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Information About Chapter 11 & Avianca's Process

What is a Chapter 11 process?

CHAPTER 11	THIS TEMPORARY PROCESS	MANY AIRLINES	IMPORTANTLY
is a well-established legal process in the United States of America that is recognized by other countries around the world.	according to U.S. law, allows companies to reorganize their global operations and/or balance sheets under the supervision of the U.S. court system.	have used the Chapter 11 process over the years to strengthen their operations and have emerged successfully. Avianca itself underwent a Chapter 11 process in 2003.	this process is NOT an insolvency proceeding or liquidation . Operations will continue throughout and after the Chapter 11 process, and current management will remain in place.

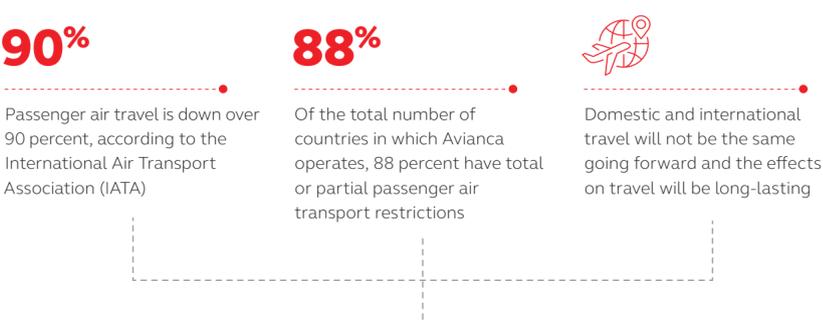
AVIANCA IS NOT GOING OUT OF BUSINESS.

What will Avianca's process achieve?

- Ensure Avianca continues to connect people, places and businesses.**
- Protect and preserve operations** so Avianca can continue to operate and serve customers with safe and reliable air travel.
- Ensure connectivity and drive investment and tourism** by continuing as Colombia's flagship airline, playing a key role in the economic recovery of Colombia and the Company's other core markets following the COVID-19 pandemic.
- Preserve jobs**, in Colombia and other markets where the Company operates, with Avianca directly responsible for more than 21,000 jobs throughout Latin America, including more than 14,000 in Colombia, and working with more than 3,000 vendors.
- Restructure the Company's balance sheet and obligations** to enable Avianca to navigate the effects of the COVID-19 pandemic as well as comprehensively address liabilities, leases, aircraft orders and other commitments.

Why did Avianca file for Chapter 11 protection in the United States instead of Latin America?

The global airline industry and Avianca's operations have been significantly impacted by the COVID-19 pandemic and resulting government-mandated travel restrictions



These factors, coupled with Avianca's debt obligations to certain United States-based lenders, made it necessary for Avianca to explore alternatives to reorganize its operations and restructure its debt using the United States' system.

Despite the positive results yielded by the Company's "Avianca 2021" plan, Avianca believes that in the face of a complete grounding of its passenger fleet and a recovery that will be gradual, entering into this process is a necessary step to address our financial challenges.

Our Mission Continues

Our purpose to connect people, families and businesses remains intact

Avianca has been flying the skies for 100 years, and we are positioning the company to continue to fly the skies for many more years.

- Avianca will continue to operate and serve customers during this process
- Our employees will continue to receive their current benefits, including social and health benefits.
- LifeMiles™ is administered by a separate company and is NOT part of Avianca's Chapter 11 filing, so customers will continue to accrue miles when they fly with Avianca, and can continue to redeem miles accrued through LifeMiles™ during this process.
- We intend to pay vendors and suppliers in a timely manner for goods and services provided on or after the Chapter 11 filing date during the reorganization process.

Chronology of Key Chapter 11 Events

Here is a brief overview of the major steps that typically take place as a company moves through the Chapter 11 process. This general chronology covers the period from the filing of the Chapter 11 petition through the confirmation of a Plan of Reorganization and emergence from Chapter 11—this period can last from 12 – 18 months depending on the company and its plan.

It is Avianca's intent to move through this process as efficiently as possible.

1 PHASE 1
Filing Voluntary Petitions to Reorganize Under Chapter 11 of the U.S. Code

- The company files voluntary petitions to reorganize under Chapter 11.
- The company files "First Day Motions" and the Court conducts a "First Day Hearing" and enters "First Day Orders" for those First Day Motions that are approved.
- The company may obtain third-party financing to provide additional funding for ongoing operations.
- The company operates in the normal course of business, subject to Court oversight and certain reporting requirements.

2 PHASE 2
Negotiation and Formulation of a Plan of Reorganization

- Official committee of unsecured creditors is formed by the Office of the U.S. Trustee (a component of the Department of Justice that oversees the administration of Chapter 11 cases) to work with the company on reorganization-related issues (additional official committees may also be formed if requested).
- Notice is sent out to anyone who may have claims against the company (may be owed money) requiring that they submit a Proof of Claim by a court-approved "Bar Date."
- The company finalizes its long-range strategic business plan and negotiates a Plan of Reorganization with its creditors and other stakeholders, which includes all other things, details about how prepetition claims and equity interests will be treated.
- The company submits to the Court a Disclosure Statement and its proposed Plan of Reorganization. The Disclosure Statement summarizes the Plan of Reorganization and the events that occurred during the Chapter 11 process.
- Upon Court approval of the Disclosure Statement, the company sends out the Disclosure Statement and Plan of Reorganization to all creditors and shareholders that are entitled to vote on the Plan. If the required votes in favor of the Plan are received, the company will submit the Plan to the Court for approval.

3 PHASE 3
Confirmation of a Plan of Reorganization and Emergence

- The Court holds a hearing to consider whether the Plan of Reorganization complies with certain Chapter 11 requirements.
- If the Court confirms the Plan of Reorganization, within a short time the Plan becomes effective.
- At that point, the company emerges from Chapter 11 as a reorganized entity.

Serving more than 76 destinations in 27 countries

Transported 30M passengers and 600K metric tons of cargo in 2019

Making progress on "Avianca 2021" plan