.98%	6.30%	Monthly
Predelivery Payments Financing (2)	*	Avianca S.A	Colombia	USD	170,592	167,109	102,839	2024	2030	7.77%	7.00%	Monthly
Aircraft Debt	*	Avianca S.A	Colombia	USD	99,571	99,410	—	2026	2034	6.69%	6.69%	Quarterly
CAV Facility	*	Avianca S.A	Colombia	USD	23,220	23,224	25,800	2025	2030	8.40%	8.07%	Monthly
Other debts	*	Avianca S.A	Colombia	USD	12	11	1,512	2023	2026	13.00%	13.00%	Monthly
Wamos Loan (3)	*	Wamos Air S.A.U	Spain	USD	—	—	19,217	2025	2030	15.59%	8.53%	Quarterly
Total						**$2,730,555**	**$2,542,310**					

(1) During the six months ended June 30, 2026, Avianca Midco 2 PLC issued $750,000 aggregate principal amount of Senior Secured Notes due 2031. The net proceeds were primarily used to redeem $694,000 aggregate principal amount of its Tranche A-1 Senior Exchange Notes. In connection with the early redemption, the Group incurred debt call premium of $15,615 as part of the extinguishment of debt.
(2) During the six months ended June 30, 2026, the Group obtained $78,270 in PDP financing and made repayments of $14,737, resulting in a net increase of $63,533 in the nominal value of the financing.
(3) On March 9, 2026, Wamos Air S.A.U. prepaid in full the outstanding loans under the Wamos Loan in the aggregate amount of $22,331, including principal and accrued interest. In connection with the early redemption, the Group incurred debt call premium of $330 as part of the extinguishment of debt.

(*) Existing Covenants as of June 30, 2026

The Group´s debt facilities contain certain covenants restricting the Group's ability to, make certain types of restricted payments and incur debt beyond specific 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. Furthermore, certain debt facilities require the delivery of interim and annual financial statements within specific timeframes, as stipulated.

As of June 30, 2026, the Group complied with all financial and non-financial covenants associated with its debt contracts.

Bank guarantees

In order to comply with certain contractual or operating obligations, as of June 30, 2026, the Group had a total of $29,342 (December 31, 2025: $26,262) 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 interim condensed consolidated financial statements, IV1L, AGIL's sole shareholder, is a subsidiary of Abra. Abra has pledged all of its ordinary shares of IV1L as collateral securing, Abra Senior Secured Notes due 2029, Abra Term Loan and ABRA senior secured exchangeable notes due 2028. Certain of the debt instruments and aircraft leases of IV1L's subsidiaries, including, among others, the Tranche A-1 Senior Exchange Notes, the Tranche A-1 Senior Unsecured Notes, Senior Secured Notes 2030 and the Senior Secured Notes 2031 (together, the "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 Notes) that results in a specified decline in the ratings of the Notes, Midco 2 would be required to offer to repurchase the Notes at a price of 101% of the outstanding principal amount.

Debt Collaterals

As of June 30, 2026 and December 31, 2025, obligations under short-term loans and long-term debt amounted to $2,730,555 (December 31, 2025: $2,542,310) and were 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, (vii) certain intellectual property rights, and (viii) all tangible and intangible assets of Lifemiles Ltd. and its subsidiaries.

In addition, as of December 31, 2025, certain of the foregoing obligations were further secured by 100% of the shares of Wamos Air S.A., owned by Wav Air Holdings. Such pledge was released in March 2026 and was no longer in effect as of June 30, 2026.

(In thousands of United States dollar - US, unless otherwise noted)

Changes in liabilities derived from financing activities

	Note		Current and non-current debt activities
January 1, 2026		**$**	**2,542,310**
New Loans (1)			853,289
Predelivery Payments Financing			63,533
Financial cost	19		139,796
Payments (2)			(759,326)
Interest payments			(97,439)
Transaction cost			(11,008)
Foreign exchange and others			(600)
June 30, 2026		**$**	**2,730,555**

Non- cash transactions

(1) During the six months ended Jun 30, 2026, the Group recognized non-cash new loan of $5,000 for airframe financing.

(2) The difference between these payments and the amounts disclosed in the Interim condensed consolidated statements of cash flows arises from non-cash transactions associated with a payment in kind with miles for $2,003 (six months ended June 30, 2025: $2,003).

Future payments of long-term debt

The following table presents the future contractual payments, including interest, related to long-term debt as of June 30, 2026. Amounts are presented on a gross and undiscounted basis, include contractual interest payments, and exclude the effects of any netting arrangements.

Within one year	$	326,903
Between 1 and 2		312,238
Between 2 and 3		700,113
Between 3 and 4		1,219,462
Between 4 and 5		846,852
More than 5 years		230,063
Total	**$**	**3,635,631**

(In thousands of United States dollar - US, unless otherwise noted)

(14) Share Capital

	June 30, 2026	June 30, 2025
Ordinary shares issued and paid	39,611,023	39,611,023
Share capital (in US)	$ 3,961	$ 3,961

The nominal value per share is $0.0001 Expressed in cents.

Common shares

Holders of these shares are entitled to dividends as declared from time to time.

Issue of ordinary shares

There were no movements during the period ended June 30, 2026 and 2025

(15) Fair value measurements

On June 30, 2026, the Group maintained financial instruments that should be recorded at fair value.

There were no changes in the Group's valuation processes, valuation techniques, or types of inputs used in the fair value measurements during six months ended June 30, 2026, compared to December 31, 2025.

The significant unobservable inputs and the sensitivity analysis of changes in such inputs used in the Level 3 fair value measurements as of June 30, 2026, are consistent with those disclosed as of December 31, 2025, with no significant changes during the period.

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

		June 30, 2026 Fair value measurement using			
	Note	Fair Value	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			Level 1	Level 2	Level 3
Assets measured at fair value					
Derivative instruments fuel hedge	6	$ 4,950	$ —	$ 4,950	$ —
Short-term investments		6,263	—	6,263	—
Revalued administrative property	11	108,471	—	—	108,471
Liabilities measured at fair value					
Derivative instruments	6	27,786	—	27,786	—
Contingent consideration liability		13,437	—	—	13,437

(In thousands of United States dollar - US, unless otherwise noted)

Reconciliation of fair value measurement (Level 3):

	Contingent consideration liability
January 1, 2026	$ 13,857
Effect of foreign exchange	(420)
June 30, 2026	**$ 13,437**

(16) Income tax expense and other taxes

Components of income tax expense

The Group calculates the income tax expense using the best estimate of the effective tax rate expected for the full financial year. The income tax expense is:

	For the Six months ended June 30,		For the three months period from April 1 to June 30,	
	2026	**2025**	**2026**	**2025**
Current income tax:				
Current income tax charge	$ (3,692)	$ (17,377)	$ (3,132)	$ (13,180)
Income tax expense related to prior years	(579)	(2,645)	(244)	(1,380)
	$ (4,271)	**$ (20,022)**	**$ (3,376)**	**$ (14,560)**
Deferred tax expense:				
Relating to origination and reversal of temporary differences	11,575	16,371	9,670	16,075
Income tax expense reported in the income statement	**$ 7,304**	**$ (3,651)**	**$ 6,294**	**$ 1,515**

During the six-month period ended June 30, 2026, the Group reported an income tax benefit of $7,304, with an effective tax rate of (2.29%), the utilization of previously unrecognized tax losses within the Avianca Group, and other permanent differences..

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.

Pillar 2

(In thousands of United States dollar - US, unless otherwise noted)

As of June 30, 2026, the formal obligations associated with the 2024 fiscal year have been satisfactorily met. In line with the conclusions derived from the assessments performed at the end of fiscal year 2025, no additional tax impacts were identified. The analysis considered all relevant Pillar 2 additional taxes.

The Group has applied the temporary exception under IAS 12 for the recognition and disclosure of deferred tax assets and liabilities related to Pillar 2 income taxes.

(17) Provisions for legal claims

Changes in litigation provisions for the six months ended June 30, 2026, were as follows:

		June 30, 2026
As of January 1, 2026	$	32,626
Additional provision in the period		22,783
Provisions reversed		(6,340)
Foreign exchange		2,496
Provisions used		(1,544)
As of June 30, 2026	**$**	**50,021**

Certain processes are contingent liabilities and are therefore classified as potential future obligations and are subsequently categorized as possible. Based on plaintiffs' claims for the period ended June 30, 2026, these contingencies totaled $107,132 (December 31, 2025: $126,338).

(18) Net Revenue

	For the six months ended June 30,				For the three months period from April 1 to June 30,			
	2026	%	2025	%	2026	%	2025	%
Revenue:								
Passenger	$ 2,414,029	79%	$ 2,102,006	78%	$ 1,215,394	78%	$ 1,046,798	77%
Cargo and other (1)	653,636	21%	579,955	22%	342,389	22%	310,642	23%
Total revenue	**$ 3,067,665**	**100%**	**$ 2,681,961**	**100%**	**$ 1,557,783**	**100%**	**$ 1,357,440**	**100%**

(1) This amount mainly includes Aircraft, Crew, Maintenance and Insurance (ACMI) revenues of $154,218 for the six months ended June 30, 2026 (six months ended June 30, 2025: $159,012).

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

(In thousands of United States dollar - US, unless otherwise noted)

	For the six months ended June 30,		For the three months period from April 1 to June 30,	
	2026	2025	2026	2025
Colombia	$ 1,331,200	$ 1,076,873	$ 691,925	$ 554,298
North America (1)	600,057	531,930	306,855	258,898
Central America and the Caribbean	362,543	386,721	184,035	200,601
South America (excluding Colombia)	468,578	387,784	233,020	186,105
Europe	305,175	298,602	141,850	157,505
Other	112	51	98	33
Total operating revenue	**$ 3,067,665**	**$ 2,681,961**	**$ 1,557,783**	**$ 1,357,440**

(1) Include the United States for $487,415 (six months ended June 30, 2025: $438,708).

The Group allocates revenues by geographic area based primarily on the first flight's point of origin. Any individual country responsible for 10% or more of total operating revenue is presented separately.

(19) Net interest expense

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

	Notes	For the six months ended June 30,		For the three months period from April 1 to June 30,	
		2026	2025	2026	2025
Debt interest	13	$ (139,796)	$ (136,529)	$ (63,742)	$ (61,753)
Lease interest	12	(150,665)	(146,612)	(76,425)	(76,789)
Prepaid debt call premiums		(15,945)	(6,788)	—	—
Other interest expense		(2,091)	(16,951)	3,627	(2,071)
Interest Income from cash and cash equivalents and short-term investments		21,712	20,152	10,809	9,806
Interest income - Intercompany loan agreement	9	6,707	6,098	3,145	3,085
Other financial income		—	3,020	—	—
Total		**$ (280,078)**	**$ (277,610)**	**$ (122,586)**	**$ (127,722)**

(20) Impairment of intangible asset

During the six months ended June 30, 2026, the Group recognized an impairment loss of $24,971 on intangible assets associated with the cargo and courier business.

(21) Commitments

The following table reflects future commitments related to the acquisition of aircraft and engines as of June 30, 2026:

(In thousands of United States dollar - US, unless otherwise noted)

	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Aircraft and engine purchase commitments	$ 726,079	$ 2,998,384	$ 3,469,976	$ 4,668,544	$ 11,862,983

The amounts disclosed reflect pricing terms negotiated with suppliers of as of the balance sheet date, which might vary subject to certain conditions such as inflation.

The Group plans to finance these commitments through cashflow generation, financing and / or sale-lease-back arrangements with financial institutions and aircraft leasing companies.

The Group has the option to purchase ten (10) additional aircraft under its purchase agreements.

(22) Subsequent Events

The Group has evaluated subsequent events occurring after June 30, 2026, through the date of authorization of the accompanying interim condensed consolidated financial statements. The following non-adjusting events, considered qualitatively or quantitatively material to the Group, occurred after the reporting date:

- On July 7, 2026, Avianca Midco 2 PLC issued $650,000 aggregate principal amount of 10.25% Senior Secured Notes due 2032. The net proceeds from these issuances were primarily used to redeem its Tranche A-1 Senior exchange and unsecured notes due 2028 and for general corporate purposes, which may include the repayment in the future of certain of its outstanding indebtedness. The 2032 Notes are subject to certain covenants.

- On July 21, 2026, the Group entered into long-term agreement for the acquisition, maintenance and support of LEAP-1A engines. The aggregate future commitment arising from this agreement amount to approximately $139,241.

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