

**Grupo Aeroméxico, S. A. B. de C. V.  
and subsidiaries (formerly Grupo Aeroméxico,  
S. A. P. I. de C. V. and subsidiaries)**

Condensed Consolidated Interim  
Financial Statements (Unaudited)

As of June 30, 2024 and December 31, 2023 and  
for the six-month and three-month periods ended  
June 30, 2024 and 2023





## Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
Grupo Aeromexico, S. A. B. de C. V.:

### *Results of Review of Interim Financial Information*

We have reviewed the condensed consolidated interim statement of financial position of Grupo Aeromexico, S. A. B. de C. V. and subsidiaries (the Company) as of June 30, 2024, the related condensed consolidated interim statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2024 and 2023, the related condensed consolidated interim statements of changes in equity and cash flows for the six-month periods ended June 30, 2024 and 2023, and the related notes (collectively, the consolidated interim financial information). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial information for it to be in conformity with IAS 34, 'Interim Financial Reporting' as issued by the International Accounting Standards Board.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statement of financial position of the Company as of December 31, 2023, and the related consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended (not presented herein); and in our report dated April 2, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated statement of financial position as of December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated statement of financial position from which it has been derived.

### *Basis for Review Results*

This consolidated interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.





We conducted our reviews in accordance with the standards of the PCAOB. A review of consolidated interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

KPMG Cárdenas Dosal, S.C.

Mexico City, Mexico  
August 8, 2024

A rectangular box containing a handwritten signature in blue ink. The signature reads 'KPMG' on the top line and 'Cárdenas Dosal, S.C.' on the bottom line.



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of financial position

As of June 30, 2024 and December 31, 2023

(In thousands of US dollars)

	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents		\$ 1,126,013	937,698
Derivative financial instruments	21	-	334
Trade and other receivables	10	630,573	618,212
Due from related parties	6	771	1,146
Prepayments and deposits		56,999	48,721
Inventories		122,669	108,458
		<b>1,937,025</b>	<b>1,714,569</b>
<b>Total current assets</b>			
<b>Non-current assets:</b>			
Property and equipment, including right-of-use	11	2,961,338	2,787,595
Intangible assets and goodwill	12	1,069,642	1,071,824
Prepayments and deposits	9	155,603	148,929
Investments in equity accounted investees		28,090	27,120
Other non-current assets		8,248	6,705
Deferred tax assets		309,388	335,020
		<b>4,532,309</b>	<b>4,377,193</b>
<b>Total non-current assets</b>			
		<b>\$ 6,469,334</b>	<b>6,091,762</b>
<b>Total assets</b>			

The notes on pages 10 to 36 are an integral part of the condensed consolidated interim financial statements.



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of financial position (continued)

As of June 30, 2024 and December 31, 2023

(In thousands of US dollars)

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Loans and borrowings, including leases	13	\$ 462,996	523,159
Trade and other payables	16	1,550,311	1,533,586
Due to related parties	6	15,203	14,420
Provisions	15	79,045	85,850
Air traffic liability		952,763	836,433
Frequent flyer program		261,338	247,226
General unsecured claims liability			
Income taxes payable and employee's statutory profit sharing		22,217	28,751
		<u>3,343,873</u>	<u>3,269,425</u>
<b>Total current liabilities</b>			
<b>Non-current liabilities:</b>			
Loans and borrowings, including leases	13	2,705,649	2,711,147
Due to related parties	10		
Frequent flyer program		234,829	268,247
Provisions	15	218,956	218,890
Employee benefits	14	223,790	235,841
Deferred tax liabilities		111,354	121,137
		<u>3,494,578</u>	<u>3,555,262</u>
<b>Total non-current liabilities</b>			
<b>Total liabilities</b>			
		<u>6,838,451</u>	<u>6,824,687</u>
<b>Equity (deficit)</b>			
Capital stock	18	4,343,237	4,326,906
Share premium		(2,182,889)	(2,182,889)
Statutory reserve		24,750	24,750
Stock repurchase reserve		29,703	29,703
Equity accounted investees share of OCI		(6,577)	(6,577)
Remeasurement of defined benefit liability		13,914	13,100
Accumulated deficit		(2,593,282)	(2,939,921)
		<u>(371,144)</u>	<u>(734,928)</u>
<b>Total equity (deficit) attributable to equity holders of the Company</b>			
<b>Non-controlling interest</b>			
		<u>2,027</u>	<u>2,003</u>
<b>Total equity (deficit)</b>			
		<u>(369,117)</u>	<u>(732,925)</u>
<b>Total equity (deficit) and liabilities</b>			
	\$	<u>6,469,334</u>	<u>6,091,762</u>

The notes on pages 10 to 36 are an integral part of the condensed consolidated interim financial statements.



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of profit or loss and other comprehensive income

For the six-month and three-month periods ended June 30, 2024 and 2023

(In thousands of US dollars)

	Note	Six-month period		Three-month period	
		2024	2023	2024	2023
<b>Revenues:</b>					
Passenger	7	\$ 2,466,984	1,987,103	1,276,661	1,055,567
Air cargo		140,960	130,335	72,316	65,527
Other		86,927	59,397	42,870	28,652
<b>Total revenue</b>	8	<u>2,694,871</u>	<u>2,176,835</u>	<u>1,391,847</u>	<u>1,149,746</u>
<b>Operating expenses:</b>					
Jet-fuel		646,012	618,730	322,477	277,221
Wages, salaries and benefits		530,626	397,407	271,799	210,448
Maintenance		117,273	99,934	62,295	49,487
Aircraft, communication and traffic services		282,159	246,024	146,471	128,867
Passenger services		68,405	50,381	35,491	25,726
Travel agent commissions		58,460	46,011	29,211	25,757
Selling and administrative		190,923	163,627	96,824	85,717
Aircraft leasing	11	8,084	12,788	1,942	6,622
Depreciation and amortization		305,979	268,528	149,476	141,185
Impairment		-	1,750	-	1,750
Other loss (income), net		9,910	12,189	1,312	6,772
Share of (gain) loss on equity accounted investees, net of tax		(971)	-	(1,053)	-
<b>Total operating expenses</b>		<u>2,216,860</u>	<u>1,917,369</u>	<u>1,116,245</u>	<u>959,552</u>
<b>Total operating income</b>		<u>478,011</u>	<u>259,466</u>	<u>275,602</u>	<u>190,194</u>
<b>Finance income (cost):</b>					
Finance income	22	87,648	21,807	81,400	12,960
Finance cost	22	(200,865)	(280,619)	(102,026)	(173,462)
<b>Net finance cost</b>		<u>(113,217)</u>	<u>(258,812)</u>	<u>(20,626)</u>	<u>(160,502)</u>
<b>Income before income tax</b>		364,794	654	254,976	29,692
Income tax expense	20	18,131	33	12,551	1,235
<b>Income for the period</b>		<u>\$ 346,663</u>	<u>621</u>	<u>242,425</u>	<u>28,457</u>

The notes on pages 10 to 36 are an integral part of the condensed consolidated interim financial statements.



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of profit or loss and other comprehensive income (continued)

For the six-month and three-month periods ended June 30, 2024 and 2023

(In thousands of US dollars, except for earnings per share)

	<u>Note</u>	<u>Six-month period</u>		<u>Three-month period</u>	
		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Income for the period</b>		\$ <u>346,663</u>	<u>621</u>	<u>242,425</u>	<u>28,457</u>
<b>Other comprehensive income (OCI), net of income taxes</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement of defined benefit liability		1,163	-	1,163	-
Income taxes		<u>(349)</u>	<u>-</u>	<u>(349)</u>	<u>-</u>
<b>Other comprehensive income for the period, net of income taxes</b>		<u>814</u>	<u>-</u>	<u>814</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		\$ <u>347,477</u>	<u>621</u>	<u>243,239</u>	<u>28,457</u>
<b>Income attributable to:</b>					
Owners of the Company		\$ 346,639	606	242,413	28,447
Non-controlling interest		<u>24</u>	<u>15</u>	<u>12</u>	<u>10</u>
<b>Income for the period</b>		\$ <u>346,663</u>	<u>621</u>	<u>242,425</u>	<u>28,457</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		\$ 347,453	621	243,227	28,457
Non-controlling interest		<u>24</u>	<u>-</u>	<u>12</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		\$ <u>347,477</u>	<u>621</u>	<u>243,239</u>	<u>28,457</u>
<b>Earnings per share for continuing operations</b>					
Basic earnings per share (US dollars)	19	\$ <u>2.60</u>	<u>-</u>	<u>1.82</u>	<u>0.21</u>
Diluted earnings per share (US dollars)	19	\$ <u>2.54</u>	<u>-</u>	<u>1.78</u>	<u>0.21</u>

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**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of changes in equity

For the six-month periods ended June 30, 2024 and 2023

(In thousands of US dollars)

**Attributable to equity holders of the Company**

	<b>Capital stock</b>	<b>Share premium</b>	<b>Statutory reserve</b>	<b>Stock repurchase reserve</b>	<b>Equity accounted investees share of OCI</b>	<b>Remeasurement of defined benefit liability</b>	<b>Accumulated (deficit)</b>	<b>Total</b>	<b>Non-controlling interest</b>	<b>Total equity</b>
Balance as of January 1, 2024	\$ 4,326,906	(2,182,889)	24,750	29,703	(6,577)	13,100	(2,939,921)	(734,928)	2,003	(732,925)
Capital stock increase (Note 17)	16,331	-	-	-	-	-	-	16,331	-	16,331
<b>Total comprehensive income for the period:</b>										
Income for the period	-	-	-	-	-	-	346,639	346,639	24	346,663
Other comprehensive income	-	-	-	-	-	814	-	814	-	814
Balance as of June 30, 2024	<u>\$ 4,343,237</u>	<u>(2,182,889)</u>	<u>24,750</u>	<u>29,703</u>	<u>(6,577)</u>	<u>13,914</u>	<u>(2,593,282)</u>	<u>(371,144)</u>	<u>2,027</u>	<u>(369,117)</u>

The notes on pages 10 to 36 are an integral part of the condensed consolidated interim financial statements.



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of changes in equity

For the six-month periods ended June 30, 2024 and 2023

(In thousands of US dollars)

<b>Attributable to equity holders of the Company</b>										
	<b>Capital stock</b>	<b>Share premium</b>	<b>Statutory reserve</b>	<b>Stock repurchase reserve</b>	<b>Equity accounted investees share of OCI</b>	<b>Remeasurement of defined benefit liability</b>	<b>Accumulated (deficit)</b>	<b>Total</b>	<b>Non-controlling interest</b>	<b>Total equity</b>
Balance as of January 1, 2023	\$ 4,598,016	(2,182,889)	24,750	29,703	(6,577)	16,351	(3,212,155)	(732,801)	1,969	(730,832)
<b>Total comprehensive income for the period:</b>										
Income for the period	-	-	-	-	-	-	606	606	15	621
Balance as of June 30, 2023	\$ <u>4,598,016</u>	<u>(2,182,889)</u>	<u>24,750</u>	<u>29,703</u>	<u>(6,577)</u>	<u>16,351</u>	<u>(3,211,549)</u>	<u>(732,195)</u>	<u>1,984</u>	<u>(730,211)</u>

The notes on pages 10 to 36 are an integral part of the condensed consolidated interim financial statements.



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**  
**(formerly Grupo Aeroméxico, S. A. P. I. de C. V. and subsidiaries)**

Condensed consolidated interim statements of cash flows

For the six-month periods ended June 30, 2024 and 2023

(In thousands of US dollars)

	<u>Note</u>	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities</b>			
Income for the period		\$ 346,663	621
Adjustments for:			
Income tax expense		18,131	33
Depreciation and amortization		305,979	268,528
Impairment		-	1,750
Share of (gain) loss on equity accounted investees, net of tax		(971)	-
Loss on sale property and equipment	11	1,615	1,497
Provisions, net		80,161	31,098
Derivative financial loss		334	927
Employee benefits		8,772	7,249
Inventory adjustments to net realizable value		27	23
Allowance for doubtful accounts		2,178	2,040
Interest expense, net		94,697	122,209
Unrealized exchange loss (gain)		9,051	(11,493)
Employees' statutory profit sharing		11,686	-
Equity-settled share-based payment transactions	17	16,331	-
		894,654	424,482
Trade and other receivables		(46,365)	(62,400)
Due from related parties		375	(146)
Inventories		(15,149)	(11,347)
Prepayments and deposits		(8,278)	(22,306)
Trade and other payables		(12,613)	79,014
Due to related parties		783	173
Air traffic liability		116,330	204,297
Frequent flyer program		(19,306)	64,049
Interest received		33,654	21,807
<b>Cash generated from operating activities</b>		<b>944,085</b>	<b>697,623</b>
Employees' statutory profit sharing and income tax paid		(28,368)	(13,981)
Interest paid	13	(127,882)	(139,270)
<b>Net cash from operating activities</b>		<b>787,835</b>	<b>544,372</b>
<b>Cash flows from investing activities</b>			
Acquisition of properties and equipment (including major maintenance)	11	(228,198)	(162,174)
Proceeds from sale of properties and equipment		361	27
Intangible assets additions	12	(7,990)	(8,925)
Prepayments and deposits for maintenance and acquisition of properties and equipment		(18,515)	(9,341)
<b>Net cash used in investing activities</b>		<b>(254,342)</b>	<b>(180,413)</b>
<b>Cash flows from financing activities</b>			
Contingent consideration payment	15	(24,059)	-
Repayments of loans	13	(112,130)	(102,510)
Payments of lease liabilities	13	(170,408)	(149,299)
<b>Net cash used in financing activities</b>		<b>(306,597)</b>	<b>(251,809)</b>
<b>Increase in cash and cash equivalents</b>		<b>226,896</b>	<b>112,150</b>
Effect of exchange rate fluctuations on cash held		(38,581)	68,310
<b>Net increase in cash and cash equivalents</b>		<b>188,315</b>	<b>180,460</b>
<b>Cash and cash equivalents:</b>			
At beginning of period		937,698	842,182
At end of period		\$ 1,126,013	1,022,642

The notes on pages 10 to 36 are an integral part of the condensed consolidated interim financial statements.



## **Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

As of June 30, 2024 and December 31, 2023 and for the six-month and  
and three-month periods ended June 30, 2024 and 2023

(In thousands of US dollars)

### **(1) Reporting entity-**

Grupo Aeroméxico, S. A. B. de C. V. (the “Company”) is a company incorporated under the laws of Mexico, domiciled in Paseo de la Reforma 243 25th Floor, Colonia Cuauhtémoc, 06500 Mexico City, Mexico. These condensed consolidated interim financial statements (“interim financial statements”) as of June 30, 2024 and December 31, 2023 and for the six-month and three-month periods ended June 30, 2024 and 2023 comprise the Company and its subsidiaries (together referred to as the “Group” or “Grupo Aeroméxico” and individually as “Group’s entities”).

These interim financial statements have been prepared to comply with certain reporting financial information obligations of the Group.

The Group’s principal activity is to provide air transport services for passengers, goods and cargo and loyalty program, inside and outside of Mexico, training and management services, franchise systems commercialization and management of investment in shares.

### **(2) Basis of preparation-**

#### **a) Statement of compliance-**

These condensed consolidated interim financial statements 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 of December 31, 2023, 2022 and 2021 and for the years in the three-year period ended December 31, 2023 (“last annual consolidated financial statements”). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements.

On August 8, 2024 the Company’s Chief Executive Officer and Chief Financial Officer, Andrés Conesa Labastida and Ricardo Sánchez Baker, respectively, authorized the issuance of the accompanying interim financial statements and related notes thereto.



## **Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### **b) Basis of measurement-**

These condensed consolidated interim financial statements are presented in US Dollars (“\$” “dollars” or “US”), which is the Group’s functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals we provide, and percentages may not precisely reflect the absolute figures.

### **c) Scope of consolidation-**

These condensed consolidated interim financial statements include Grupo Aeroméxico, S. A. B. de C. V. and all entities that are controlled directly or indirectly by Grupo Aeroméxico.

Balances and transactions between consolidated related parties have been eliminated.

### **(3) Use of judgments and estimates-**

In preparing these condensed consolidated interim financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

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 described in the last annual consolidated financial statements.

#### **Measurement of fair values-**

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in Note 21.

#### **(4) Changes in material accounting policies and new standards and interpretations not yet adopted–**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in the annual consolidated financial statements as of December 31, 2023, except for changes as disclosed in these financial statements.

#### **Changes in material accounting policies–**

The Group has adopted *Classification of Liabilities as Current or Non-current and Noncurrent Liabilities with Covenants* – Amendments to IAS 1, as issued in 2020 and 2022, for the first time in its 2024 condensed consolidated interim financial statements. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period.

The Group does not have any transactions that are affected by the other newly effective accounting standards and amendments.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### Standards issued but not yet effective-

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after January 1, 2024 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed consolidated interim financial statements.

### (5) Group entities-

#### Significant subsidiaries-

During the six-month period ended June 30, 2024, there were no changes in the number of entities included in the condensed consolidated interim financial statements, which amount to 26, at the end of the period.

### (6) Related parties-

#### Ultimate controlling party-

Grupo Aeroméxico is the parent and ultimate controlling party.

#### Related-party transactions and balances-

Transactions carried out with related parties, for the six-month and three-month periods ended June 30, 2024 and 2023, are as follows:

#### *i. Operations*

	<b>Six-month periods ended June 30</b>		<b>Three -month periods ended June 30</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Income:				
Leases (2)	\$ 64	-	24	-
Interline, net (3)	53,975	-	30,033	-
Premier lounges (3)	730	624	385	323
Other services (1) and (2)	<u>15</u>	<u>25</u>	<u>7</u>	<u>7</u>
<b>Total income</b>	<b>\$ 54,784</b>	<b>649</b>	<b>30,449</b>	<b>330</b>
	<b>=====</b>	<b>====</b>	<b>=====</b>	<b>====</b>



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

	<b>Six-month periods ended June 30</b>		<b>Three -month periods ended June 30</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Expenses:				
Purchase of Sky Miles, net (3)	\$ 1,410	2,786	1,421	1,680
Fuel (3)	36,462	43,334	16,908	17,393
Ramp services, net (3)	17,763	16,092	9,907	8,280
Freight handling, net (3)	794	448	374	476
Interline, net (3)	-	6,726	-	6,726
Personnel services (3)	1,302	188	862	94
Interest expense, net (2)	416	-	210	-
Other services (1) and (2)	<u>105</u>	<u>72</u>	<u>105</u>	<u>72</u>
<b>Total expenses</b>	<b>\$ 58,252</b>	<b>69,646</b>	<b>29,787</b>	<b>34,721</b>
	=====	=====	=====	=====

(1) Aeromexpress, S. A. de C. V. (“Aeromexpress”)

(2) AM DL MRO JV, S. A. P. I. de C. V. (“MRO”)

(3) Delta Air Lines, Inc. (“Delta”)

**ii. Outstanding balance**

Balances due from and due to related parties as of June 30, 2024 and December 31, 2023 are as follows:

		<b><u>2024</u></b>	<b><u>2023</u></b>
Due from:			
Delta	\$	<u>771</u>	<u>1,146</u>
	\$	<u>771</u>	<u>1,146</u>
		=====	=====
Due to:			
MRO (1)	\$	14,431	13,695
Aeromexpress		762	714
AM BD GP JV, S. A. P. I. de C. V.		<u>10</u>	<u>11</u>
	\$	<u>15,203</u>	<u>14,420</u>
		=====	=====



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

Balances due from and due to related parties relate to non-interest-bearing payables with no specific maturity and are for its nature, at short-term.

(1) Within this balance one transaction stipulates an annual interest rate of 5.82%.

### Key management personnel compensation comprised:

	<b>Six-month periods ended June 30</b>		<b>Three -month periods ended June 30</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Short-term employee benefits	\$ 8,569	7,612	4,770	4,233
Variable compensation	20,941	7,785	267	288
Share – based payments	<u>6,693</u>	<u>942</u>	<u>3,329</u>	<u>484</u>
	<u>\$ 36,203</u>	<u>16,339</u>	<u>8,366</u>	<u>5,005</u>

### (7) Revenue recognition-

#### Passenger revenue-

Passenger revenue is primarily composed of passenger airfare and ancillary related services which do not represent a separate performance obligation to those associated to the passenger's flight, such as excess baggage and other passenger charges, breakage from expired tickets, and the decrease in compensation costs paid to passengers and the cost from accumulated points from the Group's frequent flyer program Aeroméxico Rewards.

Our business and route network are subject to seasonal fluctuations. As such, our results for any interim period are not necessarily indicative for the entire year and we tend to experience higher volumes of air travel, and therefore higher revenues and operating results, during certain periods of the year as compared to others.

The demand for our services is usually comparatively high in July and August (due to high demand for vacation travel), March and April (corresponding to the Easter holiday) and December (due to the Christmas holiday), while the demand is usually comparatively low in the months of February, September and October. Because a large part of our focus is on business passengers, we believe that our business passenger client segment partially offsets the seasonal fluctuations that characterize visiting friends and relatives and leisure travel.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

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(In thousands of US dollars)

	<b>Six-month periods</b>		<b>Three -month periods</b>	
	<b><u>ended June 30</u></b>		<b><u>ended June 30</u></b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Passengers	\$ 2,170,124	1,781,934	1,099,171	942,226
Ancillaries	<u>296,860</u>	<u>205,169</u>	<u>177,490</u>	<u>113,341</u>
Total passenger revenues	<u>\$ 2,466,984</u>	<u>1,987,103</u>	<u>1,276,661</u>	<u>1,055,567</u>

### (8) Operating segments-

The Group has one reportable segment, air transportation. This is based on the Group's internal reporting structure to the Chief Operating Decision Maker which is the CEO of the Group. The main measure of profit and loss for segment is total operating income.

Geographical revenue segment information for the six-month and three-month periods ended June 30, 2024 and 2023 are as follows:

	<b>Six-month periods</b>		<b>Three-month periods</b>	
	<b><u>ended June 30</u></b>		<b><u>ended June 30</u></b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Domestic	\$ 1,127,715	896,009	590,486	476,590
International	<u>1,567,156</u>	<u>1,280,826</u>	<u>801,361</u>	<u>673,156</u>
	<u>\$ 2,694,871</u>	<u>2,176,835</u>	<u>1,391,847</u>	<u>1,149,746</u>

Substantially all assets are located in Mexico.

### (9) Prepayments and deposits-

Current prepayments consist mainly of prepaid advertising, IT software licenses and fuel prepayments.



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Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

Non-current prepayments and security deposits as of June 30, 2024 and December 31, 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Advances for fleet renewal, including engines and interiors' standardization	\$ 6,875	9,108
Deposits:		
For the lease of aircraft and engines	39,938	40,229
With airport groups	41,908	43,073
Maintenance deposits	39,304	32,416
Other	<u>27,578</u>	<u>24,103</u>
	\$ 155,603	148,929
	<u>=====</u>	<u>=====</u>

### (10) Trade and other receivables, net-

Trade and other receivables as of June 30, 2024 and December 31, 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Airlines and travel agencies	\$ 11,019	7,272
Credit cards and customers (1)	270,069	271,005
Recoverable taxes	344,737	333,032
Other	<u>12,701</u>	<u>14,871</u>
	638,526	626,180
Less allowance for doubtful accounts	<u>(7,953)</u>	<u>(7,968)</u>
Total trade and other receivables	\$ 630,573	618,212
	<u>=====</u>	<u>=====</u>

- (1) Collection from sales related to certain Mexican credit cards are guaranteeing the Senior Trust Bonds ("CEBURES") issued by the Group and also the collection related to certain credit cards in the United States.



## **Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### **(11) Property and equipment, including right of-use-**

#### **(a) Acquisitions and disposals-**

For the six-month periods ended June 30, 2024 and 2023, the Group acquired assets at cost, excluding associated debt, for \$228,198 and \$162,174, respectively.

For the six-month period ended June 30, 2024, the acquisitions were mainly flight equipment for an amount of \$16,660, major maintenance for \$202,810 and other assets for \$8,728 (in 2023 related to flight equipment for \$15,524, major maintenance for \$137,276 and other assets for \$9,374).

Assets with a carrying amount of \$5,375 were disposed during the six-month period ended June 30, 2024, (\$9,555 for the six-month period ended June 30, 2023), with a net loss of the sale of property and equipment of \$1,615 and \$1,497, respectively in the same periods, which are registered in other loss (income) line.

#### **(b) Depreciation and amortization-**

The accumulated depreciation of property and equipment as of June 30, 2024 and December 31, 2023 was \$1,838,357 and \$1,645,139, respectively.

#### **(c) Leases-**

##### **Leases as lessee -**

The Group leases flight equipment and properties. The leases typically run for a period of 2 to 12 years, with an option to renew the lease after that date. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group leases flight equipment under a number of leases, which were classified as finance leases under IAS 17.

The Group leases IT equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

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

### i. Right-of-use assets-

Right-of-use assets for \$2,197,800 and \$2,164,583 as of June 30, 2024 and December 31, 2023, respectively, related to leased property and flight equipment that do not meet the definition of investment property are presented as property and equipment.

### ii. Amounts recognized in profit of loss-

Total rental expenses related to short-term leases or low-value assets during the six-month and three-month periods ended June 30, 2024 and 2023, are as follows:

		<b>Six-month periods ended June 30</b>		<b>Three -month periods ended June 30</b>	
		<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Aircraft leasing	\$	8,084	12,788	1,942	6,622
Real estate		<u>3,228</u>	<u>3,184</u>	<u>1,539</u>	<u>1,512</u>
	\$	<u>11,312</u>	<u>15,972</u>	<u>3,481</u>	<u>8,134</u>

### iii. Leases conditions-

Main operating leases are as follows:

As of June 30, 2024, the Group maintained 138 aircraft and 39 engines (December 31, 2023: 139 aircraft and 40 engines) with different terms, with the last expiring in 2036.

### (d) Property and equipment under construction-

As of June 30, 2024 and December 31, 2023 the estimated costs to conclude projects and work in progress amount to \$14,549 and \$11,340, respectively.

### (e) Impairment loss-

As of June 30, 2024 and December 31, 2023, there are no losses from impairment in the value of these assets, evaluated in accordance with IAS 36 *Impairment of Assets*.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### (12) Intangible assets and goodwill-

	<u>Software</u>	<u>Fiduciary Rights (1) Indefinite life</u>	<u>Partners' Contracts and Customer Relationships (2)</u>		<u>Trademark Indefinite Life</u>	<u>Goodwill</u>	<u>Total</u>
			<u>Indefinite Life</u>	<u>Finite Life</u>			
<b><u>Cost</u></b>							
Balance as of January 1, 2024	\$ 86,594	63,280	375,512	47,294	61,895	503,573	1,138,148
Additions	7,990	-	-	-	-	-	7,990
Disposals	(25,312)	-	-	-	-	-	(25,312)
Balance as of June 30, 2024	\$ 69,272	63,280	375,512	47,294	61,895	503,573	1,120,826
Balance as of January 1, 2023	\$ 53,548	63,280	375,512	47,294	61,895	503,573	1,105,102
Additions	33,237	-	-	-	-	-	33,237
Disposals	(191)	-	-	-	-	-	(191)
Balance as of December 31, 2023	\$ 86,594	63,280	375,512	47,294	61,895	503,573	1,138,148
<b><u>Amortization</u></b>							
Balance as of January 1, 2024	\$ 29,808	-	-	19,236	-	-	49,044
Amortization for the period	3,760	-	-	6,412	-	-	10,172
Disposals	(25,312)	-	-	-	-	-	(25,312)
Balance as of June 30, 2024	\$ 8,256	-	-	25,648	-	-	33,904
Balance as of January 1, 2023	\$ 21,025	-	-	6,412	-	-	27,437
Amortization for the period	8,974	-	-	12,824	-	-	21,798
Disposals	(191)	-	-	-	-	-	(191)
Balance as of December 31, 2023	\$ 29,808	-	-	19,236	-	-	49,044



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

### Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

	<u>Software</u>	<u>Fiduciary Rights (1)</u> <u>Indefinite life</u>	<u>Partners' Contracts and Customer Relationships (2)</u>		<u>Trademark Indefinite Life</u>	<u>Goodwill</u>	<u>Total</u>
			<u>Indefinite Life</u>	<u>Finite Life</u>			
<b><u>Impairment</u></b>							
Balance as of January 1, 2024	\$ -	17,280	-	-	-	-	17,280
Impairment for the period	-	-	-	-	-	-	-
Balance as of June 30, 2024	\$ -	17,280	-	-	-	-	17,280
Balance as of January 1, 2023	\$ -	13,853	-	-	-	-	13,853
Impairment for the year	-	3,427	-	-	-	-	3,427
Balance as of December 31, 2023	\$ -	17,280	-	-	-	-	17,280
<b><u>Carrying amounts</u></b>							
As of June 30, 2024	\$ 61,016	46,000	375,512	21,646	61,895	503,573	1,069,642
As of December 31, 2023	\$ 56,786	46,000	375,512	28,058	61,895	503,573	1,071,824

(1) Corresponds to the rights received for the former Group's corporate office building located in Mexico City, contributed to a trust, in a manner that it can be considered in the development of a new property, whereby other trustees will provide the necessary constructions to the development of the project called "Aeroméxico Tower", in which the Group will own 9,000 square meters of future space.

(2) Includes contracts with third parties attached to our Aeroméxico Rewards frequent flyer program, including the program member base.

### **(13) Loans and borrowings, including leases-**

The features of the loans and borrowings, including leases comprising this caption and guarantees as at June 30, 2024 and December 31, 2023 are described in the following page.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

Description	Currency	Nominal interest rate	Year of maturity	2024	2023
<i>Loan secured by the collection of credit card sales in the United States of America (2)</i>	US	<i>SOFR rate plus 325 basis points</i>	2024	\$21,025	\$63,076
<i>Senior Trust Bonds (“CEBURES”) issued in Mexico, securitized by the collection of credit card sales in Mexico (2) (3)</i>	Ps.	<i>TIE rate plus 168 basis points (TIE rate plus 138 to 168 basis points in 2023)</i>	2025	86,932	143,930
<i>Loans secured by the Ex-Im Bank in the United States of America</i>	US	<i>Fixed annual rate 2.33%</i>	2024	-	2,102
<i>Singapore market listed and secured notes (1)(4)</i>	US	<i>Fixed annual rate 8.5%</i>	2027	662,530	662,530
<b>Total Loans</b>				<b>770,487</b>	<b>871,638</b>
<i>Financial leasing of flight and other equipment, secured by the Ex-Im Bank in the United States of America (1)</i>	US	<i>Fixed annual rate of 2.33%</i>	2029	79,294	87,143
<i>Financial leasing of flight and other equipment, secured by the Ex-Im Bank in the United States of America (1)</i>	US	<i>Fixed annual rate of 2.54%</i>	2027	30,191	35,458
<i>Financial leasing of flight and other equipment, secured by the Ex-Im Bank in the United States of America (1)</i>	US	<i>Fixed annual rate 1.37%</i>	2026	15,372	19,503



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

Description	Currency	Nominal interest rate	Year of maturity	2024	2023
<i>Finance leases of flight equipment</i>	US	<i>Fixed annual rates between 3.16% to 3.57%</i>	2024	-	1,547
<i>Finance leases of flight simulator</i>	US	<i>Fixed annual rate of 6.88%</i>	2029	6,550	7,032
<b>Total Financial Leasing</b>				<b>131,407</b>	<b>150,683</b>
<b>Lease Liabilities (IFRS 16)</b>				<b>2,270,856</b>	<b>2,216,859</b>
<b>Total Lease Liabilities</b>				<b>2,402,263</b>	<b>2,367,542</b>
<b>Total Loans and Borrowings, including Leases</b>				<b>3,172,750</b>	<b>3,239,180</b>
<b>Total Borrowing Costs</b>				<b>(4,105)</b>	<b>(4,874)</b>
<b>Total Net Loans and Borrowings, including Leases</b>				<b>3,168,645</b>	<b>3,234,306</b>
<i>Less current installments of financial debt</i>				(115,194)	(183,572)
<i>Less current installments of leases</i>				(347,802)	(339,587)
<b>Net current installments of Loans and Borrowings, including Leases</b>				<b>(462,996)</b>	<b>(523,159)</b>
<b>Non-current debt</b>				<b>2,709,754</b>	<b>2,716,021</b>
<b>Borrowing costs</b>				<b>(4,105)</b>	<b>(4,874)</b>
<b>Net non-current Loans and Borrowings, including Leases</b>				<b>\$2,705,649</b>	<b>\$2,711,147</b>



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

- (1) Some of the contracts establish certain commitments for the Group, including: to comply with affirmative and negative covenants; to provide certain financial information and reports of fleet variances; to comply with conditions and terms agreed upon with third parties, mainly as concerns to payments of documented commitments; as well as restrictions for the Group for selling or transferring all or a significant portion of its assets.

As of June 30, 2024, the Group is in compliance with its covenants.

- (2) This loan establishes a financial covenant related to collections coverage ratio which represented the payment guarantee.
- (3) At December 31, 2023, the Group contracted interest rate Swaps, allowing to pay fixed rate.
- (4) Senior Secured Notes issued by Grupo Aeroméxico, and guaranteed by Aerovías de México, S. A. de C. V., Aerolitoral, S. A. de C. V. and Aerovías Empresa de Cargo, S. A. de C. V.

All the loans had installments throughout the year. As of June 30, 2024, future maturities of loans and borrowings, net of borrowing costs are as follows:

<u>Year</u>	<u>Loans</u>	<u>Financial leasing</u>	<u>Leases</u>	<u>Total</u>
Current:				
June 30, 2025	\$ 79,122	36,072	347,802	462,996
Non-current:				
June 30, 2026	28,835	35,475	308,849	373,159
June 30, 2027	658,425	26,341	299,095	983,861
June 30, 2028	-	18,374	293,363	311,737
June 30, 2029	-	14,443	258,447	272,890
June 30, 2030 and thereafter	<u>-</u>	<u>702</u>	<u>763,300</u>	<u>764,002</u>
Total non-current	<u>687,260</u>	<u>95,335</u>	<u>1,923,054</u>	<u>2,705,649</u>
Total loans and borrowings	\$ 766,382 =====	131,407 =====	2,270,856 =====	3,168,645 =====



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

**Reconciliation of movements of liabilities to cash flows arising from financing activities-**

		<b><u>Loans and borrowings</u></b>	<b><u>Lease liabilities</u></b>	<b><u>Total</u></b>
Balance January 1, 2024	\$	1,017,447	2,216,859	3,234,306
Repayments of borrowings		(112,130)	(170,408)	(282,538)
Effects of movements in foreign exchange rates		(8,068)	-	(8,068)
Other changes-				
New leases		-	224,405	224,405
Interest expense		40,037	88,314	128,351
Interest paid		(40,453)	(87,429)	(127,882)
Other interest accrued (reversed), net		<u>956</u>	<u>(885)</u>	<u>71</u>
Balance as of June 30, 2024	\$	<u>897,789</u>	<u>2,270,856</u>	<u>3,168,645</u>

**(14) Employee benefits-**

The Group has defined pension and retirement plans covering some of its employees. The benefits of such plans are calculated based on salary levels, years of service, mortality and expected future salary increase. The Group periodically makes contributions to trust funds based on actuarial calculations to finance part of the cost of these plans. The trust funds are mainly invested in fixed-income securities. Actuarial calculations for these plans result in accumulated benefit obligations in excess of the plan assets.

Seniority premiums are provided to all employees under the Mexican Labor Law. The Law provides that seniority premiums are payable, based on salary and years of service, to employees who resign or are terminated after at least fifteen years of service. Under the Law, benefits are also payable to employees who are dismissed.

The Group's defined benefit costs amounted \$16,585 and \$14,209 during the six-month periods ended June 30 2024 and 2023, respectively (\$8,210 and \$7,294 for the three-month periods ended June 30, 2024 and 2023, respectively).



**Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries**

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

**(15) Provisions-**

		<b>Leased aircrafts returns</b>	<b>Litigations</b>	<b>Contingent consideration(1)</b>	<b>Total</b>
Balance as of January 1, 2024	\$	270,989	9,751	24,000	304,740
Additions		51,720	615	59	52,394
Utilization		<u>(34,242)</u>	<u>(832)</u>	<u>(24,059)</u>	<u>(59,133)</u>
		288,467	9,534	-	298,001
Less non-current portion		<u>(218,956)</u>	<u>-</u>	<u>-</u>	<u>(218,956)</u>
Balance as of June 30, 2024	\$	<u>69,511</u>	<u>9,534</u>	<u>-</u>	<u>79,045</u>
Balance as of January 1, 2023	\$	235,728	7,075	24,000	266,803
Additions		50,000	3,090	-	53,090
Utilization		<u>(14,739)</u>	<u>(414)</u>	<u>-</u>	<u>(15,153)</u>
		270,989	9,751	24,000	304,740
Less non-current portion		<u>(218,890)</u>	<u>-</u>	<u>-</u>	<u>(218,890)</u>
Balance as of December 31, 2023	\$	<u>52,099</u>	<u>9,751</u>	<u>24,000</u>	<u>85,850</u>

(1) Corresponds to an earnout performance provision regarding PLM Premier, S. A. P. I. de C. V. acquisition.

**(16) Trade and other payables-**

Group trade and other payables as of June 30, 2024 and December 31, 2023 are as follows:

		<b><u>2024</u></b>	<b><u>2023</u></b>
Suppliers	\$	1,242,489	1,262,092
Other taxes		270,771	244,680
Salaries and benefits payable		<u>37,051</u>	<u>26,814</u>
Total trade and other payables	\$	<u>1,550,311</u>	<u>1,533,586</u>



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### (17) Share-based payment arrangements-

#### A. Description of share-based payment arrangements

As of June 30, 2024 the Group had the following share-based payment arrangements.

##### i. Restricted shares programs-

On December 22, 2022, the Group granted restricted shares to certain key management personnel and senior employees subject to certain service and non-market performance conditions with vesting periods from 6 months to 3 years.

On February 28, 2023, the Group established a new plan to grant restricted shares to certain key management personnel and senior employees subject to certain service and non-market performance conditions with vesting up to 4 years.

The key terms and conditions related to the grants under these programs as of June 30, 2024 are as follows; all awards are to be settled by the physical delivery of shares.

Grant date / employees entitled	Number of shares	Vesting conditions
<b>Shares granted to key management personnel and senior employees-</b>		
December 22, 2022	909,090	6 months to 3 years' service form grant date.
December 22, 2022	2,721,790	2-3 years' service form grant date, subject to the achievement of certain non-market performance goals.
February 28, 2023	354,850	6 months to 4 years' service form grant date.
	(2,205,596)	Accumulated number of exercised or forfeited shares.
Total restricted shares	1,780,134	

#### B. Measurement of fair values –

The fair value of the above-mentioned restricted shares at grant date amounts to Ps184.78 pesos per share. The shares have been deposited and are part of a Mexican Trust.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

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(In thousands of US dollars)

### C. Reconciliation of outstanding restricted shares –

The number of outstanding restricted shares under the program were as follows:

	<u>June 30, 2024</u>	
	<u>Number of shares</u>	<u>Ps. fair value per share at grant date</u>
Outstanding at January 1	3,490,208	184.78
Granted during the period	-	-
Exercised during the period	(1,710,074)	184.78
Forfeited during the period	<u>-</u>	<u>-</u>
Outstanding at June 30, 2024	<u>1,780,134</u>	<u>184.78</u>

The value of the total shares delivered during the six-month period ended on June 30, 2024 amounted to \$16,331.

	<u>December 31, 2023</u>	
	<u>Number of shares</u>	<u>Ps. fair value per share at grant date</u>
Outstanding at January 1	2,269,985	184.78
Increase due to the change in estimate	1,360,895	184.78
Granted during the period	354,850	184.78
Exercised during the period	(345,502)	184.78
Forfeited during the period	<u>(150,020)</u>	<u>184.78</u>
Outstanding at December 31, 2023	<u>3,490,208</u>	<u>184.78</u>

In addition to the stocks exercised in this program during the year ended on December 31, 2023, the Group granted 80,289 shares to certain Board members.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### (18) Stockholders' equity-

#### Structure of capital stock-

On April 30, 2024, the transformation of the Company and adoption of the new corporate regime of "*Sociedad Anónima Bursátil de Capital Variable*" (S. A. B. de C. V. or publicly traded corporation) was authorized through an Ordinary and Extraordinary General Stockholders' Meeting carried out on such date. This amended transformation was previously authorized by the Mexican Foreign Investment Regulator ("*Dirección General de Inversión Extranjera*"). Once the Mexican Securities Regulator ("*Comisión Nacional Bancaria y de Valores*") approves the bylaw amendment and authorize the registration of the Company's shares in the National Share Registry ("*Registro Nacional de Valores*"), the transformation of the company as a "*Sociedad Anónima Bursátil de Capital Variable*" (S. A. B. de C.V. or publicly traded corporation) will be formalized (see Note 24(c)).

As of June 30, 2024 and December 31, 2023 the capital stock of the Company is represented by 136,423,959 outstanding shares, nominative, with no par value, 5,000 shares representing the fixed portion and 136,418,959 shares representing the variable portion.

### (19) Earnings per share-

The calculation of the basic earnings per share at June 30, 2024 was based on the income for the six-month period of \$346,663 (June 30, 2023: \$621) and for the three-month period ended June 30, 2024 of \$242,425 (June 30, 2023: \$28,457), and a weighted average number of ordinary shares outstanding of 136,423,959 (June 30, 2023: 136,423,959). The Company has 2,858,742 diluted potential ordinary shares as of June 30, 2024, and the Company had no diluted potential ordinary shares as of June 30, 2023.

### (20) Income tax expense-

Income tax expense is recognized at an amount determined by multiplying the profit before tax for the interim reporting period by Management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the interim period. As such, the effective tax rate in the condensed consolidated interim financial statements may differ from Management's estimate of the effective tax rate for the annual financial statements.

The Group's consolidated effective tax rate in respect of continuing operations for the six months ended June 30, 2024 was 5% (2023: 5%), and for the three-months ended June 30, 2024 was 5% (2023: 4%).



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(In thousands of US dollars)

**(21) Financial instruments, fair value and risk management-**

**A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**Financial assets at fair value -**

<b>December 31, 2023</b>	<b>Interest rate swaps</b>
<b><u>Book value:</u></b>	
<i>Fair value for trading instruments</i>	334
<b><u>Fair value:</u></b>	
<i>Level 1</i>	-
<i>Level 2</i>	334
<i>Level 3</i>	-
<b>Total</b>	<b>334</b>

**Loans and borrowings not carried out at fair value -**

<b>June 30, 2024</b>	<b>Loans in US (SOFR - Spread)</b>	<b>Loans in Ps. (TIIE - Spread)</b>	<b>Loans in US (Fixed rate)</b>	<b>Financial leasing of flight equipment in US</b>
Loans and borrowings				
<b><i>Book value</i></b>	21,025	86,932	658,425	131,407
<b><u>Fair value</u></b>				
<i>Level 1</i>	-	-	-	-
<i>Level 2</i>	20,835	79,776	589,248	120,769
<i>Level 3</i>	-	-	-	-
<b>Total</b>	<b>20,835</b>	<b>79,776</b>	<b>589,248</b>	<b>120,769</b>



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(In thousands of US dollars)

<b>December 31, 2023</b>	<b>Loans in US (SOFR - Spread)</b>	<b>Loans in Ps. (TIE - Spread)</b>	<b>Loans in US (Fixed rate)</b>	<b>Financial leasing of flight equipment in US</b>
Loans and borrowings <i>Book value</i>	63,076	143,930	666,791	143,650
<i>Fair value</i>				
<i>Level 1</i>	-	-	-	-
<i>Level 2</i>	<b>61,748</b>	<b>130,674</b>	<b>597,059</b>	<b>132,575</b>
<i>Level 3</i>				
<b>Total</b>	<b>61,748</b>	<b>130,674</b>	<b>597,059</b>	<b>132,575</b>

**B. Measurement of fair values**

*I. Valuation techniques and significant unobservable inputs*

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value:

<b>Type</b>	<b>Valuation technique</b>
Corporate debt securities	Market comparison / discounted cash flow: The fair value is estimated considering present value calculated using discount rates derived from quoted yields of securities with similar maturity and credit rating that are traded in active markets.



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(In thousands of US dollars)

Financial instruments not measured at fair value:

Interest rate swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps as well as the collateral granted or receivable. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.
Other financial liabilities*	Discounted cash flows: The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.

\* Other financial liabilities include secured and unsecured bank loans, unsecured bond issues, convertible notes - liability component, redeemable preference share, loans from associates and finance lease liabilities.

### *II. Transfers between Levels 1 and 2*

There have been no transfers from Level 2 to Level 1 (nor Level 1 to 2).

### *III. Level 3 fair values*

There were no financial instruments presented within Level 3.



## Grupo Aeroméxico, S. A. B. de C. V. and subsidiaries

Notes to the condensed consolidated interim financial statements

(In thousands of US dollars)

### (22) Finance income and finance costs-

The Group's finance income and finance costs for the six-month and three-month periods ended June 30, 2024 and 2023 are presented below:

	<b>Six-month periods ended June 30</b>		<b>Three -month periods ended June 30</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Interest income on bank deposits and other investments	\$ 33,654	21,807	17,813	12,960
Net foreign exchange gain	<u>53,994</u>	<u>-</u>	<u>63,587</u>	<u>-</u>
<b>Finance income</b>	<b><u>87,648</u></b>	<b><u>21,807</u></b>	<b><u>81,400</u></b>	<b><u>12,960</u></b>
Interest expense on financial liabilities	39,078	53,527	18,837	26,785
Letters of credit commissions	82	23	62	23
Credit card commissions	56,348	49,711	29,819	27,300
Lease interest	88,314	89,696	44,814	46,507
Interest on employee obligation	10,077	8,795	4,993	4,531
Derivative financial loss	334	927	97	635
Net foreign exchange loss	-	70,969	-	63,962
Bank fees	2,660	3,166	1,451	1,845
Interest paid to related parties	412	-	206	-
Other financial costs	<u>3,560</u>	<u>3,805</u>	<u>1,747</u>	<u>1,874</u>
<b>Finance costs</b>	<b><u>200,865</u></b>	<b><u>280,619</u></b>	<b><u>102,026</u></b>	<b><u>173,462</u></b>
<b>Net finance cost recognized in profit and loss</b>	<b><u><u>\$(113,217)</u></u></b>	<b><u><u>(258,812)</u></u></b>	<b><u><u>(20,626)</u></u></b>	<b><u><u>(160,502)</u></u></b>

### (23) Contingencies and commitments-

Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred and the amount thereof can be reasonably estimated. When a reasonable estimation cannot be made, qualitative disclosure is provided in the notes to the consolidated financial statements. Contingent revenues, earnings or assets are not recognized until realization is assured.



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(In thousands of US dollars)

As of June 30, 2024 the Group has the following significant contingencies:

### Contingencies:

- a) There are labor lawsuits in process for approximately \$19.0 million. This amount represents the plaintiffs' expectation, without considering backdated salaries that might be accrued in the event that the court sentences do not favor the Group. The Group has reserved an amount of \$9.5 million, which is considered sufficient to cover possible outflows.
- b) In June 2023, the Aviation Pilots Union of Mexico (Asociación Sindical de Pilotos Aviadores de México or "ASPA") filed a claim against Aerovías de México, S. A. de C. V. ("Aeroméxico") arguing that certain provisions in the corresponding collective bargaining agreements ("CBA") executed with them for the period between 2020 and 2024 should be null and void, because they establish a differentiated treatment with respect to certain labor conditions applicable to Aeromexico's pilots according to their hiring date, which could be deemed as discriminatory. The CBA provides two regimes, one applicable to pilots hired prior to 2010 and the other one, applicable to pilots hired after 2010. As such, ASPA argued that having two regimes based on the pilots' hiring date is discriminatory. In October 2023, the labor court rejected ASPA's claim and declared that the provisions of the CBA challenged by ASPA are applicable and not arbitrary. The court also declared that the provisions in the CBA are reasonable and follow the terms agreed at the time of their negotiations.

On April 26, 2024, the upper court in charge of resolving the appeal filed by ASPA against the judicial declaration that the provisions of the CBA are applicable and not arbitrary ruled in favor of Aeroméxico, upholding the lower court's decision. As of the date of the issuance of these consolidated financial statements, ASPA has appealed this decision with the Mexican Supreme Court, and the case remains pending. We did not establish a contingency reserve in connection with this case.



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- c) In 2015, the Mexican Economic Federal Antitrust Commission (“*Comisión Federal de Competencia Económica*” or “COFECE”) initiated an investigation against Aeroméxico for alleged monopolistic practices in the airline sector. In connection with this investigation, Aeroméxico received a fine of Ps.86.2 million pesos in 2019. On April 25, 2019, Aeroméxico filed constitutional relief proceedings (“*juicio de amparo*”) challenging the fine. On March 28, 2022, the competent district court nullified COFECE’s resolution and the fines against the Company. On April 11, 2022, COFECE presented an appeal (“*recurso de revision*”) challenging the district court’s decision. On March 7, 2023, COFECE requested that the Mexican Supreme Court (“SCJN”) exercise jurisdiction under the argument that it was necessary for the SCJN to establish conclusive case law on the matter. On April 3, 2023, the SCJN agreed to exercise jurisdiction over the case and, on May 18, 2023, the SCJN acknowledged receipt of the case files. As of the date of the issuance of these consolidated financial statements, the case is pending before the SCJN.
- d) On January 26, 2024, the US Department of Transportation (“DOT”) issued a tentative Order to Show Cause (the “Order”) to Delta Air Lines, Inc. (“Delta”) and Aeroméxico, tentatively terminating the antitrust immunity (“ATI”) granted to their Joint Cooperation Agreement (“JCA”) by October 26, 2024. Rather than evaluating potential consumer and competitive benefits of renewing the ATI and balancing them against potential harms, the Order alleges that the Mexican Government has taken certain actions in violation of the USA - Mexico Air Transport Agreement (i.e. relocation of all-cargo operations to the Aeropuerto Internacional Felipe Angeles or “AIFA” and capacity reductions at the Aeropuerto Internacional de la Ciudad de México or “AICM”) that – in DOT’s opinion – precludes them from granting antitrust immunity to the JCA. Delta and Aeroméxico timely filed joint objections to the Order on February 23, 2024. The Order will cease to be tentative and become final once the DOT issues the corresponding final order.
- e) Additionally, the Group has lawsuits and claims (filed by the Group and against it) arising during the normal course of its operations. The Group with the support of its legal advisors considers that the final result of these matters will not have a significant adverse effect on its financial position and results.

#### **Commitments:**

As of June 30, 2024, there are no significant commitments in addition to those referred-to in the latest annual financial statements.



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### (24) Subsequent events-

As of August 8, 2024, date of issuance of these condensed consolidated interim financial statements, the most significant subsequent events are as follows:

- a) Uncertainty in fuel prices consumed by the Group. As of August 8, 2024, the price reached 2.50 dollars per gallon, and at June 30, 2024 was 2.76 dollars per gallon.
- b) On July 25, 2024, the Shareholders of the Company resolved in favor of carrying out a capital stock decrease, without canceling shares, in favor of the shareholders for an amount of \$3.00 dollars per share representing the Company's share capital (\$409,272 in total).
- c) On July 26, 2024, the Mexican Securities Regulator ("*Comisión Nacional Bancaria y de Valores*") authorized the registration of the Company's shares in the National Share Registry ("*Registro Nacional de Valores*" or "*RNV*"). As such, the transformation of the Company into a "*Sociedad Anónima Bursátil de Capital Variable*" (S.A.B. de C.V. or publicly traded corporation) is effective as of July 26, 2024. Although the Company's shares are now registered in the RNV, their corresponding listing with the Mexican Stock Exchange ("*Bolsa Mexicana de Valores*" or "*BMV*") and with the New York Stock Exchange ("*NYSE*") will only be carried out when the Company launches the initial public offering of the American Depositary Shares ("*ADS*") representing its shares in the United States of America.

