

## Volaris Reports Financial Results for the Second Quarter 2021

**Mexico City, Mexico, July 15, 2021** – Controladora Vuela Compañía de Aviación, S.A.B. de C.V. (NYSE: VLRS and BMV: VOLAR) (“Volaris” or “The Company”), the ultra-low-cost airline serving Mexico, the United States of America, and Central America, today announces its financial results for the second quarter 2021<sup>1</sup>.

### Second Quarter 2021 Highlights

(All metrics are compared to 2Q 2019 unless otherwise noted)

Volaris reported a strong second quarter with double-digit growth in revenue and EBITDAR, driven by a continued recovery of passenger demand in the Company’s markets.

- **Total operating revenue** of Ps.11,501 million, a 38% increase. Total revenue per available seat mile (**TRASM**) increased 22% to Ps.165 cents.
- **Operating expenses** of Ps.8,850 million, a 15% increase. Operating expenses per available seat mile (**CASM**) decreased 3% to US\$ 6.31 cents, while **CASM ex-fuel** increased 8% to US\$ 4.22 cents.
- **Net income** of Ps.1,538 million with a net margin of 13.4%. Earnings per share of Ps.1.32 and earnings per ADS of US\$ 0.67.
- **EBITDAR** of Ps.4,696 million, increased 103% with an **EBITDAR margin** of 40.8%, an expansion of 13.1 percentage points.
- **Cash** generation of Ps.2,072 million with a cash and cash equivalents position of Ps.10,534 million or US\$ 532 million, representing 44% of the last twelve months operating revenue.
- **Net debt-to-EBITDAR** ratio of 4.5 times, back to pre-pandemic levels.

"I am proud of what our team was able to achieve in the second quarter 2021, delivering considerable improvement in almost all operating and financial metrics. We were able to significantly increase capacity while improving TRASM and maintaining our cost control discipline. This efficient growth allowed us to more than double EBITDAR compared to the second quarter of 2019," said Enrique Beltranena, President & Chief Executive Officer. "We have demonstrated yet again that the Volaris business model is sound and can deliver superior results in various market conditions. Our team has taken the opportunities that presented themselves from the CoVID-19 pandemic and come out stronger in the market." Enrique added.

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<sup>1</sup> The financial information, unless otherwise indicated, is presented in accordance with the International Financial Reporting Standards (IFRS).

## Second Quarter 2021 Financial and Operations Highlights

(All metrics are compared to 2Q 2019 unless otherwise noted)

Consolidated Financial Highlights	Second Quarter		
	2021	2019	% Var.
<b>Total Revenue (Ps. million)</b>	<b>11,501</b>	<b>8,329</b>	<b>38%</b>
TRASM (Ps. cents)	165	136	22%
ASMs (million, scheduled & charter)	7,028	6,154	14%
Load Factor (scheduled, RPMs/ASMs)	86.6%	87.3%	(0.7) pp
Passengers (thousand, scheduled & charter)	6,202	5,654	10%
Fleet (end of period)	92	78	14
<b>Operating Expenses (Ps. million)</b>	<b>8,850</b>	<b>7,670</b>	<b>15%</b>
CASM (US\$ cents)	6.31	6.53	(3%)
CASM excl. fuel (US\$ cents)	4.22	3.89	8%
<b>Operating income (EBIT) (Ps. million)</b>	<b>2,651</b>	<b>659</b>	<b>302%</b>
% EBIT Margin	23.0%	7.9%	15.1 pp
<b>Net income (Ps. million)</b>	<b>1,538</b>	<b>119</b>	<b>1,188%</b>
% Net income margin	13.4%	1.4%	12.0 pp
<b>EBITDAR (Ps. million)</b>	<b>4,696</b>	<b>2,310</b>	<b>103%</b>
% EBITDAR Margin	40.8%	27.7%	13.1 pp
<b>Net debt-to-EBITDAR</b>	<b>4.5x</b>	<b>4.4x</b>	<b>0.1x</b>

**Total operating revenue** was Ps.11,501 million, a 38% increase, driven by higher capacity, healthy load factors and stronger unit revenue per passenger. Demand in the quarter was exceptionally strong both in the transborder and Mexican domestic market.

Volaris booked 6.2 million passengers in the quarter, an increase of 10%. Domestic and international passengers increased 9% and 11%, respectively; while total capacity, in terms of available seat miles (ASMs), increased 14% to 7.0 billion. Load factor reached 86.6%, back to pre-pandemic levels.

TRASM of Ps.165 cents, increased 22%. Average base fare was Ps.1,086, an increase of 13%. Ancillary revenue per passenger was Ps.785, a 53% increase, due to the continued growth of new and mature products, such as *More Flexibility*, *Combo Business* and *Combo Health*. Ancillary revenue represented 42% of total operating revenue, compared to 35% in the same period of 2019. Finally, total revenue per passenger increased 27% to Ps.1,870.

**Operating expenses** were Ps.8,850 million, a 15% increase, mainly impacted by maintenance and redelivery expenses. CASM ex-fuel increased 8% to US\$ 4.22 cents. The average economic fuel cost per gallon declined 13% to Ps.42.6 per gallon (US\$ 2.2), which totaled a CASM decrease of 3% to US\$ 6.31 cents.

**Comprehensive financing result** decreased 2% driven by a foreign exchange gain of Ps.164 million, despite an increase of 23% of financial cost mainly related to the increase in the Company's fleet. The Mexican peso depreciated 5% against the US dollar, from an average exchange rate of Ps.19.12 per US dollar in the second quarter of 2019 to Ps.20.05 per US dollar during the second quarter of 2021. At the end of the second quarter of 2021, the Mexican peso (Ps.19.80 per US dollar) appreciated 4% compared to the exchange rate at the end of the first quarter of 2021 (Ps.20.60 per US dollar).



**Income tax expense** was Ps.659 million, compared to Ps.78 million in the second quarter of 2019.

**Net income** was Ps.1,538 million with a net margin of 13.4%. Earnings per share totaled Ps.1.32 and earnings per ADS were US\$ 0.67.

**EBITDAR** was Ps.4,696 million, an increase of 103% due to capacity increase, higher unit revenues, and tight cost controls. EBITDAR margin was 40.8%, an increase of 13.1 percentage points.

## **Balance Sheet, Liquidity and Capital Allocation**

During the second quarter 2021 Volaris generated cash flow of Ps.2,072 million. As of June 30, cash and cash equivalents were Ps.10,534 million or US\$ 532 million, representing 44% of the last twelve months operating revenue. The net cash flow generated by operating activities was Ps.5,807 million, while cash outflows in investing and financing activities were Ps.776 million and Ps.2,959 million, respectively. Negative net foreign exchange difference was Ps.255 million.

As of June 30, 2021, the Company had only \$18 million dollars outstanding of the working capital relief received on goods and services during 2020. By the end of the second quarter, the Company's suppliers and accrued liabilities were equal to 62 days of operating expenses.

As of the quarter end, net debt was Ps.39,849 million, which included Ps.5,332 million of financial debt, Ps.45,051 million of leasing liabilities, less cash and cash equivalents of Ps.10,534 million. The Company registered a negative adjusted net debt of Ps.5,202 million (excluding lease liability recognized under the IFRS16). The net debt-to-EBITDAR ratio was 4.5 times, in line with 2Q 2019.

## **Fleet**

During the second quarter, the Company incorporated 5 new A320neo aircraft to its fleet. As of June 30, 2021, Volaris' fleet was composed of 92 aircraft (6 A319s, 70 A320s and 16 A321s), with an average age of 5.4 years. Volaris' fleet had an average of 188 seats per aircraft. 80% of its aircraft are sharklet-equipped and 39% are New Engine Option (NEO) models.

The Company plans to incorporate 25 A320neo family aircraft to its fleet in the next 18 months, ending 2021 with 101 aircraft and closing the year 2022 with 113 aircraft. Volaris anticipates the percentage of A320neo family aircraft of its fleet to be 54% by year end 2022, aligned to the Company's sustainability strategy.

*Investors are urged to carefully read the Company's periodic reports filed with or provided to the Securities and Exchange Commission, for additional information regarding the Company.*

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## Conference call and webcast details

<b>Date:</b>	<b>Friday, July 16, 2021</b>
<b>Time:</b>	<b>9:00 am Mexico City (CT) / 10:00 am New York (USA) (ET)</b>
<b>United States dial in:</b>	<b>+1-412-317-6378 or +1-844-204-8586</b>
<b>Mexico dial in:</b>	<b>+52-55-8880-8040</b>
<b>International dial in:</b>	<b>+1-412-317-6378</b>
<b>Participant code:</b>	<b>Volaris</b>
<b>Webcast &amp; video presentation:</b>	<a href="https://webcastlite.mziq.com/cover.html?webcastId=fb8ba57c-7f6d-42fa-abb0-7c4b8acdd791">https://webcastlite.mziq.com/cover.html?webcastId=fb8ba57c-7f6d-42fa-abb0-7c4b8acdd791</a>

## About Volaris:

\*Controladora Vuela Compañía de Aviación, S.A.B. de C.V. ("Volaris" or the "Company") (NYSE: VLRS and BMV: VOLAR), is an ultra-low-cost carrier, with point-to-point operations, serving Mexico, the United States and Central America. Volaris offers low base fares to build its market, providing quality service and extensive customer choice. Since the beginning of operations in March 2006, Volaris has increased its routes from 5 to more than 180 and its fleet from 4 to 93 aircraft. Volaris offers more than 450 daily flight segments on routes that connect 43 cities in Mexico and 28 cities in the United States and Central America with the youngest fleet in Mexico. Volaris targets passengers who are visiting friends and relatives, cost-conscious business and leisure travelers in Mexico, the United States and Central America. Volaris has received the ESR Award for Social Corporate Responsibility for eleven consecutive years. For more information, please visit: [www.volaris.com](http://www.volaris.com).

## Forward-looking Statements:

Statements in this release contain various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which represent the Company's expectations, beliefs or projections concerning future events and financial trends affecting the financial condition of our business. When used in this release, the words "expects," "intends," "estimates," "predicts," "plans," "anticipates," "indicates," "believes," "forecast," "guidance," "potential," "outlook," "may," "continue," "will," "should," "seeks," "targets" and similar expressions are intended to identify forward-looking statements. Similarly, statements that describe the Company's objectives, plans or goals, or actions the Company may take in the future, are forward-looking statements. Forward-looking statements include, without limitation, statements regarding the Company's intentions and expectations regarding the delivery schedule of aircraft on order, announced new service routes and customer savings programs. Forward-looking statements should not be read as a guarantee or assurance of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Forward-looking statements are subject to several factors that could cause the Company's actual results to differ materially from the Company's expectations, including the competitive environment in the airline industry; the Company's ability to keep costs low; changes in fuel costs; the impact of worldwide economic conditions on customer travel behavior; the Company's ability to generate non-ticket revenue; and government regulation. Additional information concerning these, and other factors is contained in the Company's Securities and Exchange Commission filings. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements speak only as of the date of this release. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Financial and Operating Indicators

(All metrics are compared to 2019 unless otherwise noted)

Unaudited (Mexican pesos, except otherwise indicated)	Three months ended June 30, 2021 (US Dollars)*	Three months ended June 30, 2021	Three months ended June 30, 2019	Variance (%)
Total operating revenue (millions)	581	11,501	8,329	38.1%
Total operating expenses (millions)	447	8,850	7,670	15.4%
EBIT (millions)	134	2,651	659	302.0%
EBIT margin	23.0%	23.0%	7.9%	15.1 pp
Depreciation and amortization (millions)	79	1,563	1,335	17.1%
Aircraft and engine variable lease expenses (millions)	24	482	316	52.8%
Net income (millions)	78	1,538	119	1,187.9%
Net income margin	13.4%	13.4%	1.4%	12.0 pp
<b>Earnings per share:</b>				
Basic (pesos)	0.07	1.32	0.12	1,017.7%
Diluted (pesos)	0.07	1.32	0.12	1,017.7%
<b>Earnings per ADS:</b>				
Basic (pesos)	0.67	13.19	1.18	1,017.7%
Diluted (pesos)	0.67	13.19	1.18	1,017.7%
<b>Weighted average shares outstanding:</b>				
Basic	-	1,165,976,677	1,011,876,677	15.2%
Diluted	-	1,165,976,677	1,011,876,677	15.2%
<b>Available seat miles (ASMs) (millions) <sup>(1)</sup></b>				
Domestic	-	7,028	6,154	14.2%
International	-	5,012	4,250	17.9%
Revenue passenger miles (RPMs) (millions) <sup>(1)</sup>	-	2,016	1,904	5.9%
Domestic	-	6,082	5,370	13.3%
International	-	4,424	3,812	16.1%
Load factor <sup>(2)</sup>	-	1,658	1,558	6.4%
Domestic	-	86.6%	87.3%	(0.7) pp
International	-	88.3%	89.7%	(1.4) pp
Domestic	-	82.3%	81.9%	0.4 pp
International	-	-	-	-
Total operating revenue per ASM (TRASM) (cents) <sup>(1) (5)</sup>	8.3	165.0	135.5	21.8%
Total ancillary revenue per passenger <sup>(4) (5)</sup>	39.6	785	514	52.6%
Total operating revenue per passenger <sup>(5)</sup>	94.4	1,870	1,475	26.8%
Operating expenses per ASM (CASM) (cents) <sup>(1) (5)</sup>	6.4	126.4	124.9	1.3%
Operating expenses per ASM (CASM) (US cents) <sup>(1) (3) (5)</sup>	-	6.3	6.5	(3.2%)
CASM ex fuel (cents) <sup>(1) (5)</sup>	4.3	84.6	74.5	13.6%
CASM ex fuel (US cents) <sup>(1) (3) (5)</sup>	-	4.2	3.9	8.3%
Booked passengers (thousands) <sup>(1)</sup>	-	6,202	5,654	9.7%
Departures <sup>(1)</sup>	-	38,658	34,848	10.9%
Block hours <sup>(1)</sup>	-	96,721	87,686	10.3%
Fuel gallons consumed (millions)	-	69.1	63.4	9.0%
Average economic fuel cost per gallon <sup>(5)</sup>	2.2	42.6	48.9	(12.9%)
Aircraft at end of period	-	92	78	17.9%
Average aircraft utilization (block hours)	-	12.9	13.1	(1.1%)
Average exchange rate	-	20.05	19.12	4.8%
End of period exchange rate	-	19.80	19.17	3.3%

\*Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

<sup>(1)</sup> Includes scheduled and chartered.

<sup>(3)</sup> Dollar amounts were converted at average exchange rate of each period.

<sup>(2)</sup> Includes scheduled.

<sup>(4)</sup> Includes "Other passenger revenue" and "Non-passenger revenue".

<sup>(5)</sup> Excludes non-derivatives financial instruments.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Financial and Operating Indicators

(All metrics are compared to 2020 unless otherwise noted)

Unaudited (Mexican pesos, except otherwise indicated)	Three months ended June 30, 2021 (US Dollars)*	Three months ended June 30, 2021	Three months ended June 30, 2020	Variance (%)
Total operating revenue (millions)	581	11,501	1,526	653.7%
Total operating expenses (millions)	447	8,850	3,820	131.7%
EBIT (millions)	134	2,651	(2,294)	NA
EBIT margin	23.0%	23.0%	(150.4%)	173.4 pp
Depreciation and amortization (millions)	79	1,563	1,451	7.8%
Aircraft and engine variable lease expenses (millions)	24	482	426	13.2%
Net income (loss) (millions)	78	1,538	(1,523)	NA
Net income (loss) margin	13.4%	13.4%	(99.8%)	113.2 pp
<b>Earnings (loss) per share:</b>				
Basic (pesos)	0.07	1.32	(1.50)	NA
Diluted (pesos)	0.07	1.32	(1.50)	NA
<b>Earnings (loss) per ADS:</b>				
Basic (pesos)	0.67	13.19	(15.05)	NA
Diluted (pesos)	0.67	13.19	(15.05)	NA
<b>Weighted average shares outstanding:</b>				
Basic	-	1,165,976,677	1,011,876,677	15.2%
Diluted	-	1,165,976,677	1,011,876,677	15.2%
<b>Available seat miles (ASMs) (millions) <sup>(1)</sup></b>				
Domestic	-	7,028	1,437	389.0%
International	-	5,012	1,202	316.8%
Revenue passenger miles (RPMs) (millions) <sup>(1)</sup>	-	2,016	235	758.7%
Domestic	-	6,082	1,138	434.2%
International	-	4,424	936	372.7%
Load factor <sup>(2)</sup>	-	1,658	202	718.5%
Domestic	-	86.6%	79.2%	7.3 pp
International	-	88.3%	77.8%	10.4 pp
	-	82.3%	86.3%	(4.0) pp
Total operating revenue per ASM (TRASM) (cents) <sup>(1) (5)</sup>	8.3	165.0	108.9	51.6%
Total ancillary revenue per passenger <sup>(4) (5)</sup>	39.6	785	644	22.0%
Total operating revenue per passenger <sup>(5)</sup>	94.4	1,870	1,417	32.0%
Operating expenses per ASM (CASM) (cents) <sup>(1) (5)</sup>	6.4	126.4	274.4	(53.9%)
Operating expenses per ASM (CASM) (US cents) <sup>(1) (3) (5)</sup>	-	6.3	11.7	(46.3%)
CASM ex fuel (cents) <sup>(1) (5)</sup>	4.3	84.6	234.3	(63.9%)
CASM ex fuel (US cents) <sup>(1) (3) (5)</sup>	-	4.2	10.0	(57.9%)
<b>Booked passengers (thousands) <sup>(1)</sup></b>				
Departures <sup>(1)</sup>	-	6,202	1,105	461.4%
Block hours <sup>(1)</sup>	-	38,658	7,785	396.6%
Fuel gallons consumed (millions)	-	96,721	19,472	396.7%
Average economic fuel cost per gallon <sup>(5)</sup>	-	69.1	13.1	425.9%
	2.2	42.6	43.8	(2.8%)
Aircraft at end of period	-	92	82	12.2%
Average aircraft utilization (block hours)	-	12.9	7.7	68.0%
Average exchange rate	-	20.05	23.37	(14.2%)
End of period exchange rate	-	19.80	22.97	(13.8%)

\*Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

<sup>(1)</sup> Includes scheduled and chartered.

<sup>(2)</sup> Includes scheduled.

<sup>(5)</sup> Excludes non-derivatives financial instruments.

<sup>(3)</sup> Dollar amounts were converted at average exchange rate of each period.

<sup>(4)</sup> Includes "Other passenger revenue" and "Non-passenger revenue".

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Financial and Operating Indicators

(All metrics are compared to 2020 unless otherwise noted)

Unaudited	Six months ended June 30, 2021	Six months ended June 30, 2021	Six months ended June 30, 2020	Variance
(Mexican pesos, except otherwise indicated)	(US Dollars)*			(%)
Total operating revenues (millions)	904	17,904	9,350	91.5%
Total operating expenses (millions)	808	15,992	11,337	41.1%
EBIT (millions)	97	1,912	(1,986)	NA
EBIT margin	10.7%	10.7%	(21.2%)	31.9 pp
Depreciation and amortization (millions)	157	3,118	2,893	7.8%
Aircraft and engine rent expenses (millions)	48	950	801	18.6%
Net income (loss) (millions)	41	805	(3,016)	NA
Net income (loss) margin	4.5%	4.5%	(32.3%)	36.7 pp
<b>Earnings (loss) per share:</b>				
Basic (pesos)	0.03	0.69	(2.98)	NA
Diluted (pesos)	0.03	0.69	(2.98)	NA
<b>Earnings (loss) per ADS:</b>				
Basic (pesos)	0.35	6.90	(29.80)	NA
Diluted (pesos)	0.35	6.90	(29.80)	NA
<b>Weighted average shares outstanding:</b>				
Basic	-	1,165,976,677	1,011,876,677	15.2%
Diluted	-	1,165,976,677	1,011,876,677	15.2%
Available seat miles (ASMs) (millions) <sup>(1)</sup>	-	12,407	7,533	64.7%
Domestic	-	9,050	5,455	65.9%
International	-	3,357	2,078	61.5%
Revenue passenger miles (RPMs) (millions) <sup>(1)</sup>	-	10,284	6,304	63.1%
Domestic	-	7,680	4,596	67.1%
International	-	2,604	1,708	52.5%
Load factor <sup>(2)</sup>	-	82.9%	83.7%	(0.8) pp
Domestic	-	84.9%	84.2%	0.6 pp
International	-	77.5%	82.2%	(4.7) pp
Total operating revenue per ASM (TRASM) (cents) <sup>(1)(5)</sup>	7.4	146.0	125.0	16.8%
Total ancillary revenue per passenger <sup>(4)(5)</sup>	39.3	778	578	34.6%
Total operating revenue per passenger <sup>(5)</sup>	87.3	1,730	1,475	17.2%
Operating expenses per ASM (CASM) (cents) <sup>(1)(5)</sup>	6.5	129.7	152.8	(15.1%)
Operating expenses per ASM (CASM) (US cents) <sup>(1)(3)(5)</sup>	-	6.4	7.1	(9.1%)
CASM ex fuel (cents) <sup>(1)(5)</sup>	4.5	90.0	111.1	(19.0%)
CASM ex fuel (US cents) <sup>(1)(3)(5)</sup>	-	4.5	5.1	(13.3%)
Booked passengers (thousands) <sup>(1)</sup>	-	10,474	6,382	64.1%
Departures <sup>(1)</sup>	-	67,620	41,446	63.2%
Block hours <sup>(1)</sup>	-	169,893	106,110	60.1%
Fuel gallons consumed (millions)	-	119.9	75.0	59.8%
Average economic fuel cost per gallon <sup>(5)</sup>	2.1	41.1	41.8	(1.6%)
Aircraft at end of period	-	92	82	12.2%
Average aircraft utilization (block hours)	-	11.8	11.4	3.5%
Average exchange rate	-	20.18	21.62	(6.7%)
End of period exchange rate	-	19.80	22.97	(13.8%)

\*Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

<sup>(1)</sup> Includes scheduled and chartered.

<sup>(2)</sup> Includes scheduled.

<sup>(5)</sup> Excludes non-derivatives financial instruments.

<sup>(3)</sup> Dollar amounts were converted at average exchange rate of each period.

<sup>(4)</sup> Includes "Other passenger revenue" and "Non-passenger revenue".

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Operations (All metrics are compared to 2020 unless otherwise noted)

Unaudited (In millions of Mexican pesos)	Three months ended June 30, 2021 (US Dollars) *	Three months ended June 30, 2021	Three months ended June 30, 2020	Variance (%)
<b>Operating revenue:</b>				
<b>Passenger revenue</b>	<b>563</b>	<b>11,145</b>	<b>1,436</b>	<b>676.1%</b>
Fare revenue	340	6,729	854	688.2%
Other passenger revenue	223	4,416	582	658.4%
<b>Non-passenger revenue</b>	<b>23</b>	<b>453</b>	<b>129</b>	<b>251.5%</b>
Other non-passenger revenue	20	394	102	284.9%
Cargo	3	59	27	122.9%
Non-derivatives financial instruments	(5)	(98)	(39)	149.7%
<b>Total operating revenue</b>	<b>581</b>	<b>11,501</b>	<b>1,526</b>	<b>653.7%</b>
Other operating income	(3)	(50)	(180)	(72.2%)
Fuel expense, net <sup>(1)</sup>	147	2,907	452	542.8%
Depreciation of right of use assets	67	1,318	1,240	6.2%
Landing, take-off, and navigation expenses	77	1,528	438	249.1%
Sales, marketing, and distribution expenses	24	481	179	168.2%
Salaries and benefits	59	1,162	665	74.7%
Aircraft and engine variable lease expenses	24	482	426	13.2%
Maintenance expenses	25	485	166	193.0%
Other operating expenses	15	292	224	30.3%
Depreciation and amortization	12	245	210	16.7%
<b>Operating expenses</b>	<b>447</b>	<b>8,850</b>	<b>3,820</b>	<b>131.7%</b>
<b>Operating income (loss)</b>	<b>134</b>	<b>2,651</b>	<b>(2,294)</b>	<b>NA</b>
Finance income	1	21	27	(22.9%)
Finance cost	(32)	(639)	(1,137)	(43.9%)
Exchange gain, net	8	164	1,229	(86.7%)
<b>Comprehensive financing result</b>	<b>(23)</b>	<b>(454)</b>	<b>119</b>	<b>NA</b>
<b>Income (loss) before income tax</b>	<b>111</b>	<b>2,197</b>	<b>(2,175)</b>	<b>NA</b>
Income tax (expense) benefit	(33)	(659)	653	NA
<b>Net income (loss)</b>	<b>78</b>	<b>1,538</b>	<b>(1,523)</b>	<b>NA</b>

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

<sup>(1)</sup> 2Q 2021 and 2Q 2020 figures include a benefit from non-derivatives financial instruments by an amount of Ps.34.7 million and Ps.123.2 million, respectively.



## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

Consolidated Statement of Operations  
(All metrics are compared to 2020 unless otherwise noted)

Unaudited (In millions of Mexican pesos)	Six months ended June 30, 2021 (US Dollars) *	Six months ended June 30, 2021	Six months ended June 30, 2020	Variance (%)
<b>Operating revenues:</b>				
<b>Passenger revenues</b>	<b>872</b>	<b>17,275</b>	<b>8,984</b>	<b>92.3%</b>
Fare revenues	503	9,966	5,727	74.0%
Other passenger revenues	369	7,309	3,257	124.4%
<b>Non-passenger revenues</b>	<b>42</b>	<b>839</b>	<b>433</b>	<b>94.0%</b>
Other non-passenger revenues	37	725	350	107.3%
Cargo	6	115	83	38.0%
Non-derivatives financial instruments	(11)	(210)	(66)	217%
<b>Total operating revenues</b>	<b>904</b>	<b>17,904</b>	<b>9,350</b>	<b>91.5%</b>
Other operating income	(5)	(109)	(301)	(63.9%)
Depreciation of right of use assets	132	2,620	2,474	5.9%
Salaries and benefits	108	2,134	1,605	33.0%
Fuel expense, net <sup>(1)</sup>	244	4,829	2,965	62.8%
Landing, take-off, and navigation expenses	138	2,739	1,915	43.0%
Aircraft and engine variable lease expenses	48	950	801	18.6%
Sales, marketing, and distribution expenses	42	836	542	54.2%
Maintenance expenses	46	908	399	127.4%
Other operating expenses	30	586	517	13.3%
Depreciation and amortization	25	499	419	19.0%
<b>Operating expenses</b>	<b>808</b>	<b>15,992</b>	<b>11,337</b>	<b>41.1%</b>
<b>Operating income (loss)</b>	<b>97</b>	<b>1,912</b>	<b>(1,986)</b>	<b>NA</b>
Finance income	2	33	76	(57.0%)
Finance cost	(61)	(1,206)	(1,794)	(32.8%)
Exchange gain (loss), net	21	411	(605)	NA
<b>Comprehensive financing result</b>	<b>(38)</b>	<b>(762)</b>	<b>(2,322)</b>	<b>(67.2%)</b>
<b>Income (loss) before income tax</b>	<b>58</b>	<b>1,150</b>	<b>(4,308)</b>	<b>NA</b>
Income tax (expense) benefit	(17)	(345)	1,292	NA
<b>Net income (loss)</b>	<b>41</b>	<b>805</b>	<b>(3,016)</b>	<b>NA</b>

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

(1) June YTD 2021 and June YTD 2020 figures include a benefit from non-derivatives financial instruments by an amount of Ps.100.5 million and Ps.171.4 million, respectively.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

Reconciliation of total ancillary revenue per passenger  
(All metrics are compared to 2020 unless otherwise noted)

The following table shows quarterly additional detail about the components of total ancillary revenue:

Unaudited (In millions of Mexican pesos)	Three months ended June 30, 2021 (US Dollars)*	Three months ended June 30, 2021	Three months ended June 30, 2020	Variance (%)
Other passenger revenue	223	4,416	582	658.4%
Non-passenger revenue	23	453	129	251.5%
<b>Total ancillary revenue</b>	246	4,869	711	584.6%
Booked passengers (thousands)	-	6,202	1,105	461.4%
<b>Total ancillary revenue per passenger</b>	40	785	644	22.0%

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

Reconciliation of total ancillary revenue per passenger  
(All metrics are compared to 2020 unless otherwise noted)

The following table shows the first one half of the year additional detail about the components of total ancillary revenue:

Unaudited (In millions of Mexican pesos)	Six months ended June 30, 2021 (US Dollars)*	Six months ended June 30, 2021	Six months ended June 30, 2020	Variance (%)
Other passenger revenues	369	7,309	3,257	124.4%
Non-passenger revenues	42	839	433	94.0%
<b>Total ancillary revenues</b>	411	8,148	3,689	120.9%
Booked passengers (thousands)	-	10,474	6,382	64.1%
<b>Total ancillary revenue per passenger</b>	39	778	578	34.6%

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

Consolidated Statement of Financial Position  
(All metrics are compared to 2020 unless otherwise noted)

(In millions of Mexican pesos)	June 30, 2021 Unaudited (US Dollars)*	June 30, 2021 Unaudited	December 31, 2020 Audited
<b>Assets</b>			
Cash and cash equivalents	532	10,534	10,103
Accounts receivable, net	144	2,861	2,027
Inventories	13	264	279
Prepaid expenses and other current assets	61	1,212	850
Financial instruments	-	-	-
Guarantee deposits	79	1,567	1,142
<b>Total current assets</b>	<b>830</b>	<b>16,438</b>	<b>14,402</b>
Rotable spare parts, furniture and equipment, net	400	7,921	7,281
Right of use assets	1,857	36,782	34,316
Intangible assets, net	9	169	192
Financial instruments	-	2	-
Deferred income taxes	140	2,775	3,129
Guarantee deposits	470	9,308	8,425
Other assets	4	80	119
Other long- term assets	16	319	325
<b>Total non-current assets</b>	<b>2,896</b>	<b>57,357</b>	<b>53,787</b>
<b>Total assets</b>	<b>3,727</b>	<b>73,795</b>	<b>68,189</b>
<b>Liabilities</b>			
Unearned transportation revenue	413	8,180	5,851
Accounts payable	70	1,382	2,365
Accrued liabilities	175	3,462	2,356
Lease liabilities	266	5,276	6,484
Other taxes and fees payable	160	3,161	2,236
Income taxes payable	-	2	4
Financial instruments	-	-	10
Financial debt	168	3,322	1,559
Other liabilities	9	183	101
<b>Total short-term liabilities</b>	<b>1,261</b>	<b>24,967</b>	<b>20,966</b>
Financial debt	102	2,010	3,796
Accrued liabilities	14	269	67
Lease liabilities	2,009	39,775	37,646
Other liabilities	148	2,921	2,668
Employee benefits	3	56	51
Deferred income taxes	10	199	200
<b>Total long-term liabilities</b>	<b>2,284</b>	<b>45,231</b>	<b>44,427</b>
<b>Total liabilities</b>	<b>3,545</b>	<b>70,198</b>	<b>65,393</b>
<b>Equity</b>			
Capital stock	173	3,426	3,426
Treasury shares	(10)	(204)	(224)
Contributions for future capital increases	-	-	-
Legal reserve	15	291	291
Additional paid-in capital	237	4,691	4,720
Retained losses	(154)	(3,050)	(3,855)
Accumulated other comprehensive losses <sup>(1)</sup>	(79)	(1,558)	(1,562)
<b>Total equity</b>	<b>182</b>	<b>3,597</b>	<b>2,796</b>
<b>Total liabilities and equity</b>	<b>3,727</b>	<b>73,795</b>	<b>68,189</b>
<b>Total shares outstanding fully diluted</b>		<b>1,165,976,677</b>	<b>1,165,976,677</b>

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

(1) As of June 30, 2021, and December 31, 2020, the figures include a negative foreign exchange effect of Ps.1,594 million and negative foreign exchange effect of Ps.1,577 million, respectively, related to non-derivative financial instruments.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Cash Flows – Cash Flow Data Summary (All metrics are compared to 2020 unless otherwise noted)

Unaudited (In millions of Mexican pesos)	Three months ended June 30, 2021 (US Dollars)*	Three months ended June 30, 2021	Three months ended June 30, 2020
Net cash flow generated by operating activities	293	5,807	584
Net cash flow (used in) provided by investing activities	(39)	(776)	71
Net cash flow used in financing activities**	(149)	(2,959)	(1,179)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>105</b>	<b>2,072</b>	<b>(524)</b>
Net foreign exchange differences	(13)	(255)	(120)
Cash and cash equivalents at beginning of period	440	8,718	10,658
<b>Cash and cash equivalents at end of period</b>	<b>532</b>	<b>10,534</b>	<b>10,013</b>

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

\*\*Includes aircraft rental payments of Ps.2,901 million and Ps.806 million for the three months ended period June 30, 2021, and 2020, respectively.

## Controladora Vuela Compañía de Aviación, S.A.B. de C.V. and Subsidiaries

### Consolidated Statement of Cash Flows – Cash Flow Data Summary (All metrics are compared to 2020 unless otherwise noted)

Unaudited (In millions of Mexican pesos)	Six months ended June 30, 2021 (US Dollars)*	Six months ended June 30, 2021	Six months ended June 30, 2020
Net cash flow generated by operating activities	331	6,559	3,403
Net cash flow (used in) provided by investing activities	(49)	(966)	34
Net cash flow used in financing activities**	(260)	(5,141)	(3,048)
<b>Increase in cash and cash equivalents</b>	<b>23</b>	<b>452</b>	<b>389</b>
Net foreign exchange differences	(1)	(21)	1,645
Cash and cash equivalents at beginning of period	510	10,103	7,980
<b>Cash and cash equivalents at end of period</b>	<b>532</b>	<b>10,534</b>	<b>10,013</b>

\* Peso amounts were converted to US dollars at end of period exchange rate for convenience purposes only.

\*\*Includes aircraft rental payments of Ps.5,037 million and Ps.2,626 million for the six months ended period June 30, 2021, and 2020, respectively.