



“COVID-19 has had an unprecedented impact on the world economy and the travel industry. Today, more than ever, it is essential to be able to adapt quickly to meet the needs of travelers in an uncertain environment. We are committed to taking the necessary steps to secure our future by utilizing the Chapter 11 process to become stronger and more resilient, while always putting the health and safety of our customers and employees first.”

Andrés Conesa
CEO, Grupo Aeromexico

Grupo Aeromexico strengthens its wings

The COVID-19 pandemic occurred at a time of strength for Grupo Aeromexico. However, the sudden decrease in demand for passenger air travel has had a significant impact, and it is difficult to predict when there will be a recovery.

Therefore, it is important that we take the necessary steps so we can sustain our business in the current environment and be best positioned for success in the future. On [June 30, 2020], Grupo Aeromexico initiated a voluntary procedure to restructure financially under Chapter 11 in the United States of America.

Why is Grupo Aeromexico using Chapter 11?

Chapter 11 is a commonly used legal process in the U.S. that allows companies to restructure financially and operationally in a court-supervised setting while continuing to operate. The Chapter 11 process also allows the Company to obtain new financing and increase liquidity.

We are confident this represents the best path forward and will allow us to strengthen our financial position and create a sustainable platform to succeed in the future, while continuing to fly and serve customers around the world.

Is the entire Group involved in the Chapter 11 process?

Grupo Aeromexico and its operating subsidiaries are included in the restructuring process. More details about the Chapter 11 case are available on our website at: <https://vuela.aeromexico.com/reorganization>

What does this mean for Aeromexico customers?



For Aeromexico Club Premier members and other travelers

This will not affect your travel plans with us. All scheduled flights will operate as normal and you can continue to make reservations and purchase tickets just as you have in the past. All purchased tickets, vouchers, Premier Points and the benefits of our Club Premier loyalty program are expected to be honored, and any tickets purchased going forward are not expected to be affected.

Our top priority will always be the safety of our customers and partners. We remain committed to the quality of our service and our important role connecting Mexico with the world. We encourage you to visit our website where we have a dedicated section with information about all that we are doing to make sure your flying experience with us is safe and enjoyable.



For Aeromexico Cargo customers

This will not have any impact on Grupo Aeromexico's cargo operations through all our subsidiaries. We intend to honor our contracts and our service will continue as normal, according to the published schedules.



For Employees

We do not expect there to be any changes to employees' day-to-day job responsibilities. We do not expect there to be any changes to your standard base compensation. We believe this restructuring process will allow us to guarantee our long-term success and protect as many jobs as possible.



For Suppliers

We value our partnership and appreciate your support. We recognize how important it is for us to maintain excellent relationships with our suppliers for the continuity of our operations and customer service. Please be assured that going forward we expect invoiced services will be paid according to normal terms and conditions.



For business partners and agencies

We are committed to maintaining and continuing to build strong relationships with our business partners and agencies. The agreements we have with travel agencies, corporations and partner airlines are expected to remain valid and continue to function as normal. Grupo Aeromexico will continue to be part of the International Air Transport Association (IATA), complying with all the processes stipulated by the Association and will maintain its participation in the membership program of the Clearing House, ICH.

The Chapter 11 restructuring process

What are the stages of the process?

01



Commencement of Chapter 11 Process

In this first phase, the legal process is started by the filing a Chapter 11 petition. Our goals from the very beginning of this process are to develop a long-term business and flight plan for the company, improve our financial position, and guarantee the successful future of the airline, all while continuing to fly and serve customers.

02



Debtor-in-possession ("DIP") financing

Prior to the commencement of the Chapter 11 process, we, together with our advisors, initiated a DIP financing process in order to secure sufficient liquidity to fund the Chapter 11 process and our post restructuring liquidity needs.

03



Initial Court Hearing ("First Day" Hearing)

Within a day or two after the commencement of the Chapter 11 process, the court holds an initial hearing at which we expect the judge will give us approval to do a variety of things that ensure that we can continue to operate without any interruption.

04



Development of the Plan of Reorganization

The main objective of the Chapter 11 process is working with key stakeholders to develop a plan (referred to as a "Plan of Reorganization") that includes the financial restructuring details and the long-term business plan. Once the Plan is finalized it will be provided to creditors for review and approval.

05



Confirmation of the Reorganization plan

Assuming the required number of creditors vote to approve the Plan, it will be presented to the court for its approval – this is referred to as "confirmation" of the plan.

06



Emergence

After the plan is confirmed by the court, we will be ready to emerge from the process as a financially strengthened company and positioned to continue flying even higher.