1Q20 Earnings Results

May 14th, 2020

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In addition, in this presentation, the words “believe,” “understand,” “may,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “seek,” “intend,” “expect,” “should,” “could,” “forecast” and similar words are intended to identify forward-looking statements. You should not place undue reliance on such statements, which speak only as of the date they were made. We do not undertake any obligation to update publicly or to revise any forward-looking statements after we distribute this presentation because of new information, future events or other factors. Our independent public auditors have neither examined nor compiled the forward-looking statements and, accordingly, do not provide any assurance with respect to such statements. In light of the risks and uncertainties described above, the future events and circumstances discussed in this presentation might not occur and are not guarantees of future performance. Because of these uncertainties, you should not make any investment decision based upon these estimates and forward looking statements.

In this presentation, we present EBITDA, which is a non-IFRS performance measure and is not a financial performance measure determined in accordance with IFRS and should not be considered in isolation or as alternatives to operating income or net income or loss, or as indications of operating performance, or as alternatives to operating cash flows, or as indicators of liquidity, or as the basis for the distribution of dividends. Accordingly, you are cautioned not to place undue reliance on this information.

AZUL BEFORE COVID-19
ONE OF THE MOST PROFITABLE AIRLINES IN THE WORLD

#1 in destinations served (100+)

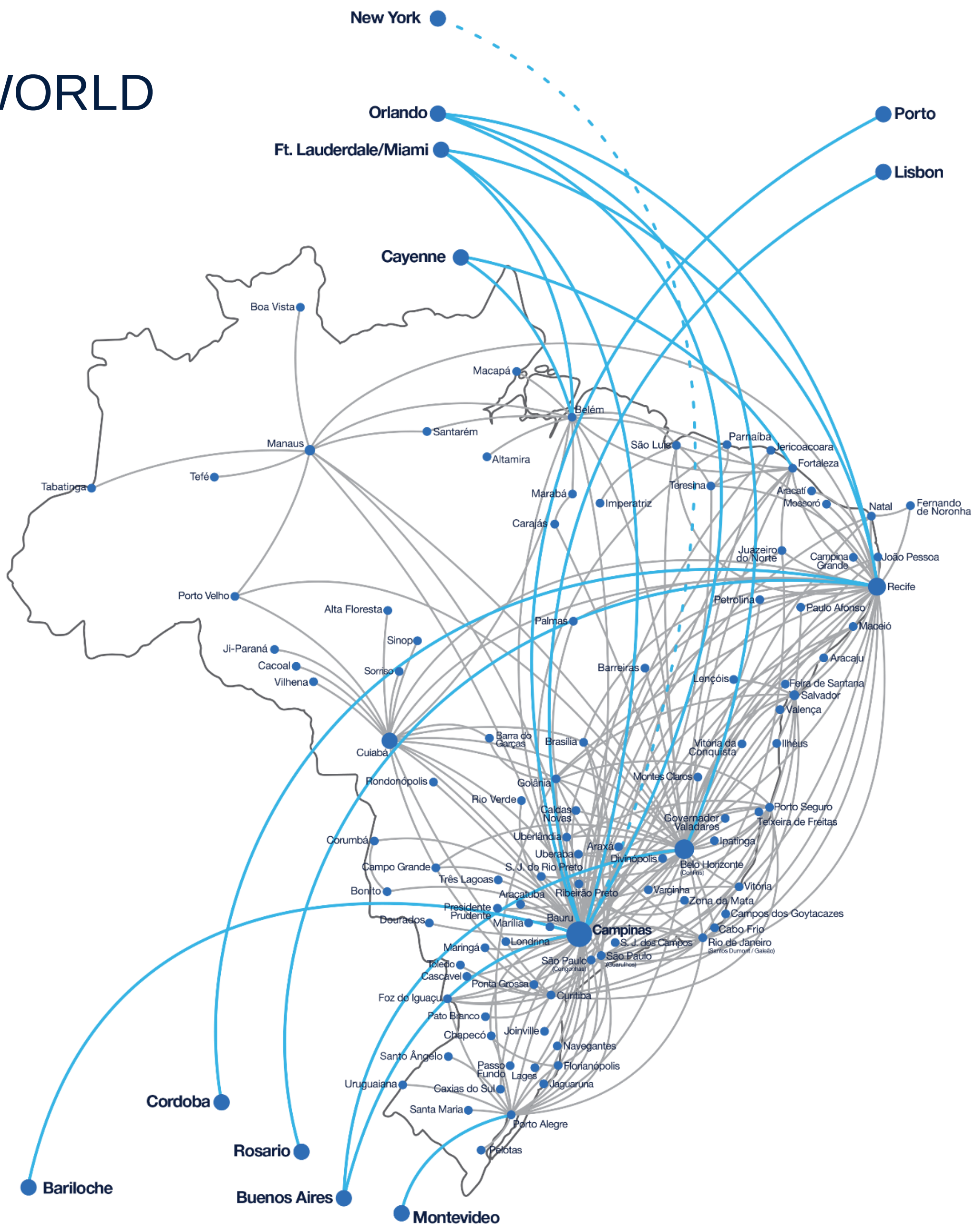
#1 in 83% of markets served

#1 in domestic departures

#1 profitability and balance sheet: 2019 operating margin of 17.8% and EBITDA margin of 31.7%

#1 in customer satisfaction

2019 TRAVELLERS' CHOICE tripadvisor



FLEET FLEXIBILITY

Diversified and Appropriately-Sized Aircraft for the Brazilian Market Demand

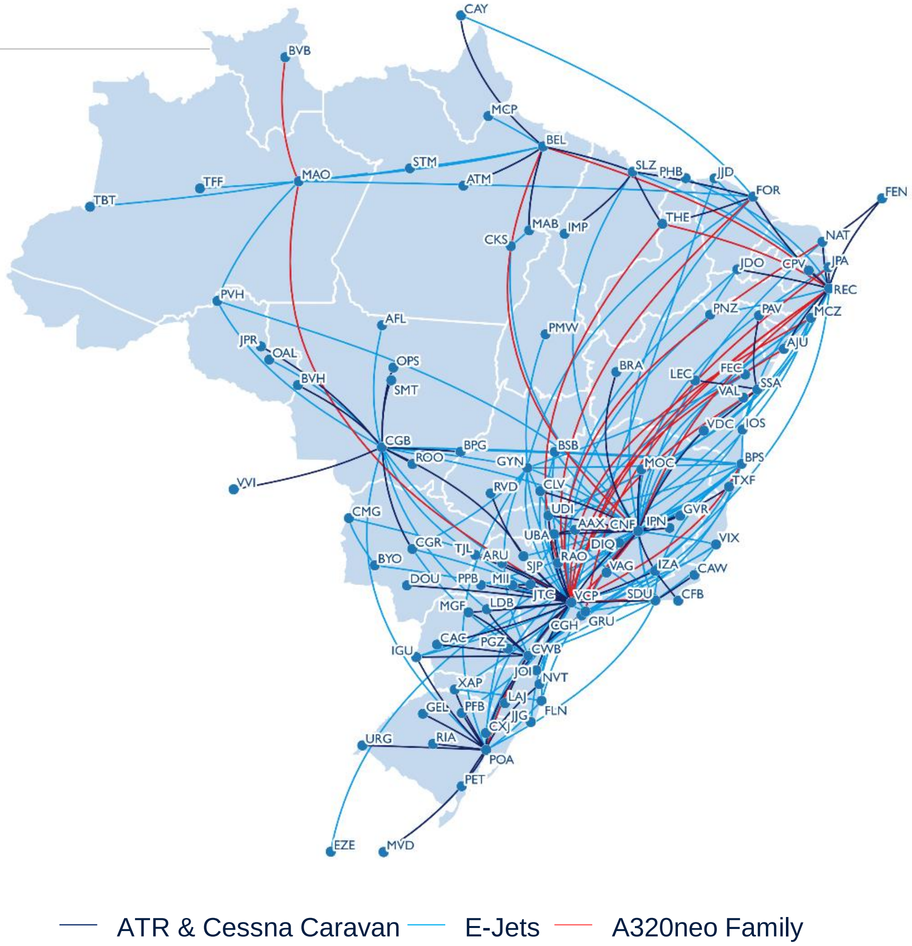
Targeted Routes by Fleet Type

Cessna Caravan | 17 aircraft
9 seats

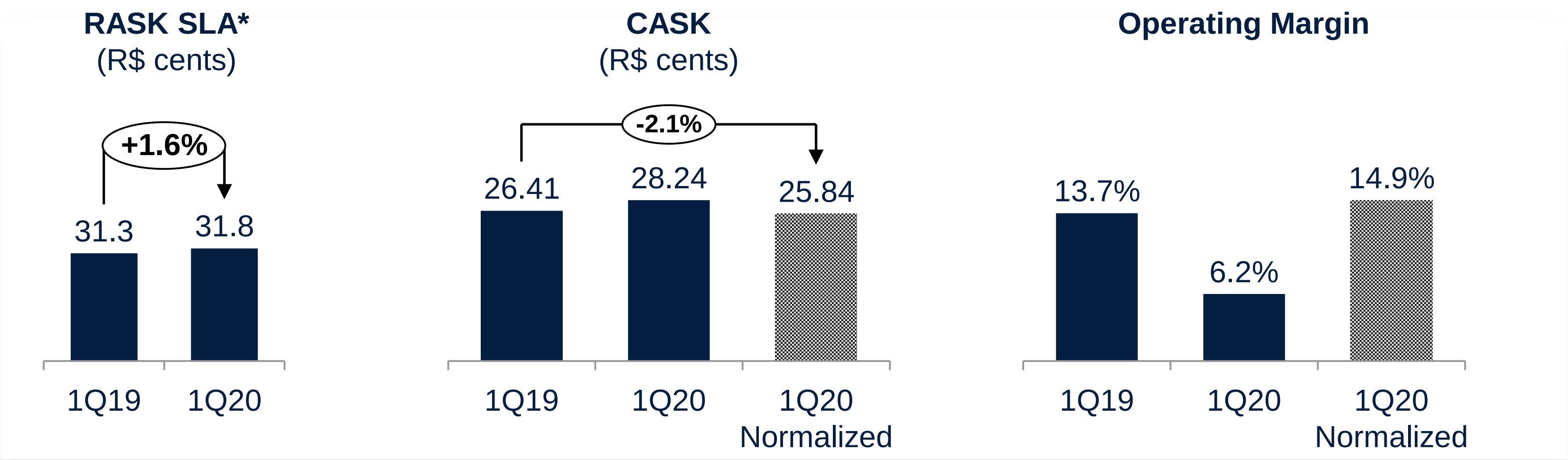
ATR | 33 aircraft
70 seats

E-Jets | 53 aircraft
106-136 seats

A320neo Family | 42 aircraft
174-214 seats



1Q20 FINANCIAL HIGHLIGHTS



Net revenue of R$2.8 billion, up 10.3% YoY

- 1Q20 ASK growth of 12% YoY; 50% down in the second half of March
- 1.5% RASK decrease YoY, up 1.6% adjusted for stage-length
- Azul Cargo revenue growth of 41% YoY and TudoAzul Gross Billings up 18% YoY

Operating income of R$173.6 million representing a margin of 6.2%:

- Margin impacted by COVID-19 and the 18% YoY average currency depreciation
- Normalized EBIT margin of 14.9%, up 1.2 p.p. YoY

EBITDA of R$654.2 million representing a margin of 23.3%; normalized EBITDA margin of 29.8%

CASK down 2.1% normalized for currency, fuel and COVID-19

AZUL STRONG LIQUIDITY POSITION

Significant sources of liquidity

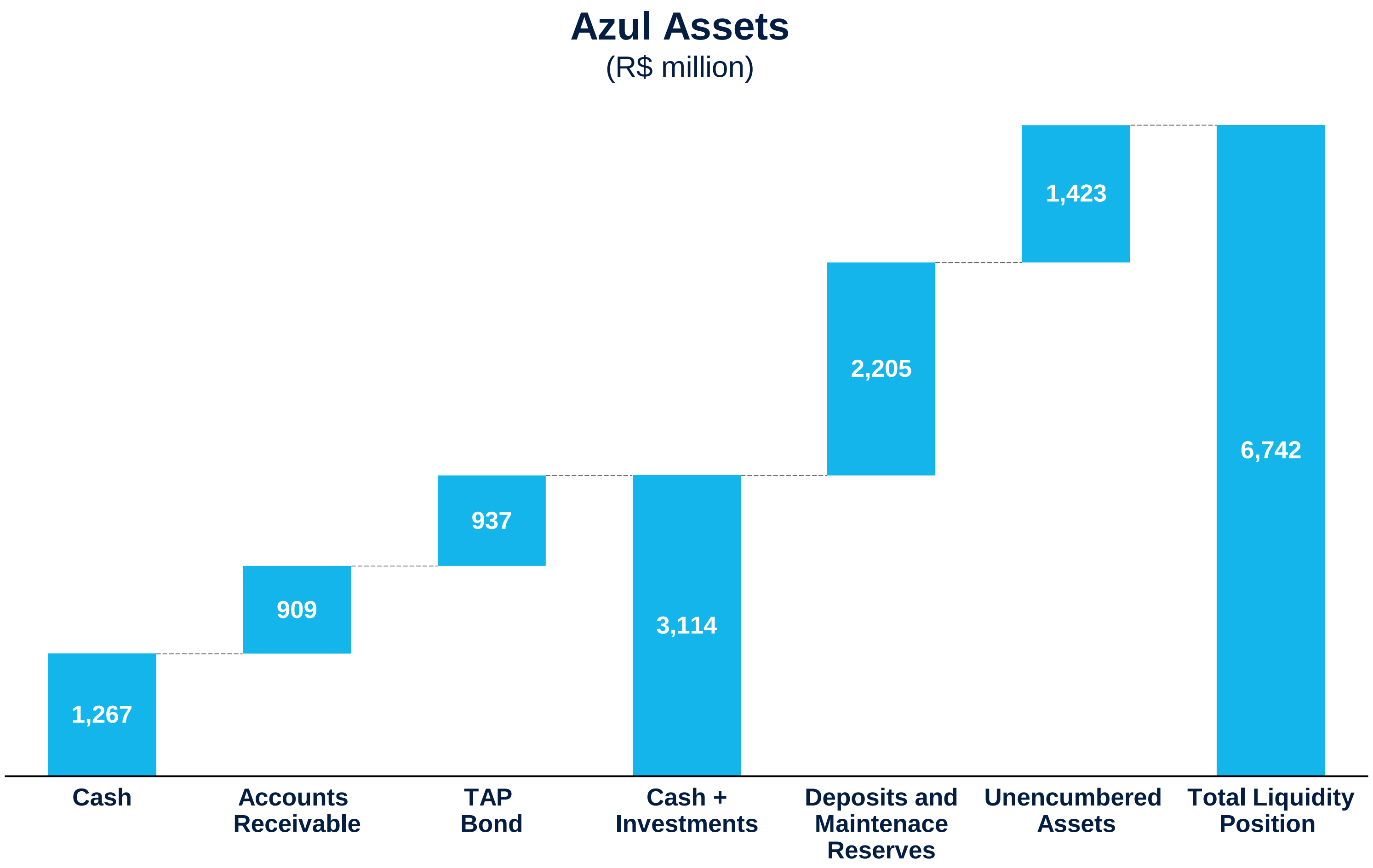
Strong balance sheet

- No restricted cash
- No minority interest in subsidiaries

Wholly-owned loyalty program

Azul investment in TAP:

- Azul stake in TAP recorded at R$937 million
- Includes convertible bond face value and accrued interest of R$669 million
- TAP expected to receive support from the Portuguese Government
- Bond also secured by TAP's loyalty business

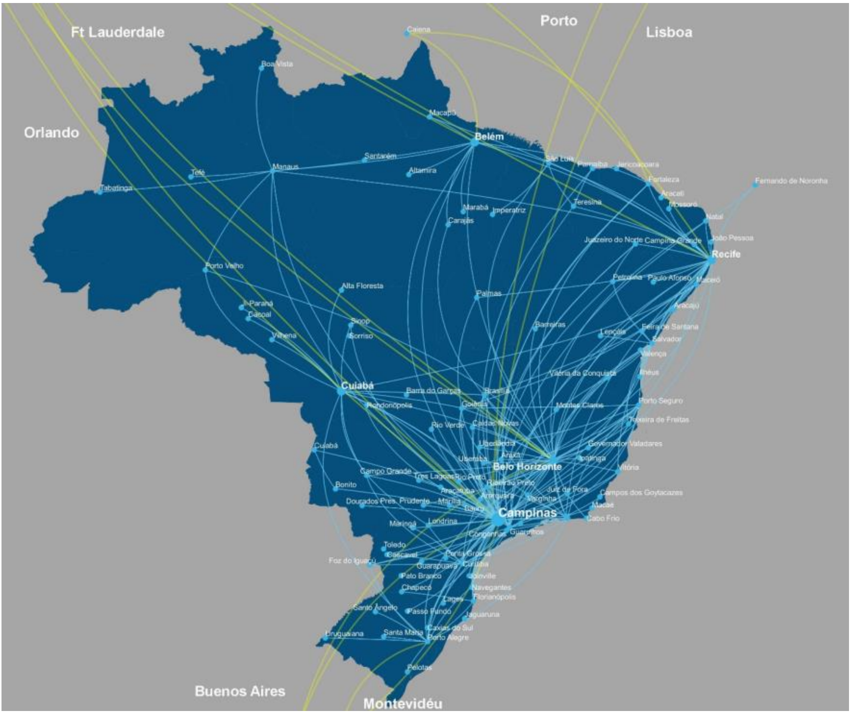


Azul has valuable assets not found in other airlines

IMMEDIATE REPONSE TO COVID-19 PANDEMIC

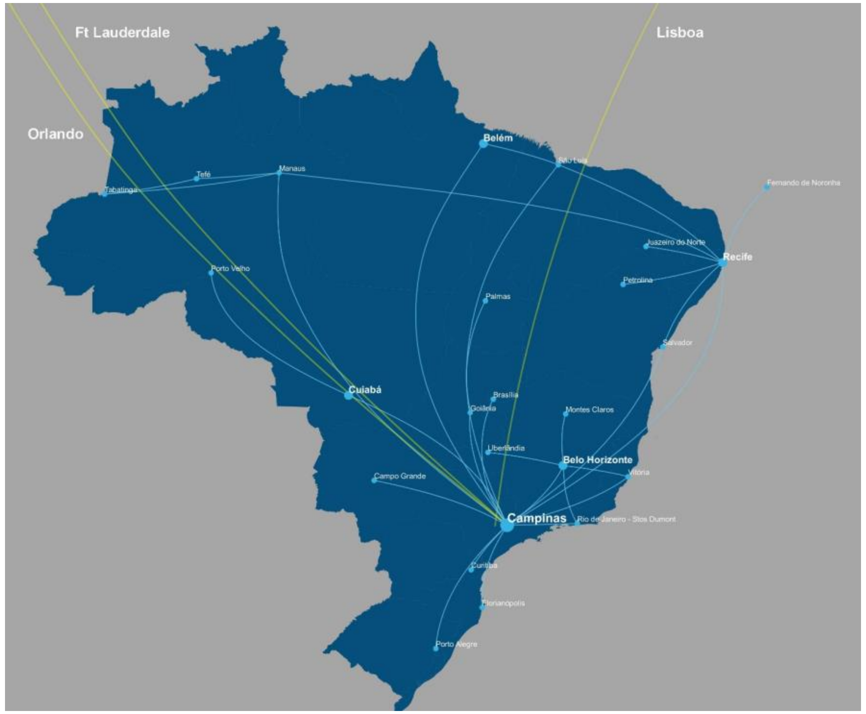
CAPACITY ADJUSTMENTS: FAST RESPONSE TO PASSENGER DEMAND

Pre-Crisis



950 daily flights
116 cities

April 2020



70 daily flights
25 cities

May 2020

115 daily flights
38 cities

First airline to cut capacity in the last two weeks of March by 50% YoY; 90% cut in April YoY
75% to 85% YoY reduction expected in 2Q20

Azul

COST STRUCTURE OPTIMIZATION

Payroll

+50% salary reduction expected in 2Q20

+10,500 crewmembers joined unpaid leave of absence program (78% of total workforce)

Negotiated fixed salary reduction for pilots and flight attendants

Implemented labor provisional measures that reduces working hours and salaries

Executives salary cuts of 50% to 100% and managers salary cut of 25%

Bonus payment suspension and profit sharing payments deferred

Aircraft

Deferral of aircraft lease payments

Suspension of new aircraft deliveries

Suspension of pre-delivery deposits payments

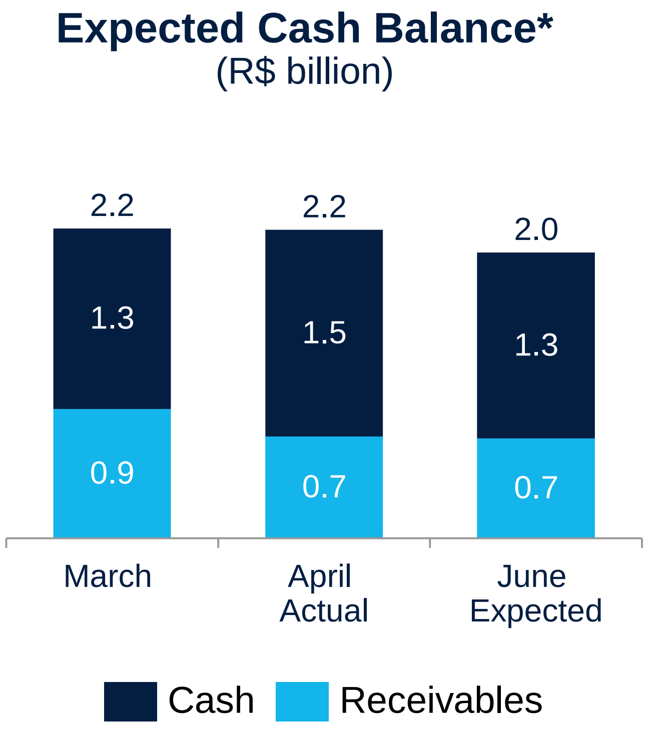
Capex and other

Negotiating with partners and suppliers to postpone and extend payment terms

All non-essential investments suspended; 2Q20 CAPEX ~zero

Total operating cost in 2Q20 is expected to decline approximately 55% YoY

CASH PRESERVATION STRATEGY



Increased cash position in April, even after paying coupon on 2024 senior note

Net cash burn of R$3 million to R$4 million per day expected in May and June

No PDP or aircraft CAPEX commitments in 2020

No relevant amount of debt repayment in 2020

Fuel hedges rollover

Based on our immediate response measures, our current cash position is expected to last for over a year assuming the current demand environment

Azul

*Excludes R$937 million stake in TAP

AZUL'S MANAGEMENT PLAN: MEDIUM TO LONG-TERM LIQUIDITY RUNWAY

Azul

AZUL MANAGEMENT PLAN

Targets

Maintain a comfortable cash cushion until December 2021 without the need for capital raise

Maximum flexibility for the company

All stakeholders will contribute including crewmembers, OEMs, lessors, suppliers and Government

Assumptions

Conservative demand recovery scenario for 2020 (40% of pre-crisis level)

AZUL MANAGEMENT PLAN: COLLABORATION OF ALL STAKEHOLDERS

Crewmembers

Payroll initiatives aimed at adjusting to the new demand environment

Fleet and aircraft manufacturers

Deferral of 59 E2s deliveries scheduled between 2020 and 2023 to 2024 and beyond

In negotiations with Airbus, GE, Pratt & Whitney and Rolls Royce

Natural exit of 51 aircraft until 2023

Lessors

Comprehensive renegotiation of lease terms

Financial partners

Negotiating access to credit line facilities

Working with financial partners to reschedule debt amortization

Other

Negotiating payment terms with Government authorities for navigation fees and landing fees

All non-aircraft suppliers extending out payment terms

SUSTAINABLE, DEFENSIBLE BUSINESS MODEL

- ✓ Azul entered the crisis as one of the strongest airlines in the world
- ✓ Fast response to reduce costs and maintain cash reserves for over one year
- ✓ Created management plan to ensure positive cash position in the long-term
- ✓ Flexible fleet with trip cost advantage

Renowned Customer Service

2019 TRAVELLERS' CHOICE tripadvisor – TOP 10 AIRLINE WORLDWIDE

2019 TRAVELLERS' CHOICE tripadvisor – BEST LOW COST LATIN AMERICA

2019 TRAVELLERS' CHOICE tripadvisor – BEST AIRLINE BRAZIL

2019 TRAVELLERS' CHOICE tripadvisor – BEST BUSINESS CLASS LATIN AMERICA

2019 TRAVELLERS' CHOICE tripadvisor – BEST ECONOMY CLASS LATIN AMERICA

2019 TRAVELLERS' CHOICE tripadvisor – BEST AIRLINE LATIN AMERICA

Prêmio Melhores Destinos

PRÊMIO NEGÓCIOS ReclameAQUI – AS MELHORES EMPRESAS PARA O CONSUMIDOR 2019

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