UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __ to __

Commission File Number: 001-40304

FRONTIER

Frontier Group Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**46-3681866**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

4545 Airport Way
Denver, CO 80239
(720) 374-4550

(Address of principal executive offices, including zip code, and Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.001 par value per share	ULCC	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had 230,215,771 shares of common stock, $0.001 par value per share, outstanding as of July 24, 2026.

TABLE OF CONTENTS

Cautionary Statement Regarding Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q should be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations and beliefs with respect to certain current and future events and anticipated financial and operating performance. Words such as "may," "might," "will," "should," "could," "would," "expect," "intends," "plan," "anticipate," "believe," "estimate," "project," "targets," "predict," "potential" and similar expressions are intended to identify forward-looking statements. Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as our audited consolidated financial statements and related notes as disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission (the "SEC") on February 18, 2026 (the "2025 Annual Report"). This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations," Part II, Item 1A, "Risk Factors" and other factors set forth in other parts of this Quarterly Report on Form 10-Q, as well as those risks and uncertainties set forth from time to time under the sections captioned "Risk Factors" in our reports and other documents filed with the SEC, including our 2025 Annual Report. Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

PART I – FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Balance Sheets
(unaudited, in millions, except share data)

	June 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 955	$ 671
Accounts receivable, net	147	85
Supplies, net	91	90
Other current assets	113	112
Total current assets	**1,306**	**958**
Property and equipment, net	474	510
Operating lease right-of-use assets	4,694	4,806
Pre-delivery deposits for flight equipment	322	428
Intangible assets, net	27	27
Other assets	420	491
Total assets	**$ 7,243**	**$ 7,220**
Liabilities and stockholders' equity		
Accounts payable	$ 95	$ 130
Air traffic liability	512	352
Frequent flyer liability	29	16
Current maturities of long-term debt, net	206	301
Current maturities of operating leases	752	779
Other current liabilities	645	525
Total current liabilities	**2,239**	**2,103**
Long-term debt, net	300	313
Long-term operating leases	3,984	4,070
Long-term frequent flyer liability	77	44
Other long-term liabilities	507	199
Total liabilities	**7,107**	**6,729**
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Common stock, $0.001 par value per share, with 230,198,520 and 229,010,827 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	444	437
Retained earnings (accumulated deficit)	(303)	59
Accumulated other comprehensive income (loss)	(5)	(5)
Total stockholders' equity	**136**	**491**
Total liabilities and stockholders' equity	**$ 7,243**	**$ 7,220**

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Operations
(unaudited, in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating revenues:				
Passenger	$ 1,235	$ 898	$ 2,187	$ 1,782
Other	44	31	84	59
Total operating revenues	**1,279**	**929**	**2,271**	**1,841**
Operating expenses:				
Aircraft fuel	436	230	704	468
Salaries, wages and benefits	266	254	537	503
Aircraft rent	266	194	531	355
Station operations	197	178	389	358
Maintenance, materials and repairs	64	47	206	98
Sales and marketing	48	39	91	80
Depreciation and amortization	56	21	118	41
Other operating	43	41	75	59
Total operating expenses	**1,376**	**1,004**	**2,651**	**1,962**
Operating income (loss)	**(97)**	**(75)**	**(380)**	**(121)**
Other income (expense):				
Interest expense	(10)	(10)	(22)	(19)
Capitalized interest	6	8	14	16
Interest income and other	7	7	13	14
Total other income (expense)	**3**	**5**	**5**	**11**
Income (loss) before income taxes	(94)	(70)	(375)	(110)
Income tax expense (benefit)	(4)	—	(13)	3
Net income (loss)	**$ (90)**	**$ (70)**	**$ (362)**	**$ (113)**
Earnings (loss) per share:				
Basic	$ (0.39)	$ (0.31)	$ (1.58)	$ (0.50)
Diluted	$ (0.39)	$ (0.31)	$ (1.58)	$ (0.50)

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(unaudited, in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Net income (loss)	**$ (90)**	**$ (70)**	**$ (362)**	**$ (113)**
Amortization from cash flow hedges, net of adjustment for deferred tax benefit (expense) of less than $1 for each of the three and six months ended June 30, 2026 and 2025	—	—	—	—
Other comprehensive income (loss)	—	—	—	—
Comprehensive income (loss)	**$ (90)**	**$ (70)**	**$ (362)**	**$ (113)**

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited, in millions)

	Six Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (362)	$ (113)
Adjustments to reconcile net loss to cash provided by (used in) operating activities:		
Deferred income taxes	(12)	3
Depreciation and amortization	55	41
Gains recognized on sale-leaseback transactions	(94)	(90)
Stock-based compensation	9	11
Early Return Agreement charges	130	—
Changes in operating assets and liabilities:		
Accounts receivable, net	(62)	(25)
Supplies and other current assets	(4)	8
Other long-term assets	(114)	(103)
Accounts payable	(18)	51
Air traffic liability	160	30
Other liabilities	503	(32)
Cash provided by (used in) operating activities	**191**	**(219)**
Cash flows from investing activities:		
Capital expenditures	(25)	(51)
Pre-delivery deposits for flight equipment, net of refunds	106	(62)
Other	(1)	—
Cash provided by (used in) investing activities	**80**	**(113)**
Cash flows from financing activities:		
Proceeds from issuance of debt, net of issuance costs	56	101
Principal repayments on debt	(165)	(43)
Proceeds from sale-leaseback transactions	124	93
Proceeds from the exercise of stock options	—	6
Tax withholdings on share-based awards	(2)	(2)
Cash provided by financing activities	**13**	**155**
Net increase (decrease) in cash, cash equivalents and restricted cash	284	(177)
Cash, cash equivalents and restricted cash, beginning of period	671	740
Cash, cash equivalents and restricted cash, end of period	**$ 955**	**$ 563**

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Stockholders' Equity
(unaudited, in millions, except share data)

	Common Stock		Additional paid-in capital	Retained earnings (accumulated deficit)	Accumulated other comprehensive income (loss)	Total
	Shares	Amount				
Balance at December 31, 2024	**225,440,496**	**$ —**	**$ 414**	**$ 196**	**$ (6)**	**$ 604**
Net income (loss)	—	—	—	(43)	—	(43)
Shares issued in connection with vesting of restricted stock units	732,422	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(224,187)	—	(2)	—	—	(2)
Shares issued in connection with warrant exercises, net	248,893	—	—	—	—	—
Stock option exercises	1,542,583	—	6	—	—	6
Stock-based compensation	—	—	5	—	—	5
Balance at March 31, 2025	**227,740,207**	**$ —**	**$ 423**	**$ 153**	**$ (6)**	**$ 570**
Net income (loss)	—	—	—	(70)	—	(70)
Shares issued in connection with vesting of restricted stock units	424,649	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(50,258)	—	—	—	—	—
Stock option exercises	19,950	—	—	—	—	—
Stock-based compensation	—	—	6	—	—	6
Balance at June 30, 2025	**228,134,548**	**$ —**	**$ 429**	**$ 83**	**$ (6)**	**$ 506**

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Condensed Consolidated Statements of Stockholders' Equity
(unaudited, in millions, except share data)

	Common Stock		Additional paid-in capital	Retained earnings (accumulated deficit)	Accumulated other comprehensive income (loss)	Total
	Shares	Amount				
Balance at December 31, 2025	**229,010,827**	**$ —**	**$ 437**	**$ 59**	**$ (5)**	**$ 491**
Net income (loss)	—	—	—	(272)	—	(272)
Shares issued in connection with vesting of performance and restricted stock units	1,124,982	—	—	—	—	—
Shares withheld to cover employee taxes on vested performance and restricted stock units	(403,685)	—	(2)	—	—	(2)
Stock-based compensation	—	—	5	—	—	5
Balance at March 31, 2026	229,732,124	$ —	$ 440	$ (213)	$ (5)	$ 222
Net income (loss)	—	—	—	(90)	—	(90)
Shares issued in connection with vesting of performance and restricted stock units	521,733	—	—	—	—	—
Shares withheld to cover employee taxes on vested performance and restricted stock units	(55,337)	—	—	—	—	—
Stock-based compensation	—	—	4	—	—	4
Balance at June 30, 2026	**230,198,520**	**$ —**	**$ 444**	**$ (303)**	**$ (5)**	**$ 136**

See Notes to Condensed Consolidated Financial Statements

1. Summary of Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in the United States ("GAAP") and include the accounts of Frontier Group Holdings, Inc. ("FGHI" or the "Company") and its wholly-owned direct and indirect subsidiaries, including Frontier Airlines Holdings, Inc. ("FAH") and Frontier Airlines, Inc. ("Frontier"). All wholly-owned subsidiaries are consolidated, with all intercompany transactions and balances being eliminated.

The Company is an ultra low-cost, low-fare airline headquartered in Denver, Colorado that offers flights throughout the United States and to select international destinations in the Americas, serving approximately 90 airports.

The Company is managed as a single business unit that provides air transportation for passengers and management has concluded there is only one reportable segment. The Company has identified net income (loss) as the primary measurement of the segment's profit or loss. Please see the Company's "Condensed Consolidated Statements of Operations" for net income (loss), as well as other significant revenue and expense components of profit or loss, for the three and six months ended June 30, 2026 and 2025. The Company has identified total assets as the primary measurement of the segment's assets. Please see the Company's "Condensed Consolidated Balance Sheets" for total assets as of June 30, 2026 and December 31, 2025.

The accompanying condensed consolidated financial statements include the accounts of the Company and reflect all normal recurring adjustments which management believes are necessary to fairly present the financial position, results of operations and cash flows of the Company for the respective periods presented. Certain information and footnote disclosures normally included in the annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") for Form 10-Q. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, which was filed with the SEC on February 18, 2026 (the "2025 Annual Report").

The interim results reflected in the unaudited condensed consolidated financial statements are not necessarily indicative of the results that may be expected for other interim periods or for the full year. The air transportation business is subject to significant seasonal fluctuations and is volatile and highly affected by economic cycles and trends.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Revenue Recognition

As of June 30, 2026 and December 31, 2025, the Company's air traffic liability balance was $512 million and $361 million, respectively, which includes amounts classified as other long-term liabilities on the Company's condensed consolidated balance sheets. During the six months ended June 30, 2026, 88% of the air traffic liability as of December 31, 2025 was recognized as passenger revenue within the Company's condensed consolidated statements of operations. Of the air traffic liability balances as of June 30, 2026 and December 31, 2025, $83 million and $75 million, respectively, was related to unearned membership fees.

During the three months ended June 30, 2026, the Company received $175 million of prepaid loyalty program consideration. The upfront payment is included within frequent flyer liabilities, other current and long-term liabilities on the Company's condensed consolidated balance sheets and will be recognized over the duration of the program in passenger and other revenues based on the nature of the separate performance obligations.

Operating revenues are comprised of passenger revenues, which includes fare and non-fare passenger revenues, and other revenues. Disaggregated operating revenues are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Passenger revenues:				
Fare	$ 613	$ 348	$ 1,062	$ 698
Non-fare passenger revenues:				
Service fees	266	252	436	486
Baggage	234	186	449	391
Seat selection	88	81	171	150
Other	34	31	69	57
Total non-fare passenger revenue	622	550	1,125	1,084
Total passenger revenues	1,235	898	2,187	1,782
Other revenues	44	31	84	59
Total operating revenues	**$ 1,279**	**$ 929**	**$ 2,271**	**$ 1,841**

The Company is managed as a single business unit that provides air transportation for passengers. Operating revenues by principal geographic region, as defined by the U.S. Department of Transportation (the "DOT"), are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Domestic	$ 1,219	$ 874	$ 2,163	$ 1,742
Latin America	60	55	108	99
Total operating revenues	**$ 1,279**	**$ 929**	**$ 2,271**	**$ 1,841**

The Company attributes operating revenues by geographic region based upon the origin and destination of each passenger flight segment. The Company's tangible assets consist primarily of flight equipment, which are mobile across geographic markets. Accordingly, assets are not allocated to specific geographic regions.

3. Other Current Assets

Other current assets consist of the following (in millions):

	June 30, 2026	December 31, 2025
Supplier incentives	$ 48	$ 69
Prepaid expenses	35	26
Forgivable loans	5	11
Income tax and other taxes receivable	7	4
Other	18	2
Total other current assets	**$ 113**	**$ 112**

4. Other Current Liabilities

Other current liabilities consist of the following (in millions):

	June 30, 2026	December 31, 2025
Passenger and other taxes and fees payable	$ 201	$ 148
Salaries, wages and benefits	126	143
Station obligations	102	78
Aircraft maintenance	114	65
Fuel liabilities	28	36
Leased aircraft return costs	14	7
Other current liabilities	60	48
Total other current liabilities	**$ 645**	**$ 525**

5. Debt

The Company’s debt obligations are as follows (in millions):

	June 30, 2026	December 31, 2025
Secured debt:		
Pre-delivery Credit Facilities[(a)]	$ 226	$ 348
Revolving Loan Facility[(b)]	—	—
2025-1 EETCs[(c)]	100	105
Unsecured debt:		
Affinity card advance purchase of miles[(d)]	119	101
PSP Promissory Notes[(e)]	66	66
Total debt	**511**	**620**
Less: current maturities of long-term debt, net	(206)	(301)
Less: total debt acquisition costs and other discounts, net	(5)	(6)
Long-term debt, net	**$ 300**	**$ 313**

(a) The Company has multiple pre-delivery credit facilities which consist of the PDP Financing Facility, the Second PDP Financing Facility and the Third PDP Financing Facility, all as defined below (together, the “Pre-delivery Credit Facilities”). The Pre-delivery Credit Facilities are for the financing of pre-delivery deposit payments (“PDPs”) for the Company’s A320neo family aircraft purchase agreement. Each facility is collateralized by the Company’s purchase agreement for the associated A320neo family aircraft deliveries through the term of the respective facilities. Total commitments (drawn or undrawn) under the Pre-delivery Credit Facilities are $299 million. See Note 8 for the Company’s commitment schedule regarding its A320neo family orderbook.

The Company, through an affiliate, entered into a PDP facility in December 2014 (as amended from time to time, the "PDP Financing Facility") for the financing of certain aircraft PDPs. The facility consists of separate loans for each PDP aircraft. Interest is paid every 90 days based on the Secured Overnight Financing Rate ("SOFR") plus a margin for each separate loan. Each separate loan matures upon the earlier of (i) delivery of that aircraft to the Company by Airbus S.A.S. ("Airbus"), (ii) the date one month following the last day of the scheduled delivery month of such aircraft and (iii) if there is a delay in delivery of aircraft, depending on the cause of the delivery delay, up to six months following the last day of the scheduled delivery month of such aircraft. The PDP Financing Facility will be repaid periodically according to the preceding sentence, as amended in 2025, with the facility maturing in December 2027.

In September 2024, the Company, through an affiliate, entered into a PDP facility (the "Second PDP Financing Facility") with a lender not otherwise party to the PDP Financing Facility or Third PDP Financing Facility in connection with the financing of PDPs for certain aircraft deliveries not associated with either the PDP Financing Facility or the Third PDP Financing Facility. Interest is paid quarterly based on SOFR plus an applicable margin. Additionally, the Second PDP Financing Facility requires a commitment fee based on the level of the outstanding loan amounts compared to the committed amount. The Second PDP Financing Facility is expected to be repaid at maturity in September 2027, which may be extended by two additional years. If any such extension request is rejected by the lender, the Company may extend the original maturity date of the Second PDP Financing Facility by six months.

In September 2024, the Company entered into another PDP facility (the "Third PDP Financing Facility") with a lender not otherwise party to the PDP Financing Facility or Second PDP Financing Facility in connection with the financing of PDPs for certain aircraft deliveries not associated with either the PDP Financing Facility or the Second PDP Financing Facility. The Third PDP Financing Facility requires commitment fees to be paid, on a quarterly basis, on each individual aircraft delivery once PDP funding begins, based on the reference amount for that aircraft at a fixed annual rate of the two-year U.S. Treasury Rate plus an applicable margin. The facility consists of separate loans for each PDP aircraft. Each separate loan matures upon the delivery of that aircraft to the Company. The Third PDP Financing Facility will be repaid periodically according to the preceding sentence, with the facility maturing in July 2026.

(b) In September 2024, the Company entered into a revolving line of credit available for general corporate purposes (the "Revolving Loan Facility"). As amended in December 2025 to increase the maximum borrowing capacity, the Revolving Loan Facility provides for $220 million of commitments secured by the Company's loyalty programs and brand-related assets. The Revolving Loan Facility will bear interest at an annual rate of term SOFR for the applicable interest period (or, at the Company's option, an alternate base rate) plus an applicable margin, payable in quarterly installments, on any outstanding balance. A quarterly commitment fee is also payable in arrears at an applicable rate multiplied by the undrawn amount of the Revolving Loan Facility. The Revolving Loan Facility matures in September 2027.

(c) In November 2025, the Company issued class A-1 enhanced equipment trust certificates (the "2025-1 EETCs") through a pass-through trust in a private placement. The pass-through trust holds series A-1 equipment notes with a coupon rate of 6.75% and final payment due in October 2032, that are issued by the Company and guaranteed by Frontier Airlines Holdings, Inc. and Frontier Group Holdings, Inc. The equipment notes are secured by liens on substantially all of the Company's spare parts and tooling. Principal and interest on the issued and outstanding certificates is payable semiannually in April and October of each year, and commenced in April 2026.

(d) The Company entered into an agreement with Barclays Bank Delaware ("Barclays") in 2003, as amended from time to time, which provides for joint marketing, grants certain benefits to co-branded credit cardholders ("Cardholders") and allows Barclays to market using the Company's customer database. In June 2026, the term of the agreement was extended from 2029 to 2037. Cardholders earn miles under the *FRONTIER Miles* program, and the Company sells miles at agreed-upon rates to Barclays and earns fees from Barclays for the acquisition, retention and use of the co-branded credit card by Cardholders. In addition, Barclays will pre-purchase miles if the Company so requests and meets certain conditions precedent. The pre-purchased miles facility amount available to the Company is to be reset on January 15 and July 15 of each calendar year through 2036, based on the aggregate amount of fees payable by Barclays to the Company on a calendar year basis and subject to certain other conditions, up to an aggregate maximum facility amount of $375 million. The Company pays interest on a monthly basis, which is based on a one-month Effective Federal Funds Rate ("EFFR") plus a margin. Beginning June 30, 2036, the facility is scheduled to be repaid in 12 equal monthly installments.

(e) As a result of the Company's participation in the payroll support programs offered by the U.S. Department of the Treasury (the "Treasury"), the Company obtained a series of 10-year loans from the Treasury (collectively, the "PSP Promissory Notes") that are due between 2030 and 2031. The PSP Promissory Notes include an annual interest rate of 1.00% for the first five years and SOFR plus 2.00% in the final five years, with bi-annual interest payments. The loans can be prepaid at par at any time without incurring a penalty.

In connection with the term loan facility entered into with the Treasury on September 28, 2020, which was repaid in full in February 2022, and the PSP Promissory Notes, the Company issued warrants to purchase 3,117,940 shares of FGHI common stock at a weighted-average price of $6.95 per share. During the six months ended June 30, 2025, 1,244,608 warrants were exercised. The Company settled the exercises through a net share settlement of 248,893 shares of FGHI common stock and cash of less than $1 million. During the six months ended June 30, 2026, 237,274 warrants expired and as of June 30, 2026, no warrants remain outstanding.

Cash payments for interest related to debt were $21 million and $18 million for the six months ended June 30, 2026 and 2025, respectively.

The Company has caused standby letters of credit and surety bonds to be issued to various airport authorities and vendors that are collateralized by a portion of the Company's restricted cash and, as of June 30, 2026 and December 31, 2025, the Company did not have any outstanding letters of credit that were drawn upon.

As of June 30, 2026, future maturities of debt were payable as follows (in millions):

		Total
Remainder of 2026	$	111
2027		102
2028		36
2029		9
2030		42
Thereafter		211
Total debt principal payments	**$**	**511**

The Company continues to monitor covenant compliance with various parties, including, but not limited to, its lenders and credit card processors. As of June 30, 2026, the Company was in compliance with all of its covenants.

6. Operating Leases

Early Return Agreement

In March 2026, the Company entered into an agreement (the "Early Return Agreement") to early terminate the leases associated with 24 A320neo aircraft, which represented a lease modification. The costs associated with the Early Return Agreement include non-recurring non-cash charges during the six months ended June 30, 2026 comprised of: $73 million related to the write-off of non-recoverable capitalized prepaid maintenance balances recorded in maintenance, materials and repairs within the Company's condensed consolidated statement of operations, $63 million of accelerated depreciation expense related to the remeasurement of useful lives of capitalized maintenance recorded in depreciation and amortization within the Company's condensed consolidated statement of operations and $(6) million of benefit related to the reversal of previously accrued fixed lease return costs. Additionally, during the six months ended June 30, 2026, the Company recorded $79 million of charges in connection with the return condition of aircraft and engines in aircraft rent within the Company's condensed consolidated statement of operations which will largely be settled in fiscal years 2028 and 2029. During the three months ended June 30, 2026, the Company recorded $44 million of charges in connection with the return condition of aircraft and engines in aircraft rent and $26 million of accelerated depreciation expense related to the remeasurement of useful lives of capitalized maintenance recorded in depreciation and amortization, respectively, within the Company's condensed consolidated statement of operations.

Aircraft

As of June 30, 2026, the Company leased 165 aircraft with remaining terms ranging from 1 year to 12 years, all of which are under operating leases and are included within operating lease right-of-use assets and operating lease liabilities on the Company's condensed consolidated balance sheets. In addition, as of June 30, 2026, the Company leased 61 spare engines, all of which are under operating leases, with the remaining terms ranging from 1 month to 12 years. As of June 30, 2026, the lease rates for 17 of the engines depended on usage-based metrics which are variable and, as such, these leases were not recorded on the Company's condensed consolidated balance sheets as operating lease right-of-use assets or as operating lease liabilities.

During the three and six months ended June 30, 2026 and 2025, the Company completed sale-leaseback transactions with third-party lessors for 6, 13, 3 and 7 new Airbus A320neo family aircraft, respectively. Additionally, during the six months ended June 30, 2025, the Company completed two sale-leaseback transactions with third-party lessors for engines. All of the leases from the sale-leaseback transactions are accounted for as operating leases. The Company recognized gains on sale-leaseback transactions of $47 million, $94 million, $34 million, and $90 million during the three and six months ended June 30, 2026 and 2025, respectively, which are included as a component of other operating expenses within the Company's condensed consolidated statements of operations.

Aircraft Rent Expense and Maintenance Obligations

During the three and six months ended June 30, 2026 and 2025, aircraft rent expense was $266 million, $531 million, $194 million and $355 million, respectively. Aircraft rent expense includes supplemental rent, which is made up of probable lease return condition obligations. The portion of supplemental rent expense (benefit) related to probable lease return condition obligations was $63 million, $121 million, $15 million, and $3 million for the three and six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026 and December 31, 2025, the Company's total leased aircraft and spare engine return cost liability was $135 million and $19 million, respectively, which are reflected in other current liabilities and other long-term liabilities on the Company's condensed consolidated balance sheets.

During the six months ended June 30, 2025, the Company amended certain aircraft operating leases that were slated to expire in 2026 and 2027 in order to extend the term of the lease, and recorded a benefit of $20 million to aircraft rent in the Company's condensed consolidated statements of operations related to previously accrued lease return costs. These costs were variable in nature and associated with the anticipated utilization and condition of the airframes and engines at the original return date. Given the extension of the terms of these aircraft operating leases, such variable return costs are no longer probable of occurring.

Airport Facilities

The Company's facility leases are primarily for space at approximately 90 airports, primarily in the United States. These leases are classified as operating leases and reflect the use of airport terminals, ticket counters, office space, and maintenance facilities. Generally, this space is leased from government agencies that control the use of the airport. The majority of these leases are short-term in nature and renew on an evergreen basis. For these leases, the contractual term is used as the lease term. As of June 30, 2026, the remaining lease terms vary from 1 month to 13 years. At the majority of the U.S. airports, the lease rates depend on airport operating costs or use of the facilities and are reset at least annually, and because of the variable nature of the rates, these leases are not recorded on the Company's condensed consolidated balance sheets as right-of-use assets and lease liabilities.

Other Property and Equipment

The Company leases certain other assets such as flight training equipment, building space, and various other equipment. Certain of the Company's leases for other assets are deemed to contain fixed rental payments and, as such, are classified as operating leases and are recorded on the Company's condensed consolidated balance sheets as right-of-use assets and liabilities. The remaining lease terms range from 1 month to 9 years as of June 30, 2026.

Lease Costs

The table below presents certain information related to lease costs for operating leases during the three and six months ended June 30, 2026 and 2025 (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating lease cost[(a)]	$ 243	$ 181	$ 481	$ 362
Variable lease cost[(a)]	134	122	251	226
Total lease costs	**$ 377**	**$ 303**	**$ 732**	**$ 588**

(a) Expenses are included within aircraft rent, station operations, maintenance, materials and repairs and other operating within the Company's condensed consolidated statements of operations.

During the three and six months ended June 30, 2026 and 2025, the Company acquired, through new or modified operating leases, operating lease assets totaling $259 million, $631 million, $130 million and $558 million, respectively, which are included in operating lease right-of-use assets on the Company's condensed consolidated balance sheets. During the six months ended June 30, 2026, in connection with the Early Return Agreement, the Company reduced operating lease right-of-use assets and liabilities due to the lease modification remeasurement totaling $419 million and $425 million, respectively. During the three and six months ended June 30, 2026 and 2025, the Company paid cash of $205 million, $411 million, $180 million, and $356 million, respectively, for amounts included in the measurement of lease liabilities.

7. Stock-Based Compensation

During the three and six months ended June 30, 2026 and 2025, the Company recognized $4 million, $9 million, $6 million, and $11 million, respectively, in stock-based compensation expense, which is included as a component of salaries, wages and benefits within the Company's condensed consolidated statements of operations.

Stock Options

There were no stock options granted during the six months ended June 30, 2026. During the six months ended June 30, 2026, no vested stock options were exercised. As of June 30, 2026, the weighted-average exercise price of outstanding stock options was $9.49 per share.

Restricted Stock Units

During the six months ended June 30, 2026, 2,881,427 restricted stock units were issued with a weighted-average grant date fair value of $5.40 per share. During the six months ended June 30, 2026, 1,605,089 restricted stock units vested, of which 447,779 restricted stock units were withheld to cover employees' tax withholding obligations, with a weighted-average grant date fair value of $7.15 and $8.45 per share, respectively.

Performance Stock Units

During the six months ended June 30, 2026, 1,063,239 performance stock units ("PSUs") were issued, of which 550,886 PSUs were issued with a non-market-based performance condition and a weighted-average grant date fair value of $5.65 per share, and the remaining 512,353 PSUs were issued with a market-based condition and a weighted-average grant date fair value of $9.49 per share. During the six months ended June 30, 2026, 41,626 PSUs vested, of which 11,243 PSUs were withheld to cover employees' tax withholding obligations, each with a weighted-average grant date fair value of $11.50 per share.

Stockholders' Equity

As of June 30, 2026 and December 31, 2025, the Company had authorized common stock (voting), common stock (non-voting) and preferred stock of 750,000,000, 150,000,000 and 10,000,000 shares, respectively, of which only common stock (voting) were issued and outstanding. All classes of equity have a par value of $0.001 per share.

8. Commitments and Contingencies

Flight Equipment Commitments

As of June 30, 2026, the Company's firm aircraft and engine purchase orders consisted of the following:

	A320neo	A321neo	Total Aircraft[a]	Engines
Year Ending				
Remainder of 2026	1	8	9	1
2027	—	8	8	3
2028	9	11	20	2
2029	—	15	15	5
2030	—	22	22	7
Thereafter	3	78	81	2
Total	**13**	**142**	**155**	**20**

(a) While the schedule presented above reflects the contractual delivery dates as of June 30, 2026, the Company continues to experience delays in the deliveries of Airbus aircraft which may persist in future periods.

The Company is party to certain aircraft and engine purchase agreements that provide for, among other things, varying purchase incentives. These purchase incentives are allocated proportionally by aircraft or engine type over the remaining aircraft or engines to be delivered so that each aircraft's or engine's capitalized cost upon induction would be equal. Therefore, as cash paid for deliveries is greater than the capitalized cost due to the allocation of these purchase incentives, a deferred purchase incentive is recognized, which will ultimately be offset by future deliveries of aircraft or engines with lower cash payments than their associated capitalized cost. As of June 30, 2026 and December 31, 2025, the Company had $61 million and $81 million, respectively, of deferred purchase incentives recognized within other assets on the Company's condensed consolidated balance sheets. As of June 30, 2026 and December 31, 2025, the Company had $49 million and $52 million, respectively, of deferred purchase incentives recognized within other long-term liabilities on the Company's condensed consolidated balance sheets.

As of June 30, 2026, purchase commitments for these aircraft and engines, including estimated amounts for contractual price escalations and PDPs, consisted of the following (in millions):

		Total
Year Ending		
Remainder of 2026	$	554
2027		533
2028		1,224
2029		1,044
2030		1,555
Thereafter		5,504
Total	**$**	**10,414**

Litigation and Other Contingencies

The Company is subject to commercial litigation claims and to administrative and regulatory proceedings and reviews that may be asserted or maintained from time to time. Following a federal excise tax audit by the Internal Revenue Service covering the first quarter of 2021 to the second quarter of 2023, in June 2025, the Company received a revised preliminary assessment in the amount of $133 million related to the applicability of federal excise tax to certain optional ancillary products and services. The Company established an estimated liability for certain fees subject to the assessment where it believes a loss for this matter is probable and reasonably estimable. The Company is contesting the updated assessment. The Company could be subject to further excise tax assessments.

The Company previously received an immaterial audit assessment from the U.S. Transportation Security Administration (the “TSA”) that covered the third quarter of 2016 through the fourth quarter of 2018 and related to the remittance of TSA fees where flight credits expired unused (the “2016-2018 Audit”). The Company appealed this assessment to the United States Tenth Circuit Court of Appeals. In addition, the Company is under audit by the TSA for the period from the fourth quarter of 2019 through the fourth quarter of 2022 (the “2019-2022 Audit”). In April 2026, the Company lost its appeal regarding the 2016-2018 Audit and received a preliminary assessment for the 2019-2022 Audit in the amount of $42 million, which mainly covered remittance of TSA fees where flight credits expired unused as well as for other passengers that purchased tickets and did not travel. During the three months ended March 31, 2026, the Company recorded an additional estimated liability of $77 million, which was largely related to remittance of TSA fees for passengers that purchased tickets and did not travel and is included in other current liabilities and other long-term liabilities on the Company’s condensed consolidated balance sheets and in passenger revenues within the Company’s condensed consolidated statements of operations. The Company could be subject to further TSA audit examinations and resulting assessments.

The Company regularly evaluates the status of such matters to assess whether a loss is probable and reasonably estimable in determining whether an accrual is appropriate. Further, in determining whether disclosure is appropriate, the Company evaluates if the matter has been asserted as well as if there is at least a reasonable possibility that a loss or additional losses may have been incurred and whether an estimate of possible loss or range of loss can be made.

The ultimate outcomes of legal actions are unpredictable and can be subject to significant uncertainties, and it is difficult to determine whether any loss is probable or even possible. Additionally, it is also difficult to estimate the amount of loss and there may be matters for which a loss is probable or reasonably possible but not currently estimable. Thus, actual losses may be in excess of any recorded liability or the range of reasonably possible loss. The Company believes the ultimate outcome of any potential lawsuits, proceedings and reviews will likely not, individually or in the aggregate, have a material adverse effect on its condensed consolidated financial position, liquidity or results of operations, other than disclosed herein, and that the Company’s current accruals cover matters where loss is deemed probable and can be reasonably estimated.

Employees

The Company has seven union-represented employee groups that together represented approximately 88% of all employees as of June 30, 2026. The table below sets forth the Company's employee groups and status of the collective bargaining agreements as of June 30, 2026:

			Percentage of Workforce
Employee Group	**Representative**	**Amendable Date**[(a)]	**June 30, 2026**
Pilots	Air Line Pilots Association ("ALPA")	January 2024[(b)]	27%
Flight Attendants	Association of Flight Attendants ("AFA-CWA")	May 2024[(c)]	53%
Aircraft Technicians	International Brotherhood of Teamsters ("IBT")	May 2025[(d)]	6%
Aircraft Appearance Agents	IBT	July 2030	1%
Dispatchers	Transport Workers Union ("TWU")	August 2028	1%
Material Specialists	IBT	November 2030	<1%
Maintenance Controllers	IBT	December 2030	<1%

(a) Subject to standard early opener provisions.

(b) ALPA filed for mediation through the National Mediation Board (the "NMB") in January 2024, and the parties are meeting regularly as part of the mediation process. Pursuant to the U.S. Railway Labor Act (the "RLA"), the parties continue to be bound by the existing agreements as negotiations continue.

(c) AFA-CWA filed for mediation through the NMB in October 2024, and the parties are meeting monthly as part of the mediation process, with the first meeting held in February 2025. Pursuant to the RLA, the parties continue to be bound by the existing agreements as negotiations continue.

(d) The Company's collective bargaining agreement with its aircraft technicians, represented by IBT, was still amendable as of June 30, 2026. Pursuant to the RLA, the parties continue to be bound by the existing agreements as negotiations continue.

The Company is self-insured for health care claims, subject to a stop-loss policy, for eligible participating employees and qualified dependent medical and dental claims, subject to deductibles and limitations. The Company's liabilities for claims incurred but not reported are determined based on an estimate of the ultimate aggregate liability for claims incurred. The estimate is calculated from actual claim rates and adjusted periodically as necessary. The Company had accrued $7 million for health care claims estimated to be incurred but not yet paid as of both June 30, 2026 and December 31, 2025, which are included as a component of other current liabilities on the Company's condensed consolidated balance sheets.

General Indemnifications

The Company has various leases with respect to real property as well as various agreements among airlines relating to fuel consortia or fuel farms at airports. Under some of these contracts, the Company is party to joint and several liability regarding environmental damages. Under others, where the Company is a member of an LLC or other entity that contracts directly with the airport operator, liabilities are borne through the fuel consortia structure.

The Company's aircraft, services, equipment lease and sale and financing agreements typically contain provisions requiring the Company, as the lessee, obligor or recipient of services, to indemnify the other parties to those agreements, including certain of those parties' related persons, against virtually any liabilities that might arise from the use or operation of the aircraft or such other equipment. The Company believes that its insurance would cover most of its exposure to liabilities and related indemnities associated with the commercial real estate leases and aircraft, services, equipment lease and sale and financing agreements described above.

Certain of the Company's aircraft and other financing transactions include provisions that require payments to preserve an expected economic return to the lenders if that economic return is diminished due to certain changes in law or regulations. In certain of these financing transactions and other agreements, the Company also bears the risk of certain changes in tax laws that would subject payments to non-U.S. entities to withholding taxes.

Certain of these indemnities survive the length of the related financing or lease. The Company cannot reasonably estimate the potential future payments under the indemnities and related provisions described above because it cannot predict (i) when and under what circumstances these provisions may be triggered, and (ii) the amount that would be payable if the provisions were triggered because the amounts would be based on facts and circumstances existing at such time.

9. Earnings (Loss) per Share

Basic earnings (loss) per share are computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding for the respective period. Diluted earnings per share are calculated using the treasury-stock method.

The following table sets forth the computation of earnings (loss) per share on a basic and diluted basis for the periods indicated (in millions, except for share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Basic:				
Net income (loss)	$ (90)	$ (70)	$ (362)	$ (113)
Weighted-average common shares outstanding, basic	229,978,266	227,941,534	229,698,938	227,307,480
Earnings (loss) per share, basic	**$ (0.39)**	**$ (0.31)**	**$ (1.58)**	**$ (0.50)**
Diluted:				
Net income (loss)	$ (90)	$ (70)	$ (362)	$ (113)
Weighted-average common shares outstanding, basic	229,978,266	227,941,534	229,698,938	227,307,480
Effect of dilutive potential common shares	—	—	—	—
Weighted-average common shares outstanding, diluted	229,978,266	227,941,534	229,698,938	227,307,480
Earnings (loss) per share, diluted	**$ (0.39)**	**$ (0.31)**	**$ (1.58)**	**$ (0.50)**

Due to the net loss for each of the three and six months ended June 30, 2026 and 2025, diluted weighted-average shares outstanding are equal to basic weighted-average shares outstanding because the effect of all equity awards is anti-dilutive.

10. Income Taxes

When a reliable estimate cannot be made, the Company computes the interim income tax provision based on the actual effective tax rate for the year-to-date period by applying the discrete method. The Company has calculated its effective tax rate using the discrete method for the three and six months ended June 30, 2026 and 2025.

The Company accounts for income taxes using the asset and liability method. Deferred income taxes are recognized for the tax consequences of temporary differences between the tax and financial statement reporting basis of assets and liabilities. Quarterly, the Company assesses whether it is more likely than not that sufficient taxable income will be generated to realize deferred income tax assets, and a valuation allowance is recorded when it is more likely than not that some portion, or all, of the Company's deferred tax assets, will not be realized. The Company considers sources of taxable income from prior period carryback periods, future reversals of existing taxable temporary differences, tax planning strategies and future projected taxable income when assessing the future realization of deferred tax assets, as applicable.

The Company's effective tax rate for the three and six months ended June 30, 2026 was a benefit of 4.3% and 3.5%, respectively, on pre-tax losses, compared to an expense of 0% and 2.7%, respectively, on pre-tax losses for the three and six months ended June 30, 2025. The effective tax rate for the three and six months ended June 30, 2026 was lower than the statutory rate primarily due to nonrecognition of current period tax benefits due to the valuation allowance recorded for U.S. federal and state net operating losses. The Company's effective tax rate for the three and six months ended June 30, 2025 was lower than the statutory rate primarily due to nonrecognition of current period tax benefits due to the valuation allowance recorded for U.S. federal and state net operating losses.

In assessing the sources of taxable income and the need for a valuation allowance, the Company considers all available positive and negative evidence, which includes a recent history of cumulative losses. As of June 30, 2026, it was more likely than not that the benefit from a portion of its federal, state and foreign deferred tax assets will not be realized. Accordingly, as of June 30, 2026, the Company had a valuation allowance of $138 million against its deferred tax assets for U.S. federal, state and foreign net operating loss carryforwards. During the three months ended June 30, 2026, the Company recorded a valuation allowance for U.S. federal, state and foreign net operating loss carryforwards of $16 million, $2 million, and $1 million, respectively. During the six months ended June 30, 2026, the Company recorded a valuation allowance for U.S. federal, state and foreign net operating loss carryforwards of $65 million, $6 million, and $2 million, respectively.

11. Fair Value Measurements

Under ASC 820, *Fair Value Measurements and Disclosures*, disclosures relating to how fair value is determined for assets and liabilities are required, and a hierarchy for which these assets and liabilities must be grouped is established, based on significant levels of inputs, as follows:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes several valuation techniques in order to assess the fair value of its financial assets and liabilities.

Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash are comprised of liquid money market funds, time deposits, and cash, and are categorized as Level 1 instruments. The Company maintains cash with various high-quality financial institutions. Cash, cash equivalents and restricted cash are carried at cost, which management believes approximates fair value. As of June 30, 2026 and December 31, 2025, the Company had $19 million and $17 million, respectively, of restricted cash as a component of cash and cash equivalents on the Company's condensed consolidated balance sheets.

Debt

The estimated fair value of the Company's debt agreements has been determined to be a Level 3 measurement, as certain inputs used to determine the fair value of these agreements are unobservable. The Company utilizes a discounted cash flow method to estimate the fair value of the Level 3 debt.

The carrying amounts and estimated fair values of the Company's debt are as follows (in millions):

	June 30, 2026		December 31, 2025	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Secured debt:				
Pre-delivery Credit Facilities	$ 226	$ 229	$ 348	$ 352
2025-1 EETCs	100	103	105	109
Unsecured debt:				
Affinity card advance purchase of miles	119	110	101	100
PSP Promissory Notes	66	66	66	65
Total debt	**$ 511**	**$ 508**	**$ 620**	**$ 626**

The tables below present disclosures about the fair value of assets and liabilities measured at fair value on a recurring basis on the Company's condensed consolidated balance sheets (in millions):

		Fair Value Measurements as of June 30, 2026			
Description	Balance Sheet Classification	Total	Level 1	Level 2	Level 3
Cash, cash equivalents and restricted cash	Cash and cash equivalents	$ 955	$ 955	$ —	$ —

		Fair Value Measurements as of December 31, 2025			
Description	Balance Sheet Classification	Total	Level 1	Level 2	Level 3
Cash, cash equivalents and restricted cash	Cash and cash equivalents	$ 671	$ 671	$ —	$ —

The Company had no transfers of assets or liabilities between fair value hierarchy levels between December 31, 2025 and June 30, 2026.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Part II, Item 8. "Financial Statements and Supplementary Data" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, which was filed with the SEC on February 18, 2026 (the "2025 Annual Report").

Recent Developments

Macroeconomic Conditions. Recent geopolitical tensions and military conflict in the Middle East, including developments involving Iran, have contributed to volatility in global energy markets. Higher crude oil prices can increase our jet fuel costs, which we experienced during the three and six months ended June 30, 2026. In addition, related instability may create supply chain challenges affecting aircraft parts and other operational inputs. Continued uncertainty or further escalation could pressure our operating costs and negatively affect our financial performance. We continue to monitor the situation and the related impacts to our business.

Financing. In June 2026, we amended our Credit Card Affinity Agreement with Barclays Bank Delaware ("Barclays") to extend the term of both the co-branded credit card agreement and the pre-purchased miles facility from December 31, 2029 to June 30, 2037. The amendment also increased the pre-purchased miles facility from $200 million to $375 million. Please refer to "Notes to Condensed Consolidated Financial Statements — 2. Revenue Recognition" for additional information.

Labor. We are currently in negotiations with the unions which represent our pilots, flight attendants, and aircraft technicians regarding their next labor contracts. Please refer to "Notes to Condensed Consolidated Financial Statements — 8. Commitments and Contingencies" for additional information.

Legal/Regulatory. During 2025, we obtained a revised preliminary assessment in the amount of $133 million related to the applicability of federal excise tax to certain optional ancillary products and services. We established reserves for certain fees subject to the assessment where we believe a loss for this matter is probable and estimable and we are contesting the assessment.

We previously received an immaterial audit assessment from the U.S. Transportation Security Administration (the "TSA") that covered the third quarter of 2016 through the fourth quarter of 2018 and related to the remittance of TSA fees where flight credits expired unused (the "2016-2018 Audit"). We appealed this assessment to the United States Tenth Circuit Court of Appeals. In addition, we are under audit by the TSA for the period from the fourth quarter of 2019 through the fourth quarter of 2022 (the "2019-2022 Audit"). In April 2026, we lost our appeal regarding the 2016-2018 Audit and received a preliminary assessment for the 2019-2022 Audit in the amount of $42 million, which mainly covered remittance of TSA fees where flight credits expired unused as well as for other passengers that purchased tickets and did not travel. During the six months ended June 30, 2026, we recorded a one-time charge related to prior periods of $73 million (the "TSA Reserve") for the 2016-2018 Audit and 2019-2022 Audit periods, which is largely related to remittance of TSA fees for passengers that purchased tickets and did not travel and is included in other current liabilities and other long-term liabilities on our condensed consolidated balance sheets and in passenger revenues within our condensed consolidated statements of operations. We could be subject to further TSA audit examinations and resulting assessments.

Product. In July 2026, we announced that the first Starlink-equipped aircraft will launch in 2027 and deployment of high-speed Wi-Fi to the rest of our fleet will follow. Starlink will be our first offering of Wi-Fi and enhance the inflight experience for our customers.

Fleet. In June 2026, we entered into an agreement with an existing lessor (the "Aircraft Sale Agreement") to sell 11 A321neo aircraft at the time of delivery from our existing purchase agreement. The 11 aircraft include 3 deliveries expected in the fourth quarter of 2026 and 8 deliveries anticipated in the first half of 2027.

In March 2026, we entered into an agreement (the "Early Return Agreement") to terminate the leases associated with 24 A320neo aircraft. As of June 30, 2026, all 24 aircraft have been returned and removed from the fleet. For the three and six months ended June 30, 2026, we recognized $70 million and $209 million, respectively, of operating expenses related to the Early Return Agreement, which includes one-time charges for lease return costs and costs related to the write-off of non-recoverable capitalized prepaid maintenance and accelerated depreciation of capitalized maintenance. Please refer to "Notes to Condensed Consolidated Financial Statements — 6. Operating Leases" for additional information.

Overview

The following table provides select financial and operational information for the three and six months ended June 30, 2026 and 2025 (in millions, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total operating revenues	$ 1,279	$ 929	$ 2,271	$ 1,841
Total operating expenses	$ 1,376	$ 1,004	$ 2,651	$ 1,962
Pre-tax income (loss)	$ (94)	$ (70)	$ (375)	$ (110)
Adjusted pre-tax income (loss)	$ (24)	$ (70)	$ (93)	$ (110)
Available seat miles ("ASMs")	11,103	10,313	20,912	20,262
Earnings (loss) per share, diluted	$ (0.39)	$ (0.31)	$ (1.58)	$ (0.50)

Revenues

Total operating revenues for the three months ended June 30, 2026 totaled $1,279 million, an increase of 38% compared to the three months ended June 30, 2025. Revenue per available seat mile ("RASM"), increased by 28% driven by a 20% increase in total revenue per passenger as compared to the corresponding prior year period, alongside a 1.0-point increase in load factor. Capacity, as measured by ASMs, for the three months ended June 30, 2026, as compared to the three months ended June 30, 2025, increased by 8%.

Total operating revenues for the six months ended June 30, 2026 totaled $2,271 million, an increase of 23% compared to the six months ended June 30, 2025. This was primarily due to the 20% increase in RASM, driven by a 12% increase in total revenue per passenger and a 2.2-point increase in load factor for the six months ended June 30, 2026, as compared to the corresponding prior year period. Capacity, as measured by ASMs, for the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, increased by 3%.

Adjusted RASM, a non-GAAP measure, increased from 9.08¢ during the six months ended June 30, 2025 to 11.21¢ during the six months ended June 30, 2026. For the six months ended June 30, 2026, this excludes the impact of $73 million related to the TSA Reserve associated with prior periods. There were no adjustments for the three months ended June 30, 2026 and the three and six months ended June 30, 2025.

Operating Expenses

Total operating expenses during the three months ended June 30, 2026 increased to $1,376 million, resulting in a cost per available seat mile ("CASM") of 12.39¢, an increase of 27%, as compared to the three months ended June 30, 2025. Fuel expense for the three months ended June 30, 2026 was $206 million higher than the corresponding prior year period. The 90% increase in fuel expense for the three months ended June 30, 2026 was driven by a 77% increase in fuel cost per gallon and an 8% increase in fuel gallons consumed.

Our non-fuel expenses increased by 21% during the three months ended June 30, 2026, as compared to the corresponding prior year period, driven primarily by expenses related to the Early Return Agreement to terminate the leases associated with 24 A320neo aircraft. The 21% increase was also driven by higher rent and maintenance expenses due to a larger fleet, and increased station operations expense due to increased airport operations, partially offset by an increase in sale-leaseback transactions. CASM (excluding fuel), a non-GAAP measure, increased 13% to 8.46¢, on an 8% increase in capacity, for the three months ended June 30, 2026, as compared to the corresponding prior year period, due to the aforementioned drivers of increased non-fuel expenses.

Adjusted CASM (excluding fuel), a non-GAAP measure, increased from 7.50¢ for the three months ended June 30, 2025 to 7.84¢ for the three months ended June 30, 2026. For the three months ended June 30, 2026, this excludes the impact of $70 million in expenses relating to the Early Return Agreement. There were no adjustments for the three months ended June 30, 2025.

Total operating expenses during the six months ended June 30, 2026 increased to $2,651 million, resulting in a CASM of 12.68¢, an increase of 31% compared to the six months ended June 30, 2025. Fuel expense for the six months ended June 30, 2026 was $236 million higher than the corresponding prior year period. The 50% increase in fuel expense for the six months ended June 30, 2026 was driven by the 45% increase in fuel cost per gallon and a 4% increase in fuel gallons consumed.

Our non-fuel expenses increased by 30% during the six months ended June 30, 2026, as compared to the corresponding prior year period, driven primarily by expenses related to the Early Return Agreement, increased aircraft rent due to a larger fleet, and increased maintenance, employee and station costs. CASM (excluding fuel), a non-GAAP measure, increased 26% to 9.31¢, on a 3% increase in capacity, for the six months ended June 30, 2026, as compared to the corresponding prior year due to the aforementioned drivers of increased non-fuel expenses.

Adjusted CASM (excluding fuel), a non-GAAP measure, increased from 7.37¢ for the six months ended June 30, 2025 to 8.31¢ for the six months ended June 30, 2026. For the six months ended June 30, 2026, this excludes the impact of $209 million in expenses relating to the Early Return Agreement. There were no adjustments for the six months ended June 30, 2025.

Net Income (Loss)

We generated a net loss of $90 million during the three months ended June 30, 2026, compared to a net loss of $70 million for the three months ended June 30, 2025. Considering the aforementioned non-GAAP adjustments and related $2 million of tax impacts, our adjusted net loss, a non-GAAP measure, was $22 million for the three months ended June 30, 2026. There were no non-GAAP adjustments for the three months ended June 30, 2025.

We generated a net loss of $362 million during the six months ended June 30, 2026, compared to a net loss of $113 million for the six months ended June 30, 2025. Considering the aforementioned non-GAAP adjustments and related $10 million of tax impacts, our adjusted net loss, a non-GAAP measure, was $90 million for the six months ended June 30, 2026. There were no non-GAAP adjustments during the six months ended June 30, 2025.

For the reconciliation to the corresponding GAAP measures of the aforementioned non-GAAP adjusted measures, see “Results of Operations — Reconciliation of GAAP to Non-GAAP Financial Data.”, “Reconciliation of Revenue to Adjusted Revenue”, and “Results of Operations — Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss), Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss), and Net Income (Loss) to EBITDA, EBITDAR, Adjusted EBITDA, and Adjusted EBITDAR.”

Liquidity

As of June 30, 2026, our total available liquidity was $1,156 million, consisting of $936 million of unrestricted cash and cash equivalents and availability under our revolving line of credit (the “Revolving Loan Facility”).

Results of Operations

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025

Operating Revenues

	Three Months Ended June 30,			
	2026	**2025**	**Change**	
Operating revenues ($ in millions):				
Passenger	$ 1,235	$ 898	$ 337	38 %
Other	44	31	13	42 %
Total operating revenues	**$ 1,279**	**$ 929**	**$ 350**	38 %
Operating statistics:				
ASMs (millions)	11,103	10,313	790	8 %
Revenue passenger miles (“RPMs”) (millions)	8,915	8,182	733	9 %
Average stage length (miles)	897	942	(45)	(5)%
Load factor	80.3 %	79.3 %	1.0 pts	N/A
RASM (¢)	11.52	9.01	2.51	28 %
Fare revenue per passenger ($)	63.04	40.94	22.10	54 %
Total revenue per passenger ($)	131.46	109.27	22.19	20 %
Passengers (thousands)	9,730	8,499	1,231	14 %

Total operating revenue increased $350 million, or 38%, during the three months ended June 30, 2026 compared to the three months ended June 30, 2025. Revenue was favorably impacted by the 28% increase to RASM, driven by a 20% increase in total revenue per passenger, led by fare revenue per passenger, a 5% decrease in average stage length, supported by a 12% increase in departures and a 1.0-point increase in load factor, as compared to the corresponding prior year period. The 8% increase in capacity, as measured by ASMs, was primarily driven by a 6% increase in average aircraft in service as compared to the corresponding prior year period.

Operating Expenses

	Three Months Ended June 30,				Cost per ASM		
	2026	2025	Change		2026	2025	Change
Operating expenses ($ in millions):[a]							
Aircraft fuel	$ 436	$ 230	$ 206	90 %	3.93 ¢	2.23 ¢	76 %
Salaries, wages and benefits	266	254	12	5 %	2.40	2.46	(2)%
Aircraft rent	266	194	72	37 %	2.40	1.88	28 %
Station operations	197	178	19	11 %	1.77	1.73	2 %
Maintenance, materials and repairs	64	47	17	36 %	0.58	0.46	26 %
Sales and marketing	48	39	9	23 %	0.43	0.38	13 %
Depreciation and amortization	56	21	35	167 %	0.50	0.20	150 %
Other operating	43	41	2	5 %	0.38	0.39	(3)%
Total operating expenses	**$ 1,376**	**$ 1,004**	**$ 372**	37 %	**12.39 ¢**	**9.73 ¢**	27 %
Operating statistics:							
ASMs (millions)	11,103	10,313	790	8 %			
Average stage length (miles)	897	942	(45)	(5)%			
Passengers (thousands)	9,730	8,499	1,231	14 %			
Departures	58,271	52,147	6,124	12 %			
CASM (excluding fuel) (¢)[b]	8.46	7.50	0.96	13 %			
Adjusted CASM (excluding fuel) (¢)[b]	7.84	7.50	0.34	5 %			
Fuel cost per gallon ($)	4.17	2.36	1.81	77 %			
Fuel gallons consumed (thousands)	104,789	97,427	7,362	8 %			

(a) Cost per ASM figures may not recalculate due to rounding.

(b) These metrics are not calculated in accordance with GAAP. For the reconciliation to the corresponding GAAP measures of the aforementioned non-GAAP adjusted measures, see “Reconciliation of GAAP to Non-GAAP Financial Data.”

Aircraft Fuel. Aircraft fuel expense increased by $206 million, or 90%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025. The increase was primarily due to the 77% increase in fuel cost per gallon as well as an 8% increase in fuel gallons consumed, driven by higher capacity.

Salaries, Wages and Benefits. Salaries, wages and benefits expense increased by $12 million, or 5%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025. The increase was primarily due to higher crew costs, as compared to the corresponding prior year period.

Aircraft Rent. Aircraft rent expense increased by $72 million, or 37%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025, primarily due to higher aircraft lease return expense, driven by the Early Return Agreement, and a larger fleet.

Station Operations. Station operations expense increased by $19 million, or 11%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025, primarily due to increased airport operations driven by a 14% increase in passengers and a 12% increase in departures.

Maintenance, Materials and Repairs. Maintenance, materials and repair expense increased by $17 million, or 36%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025. This increase was primarily due to higher engine repair costs and timing of aircraft inspections and related materials costs, driven by a 6% increase in average aircraft in service.

Sales and Marketing. Sales and marketing expense increased by $9 million, or 23%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025, primarily due to the increase in credit card fees as a result of the 38% increase in total operating revenue, partially offset by a decrease in third-party distribution channel fees. The following table presents our distribution channel mix:

	Three Months Ended June 30,		
Distribution Channel	**2026**	**2025**	**Change**
Our website, mobile app and other direct channels	70 %	70 %	— pts
Third-party channels	30 %	30 %	— pts

Depreciation and Amortization. Depreciation and amortization expense increased by $35 million, or 167%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025, primarily due to the accelerated depreciation on capitalized maintenance costs related to the Early Return Agreement and the increase in capital maintenance depreciation driven by a larger fleet.

Other Operating Expense. Other operating expenses increased by $2 million, or 5%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025. This increase was primarily driven by an increase in supplies, outside service costs, and taxes and insurance expenses, partially offset by the increase in sale-leaseback gains, as a result of six aircraft inductions compared to three aircraft inductions in the corresponding prior year period.

Other Income (Expense). Other income decreased by $2 million, or 40%, during the three months ended June 30, 2026, as compared to the three months ended June 30, 2025. The decrease was primarily due to decreased capitalized interest, driven by lower PDP balances.

Income Taxes. Our effective tax rate for the three months ended June 30, 2026 was a benefit of 4.3% on pre-tax loss, compared to 0% on a pre-tax loss for the three months ended June 30, 2025. The primary difference between the effective tax rate and the federal statutory rate was related to the increase in our allowance relating to U.S. federal and state net operating loss. Please refer to “Notes to Condensed Consolidated Financial Statements — 10. Income Taxes” for additional information.

Results of Operations

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

Operating Revenues

	Six Months Ended June 30,			
	2026	2025	Change	
Operating revenues ($ in millions):				
Passenger	$ 2,187	$ 1,782	$ 405	23 %
Other	84	59	25	42 %
Total operating revenues	**$ 2,271**	**$ 1,841**	**$ 430**	23 %
Operating statistics:				
ASMs (millions)	20,912	20,262	650	3 %
RPMs (millions)	16,601	15,636	965	6 %
Average stage length (miles)	898	933	(35)	(4)%
Load factor	79.4%	77.2%	2.2 pts	N/A
RASM (¢)	10.86	9.08	1.78	20 %
Fare revenue per passenger ($)	58.84	42.70	16.14	38 %
Total revenue per passenger ($)	125.79	112.66	13.13	12 %
Adjusted RASM (¢)[(a)]	11.21	9.08	2.13	23 %
Adjusted fare revenue per passenger ($)[(a)]	59.54	42.70	16.84	39 %
Adjusted total revenue per passenger ($)[(a)]	129.84	112.66	17.18	15 %
Passengers (thousands)	18,054	16,338	1,716	11 %

(a) These metrics are not calculated in accordance with GAAP. For the reconciliation to the corresponding GAAP measures of the aforementioned non-GAAP adjusted measures, see "Reconciliation of GAAP to Non-GAAP Financial Data."

Total operating revenue increased $430 million, or 23%, during the six months ended June 30, 2026 compared to the six months ended June 30, 2025. Revenue was favorably impacted by the 20% increase in RASM, driven by a 12% increase in total revenue per passenger, a 2.2-point increase in load factor, and a 4% decrease in average stage length, supported by a 6% increase in departures, as compared to the corresponding prior year period. In addition, capacity, as measured by ASMs, for the six months ended June 30, 2026, increased by 3% primarily due to the 11% increase in average aircraft in service, partially offset by a 6% decrease in average daily aircraft utilization, as compared to the six months ended June 30, 2025. Revenue was unfavorably impacted by the TSA Reserve related to those prior periods of $73 million incurred during the six months ended June 30, 2026.

Operating Expenses

	Six Months Ended June 30,				Cost per ASM		
	2026	2025	Change		2026	2025	Change
Operating expenses ($ in millions):[(a)]							
Aircraft fuel	$ 704	$ 468	$ 236	50 %	3.37 ¢	2.31 ¢	46 %
Salaries, wages and benefits	537	503	34	7 %	2.57	2.48	4 %
Aircraft rent	531	355	176	50 %	2.54	1.75	45 %
Station operations	389	358	31	9 %	1.86	1.77	5 %
Maintenance, materials and repairs	206	98	108	110 %	0.99	0.48	106 %
Sales and marketing	91	80	11	14 %	0.44	0.39	13 %
Depreciation and amortization	118	41	77	188 %	0.56	0.20	180 %
Other operating	75	59	16	27 %	0.35	0.30	17 %
Total operating expenses	**$ 2,651**	**$ 1,962**	**$ 689**	35 %	**12.68 ¢**	**9.68 ¢**	31 %
Operating statistics:							
ASMs (millions)	20,912	20,262	650	3 %			
Average stage length (miles)	898	933	(35)	(4)%			
Passengers (thousands)	18,054	16,338	1,716	11 %			
Departures	110,164	103,505	6,659	6 %			
CASM (excluding fuel) (¢)[(b)]	9.31	7.37	1.94	26 %			
Adjusted CASM (excluding fuel) (¢)[(b)]	8.31	7.37	0.94	13 %			
Fuel cost per gallon ($)	3.56	2.45	1.11	45 %			
Fuel gallons consumed (thousands)	197,751	190,639	7,112	4 %			

(a) Cost per ASM figures may not recalculate due to rounding.

(b) These metrics are not calculated in accordance with GAAP. For the reconciliation to the corresponding GAAP measures of the aforementioned non-GAAP adjusted measures, see “Reconciliation of GAAP to Non-GAAP Financial Data.”

Aircraft Fuel. Aircraft fuel expense increased by $236 million, or 50%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025. The increase was due to a 45% increase in fuel cost per gallon as well as a 4% increase in fuel gallons consumed, driven by higher capacity.

Salaries, Wages and Benefits. Salaries, wages and benefits expense increased by $34 million, or 7%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025. The increase was primarily due to higher crew costs, as compared to the corresponding prior year period.

Aircraft Rent. Aircraft rent expense increased by $176 million, or 50%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, primarily due to additional lease return expense, in part related to the Early Return Agreement, and a larger fleet.

Station Operations. Station operations expense increased by $31 million, or 9%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, primarily due to increased airport operations driven by an 11% increase in passengers and a 6% increase in departures.

Maintenance, Materials and Repairs. Maintenance, materials and repair expense increased by $108 million, or 110%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025. This increase was primarily due to the write-off on non-recoverable prepaid maintenance balances related to the Early Return Agreement and higher engine repair costs.

Sales and Marketing. Sales and marketing expense increased by $11 million, or 14%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, primarily due to an increase in credit card fees as a result of the 23% increase in total operating revenue, partially offset by a decrease in third-party distribution channel fees. The following table presents our distribution channel mix:

	Six Months Ended June 30,		
Distribution Channel	**2026**	**2025**	**Change**
Our website, mobile app and other direct channels	69 %	72 %	(3) pt
Third-party channels	31 %	28 %	3 pt

Depreciation and Amortization. Depreciation and amortization expense increased by $77 million, or 188%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, primarily due to the accelerated depreciation on capitalized maintenance costs related to the Early Return Agreement and an increase in capitalized maintenance depreciation due to a larger fleet.

Other Operating Expense. Other operating expenses increased by $16 million, or 27%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025. The increase was primarily driven by increases in outside services, taxes and travel costs, partially offset by the increase in sale-leaseback gains, as a result of thirteen aircraft inductions compared to seven aircraft inductions and two engine inductions in the corresponding prior year period.

Other Income (Expense). Other income decreased by $6 million, or 55%, during the six months ended June 30, 2026, as compared to the six months ended June 30, 2025, primarily due to increased interest expense, driven by higher principal balances on our debt from the addition of the class A-1 enhanced equipment trust certificates (the “2025-1 EETCs”) and decreased capitalized interest, driven by lower PDP balances.

Income Taxes. Our effective tax rate for the six months ended June 30, 2026 was a benefit of 3.5% on pre-tax loss, compared to an expense of 2.7% on pre-tax loss for the six months ended June 30, 2025. The primary difference between the effective tax rate and the federal statutory rate was related to the increase in our valuation allowance relating to U.S. federal and state net operating loss. Please refer to “Notes to Condensed Consolidated Financial Statements — 10. Income Taxes” for additional information.

Reconciliation of GAAP to Non-GAAP Financial Data

	Three Months Ended June 30,			
	2026		2025	
	($ in millions)	**Per ASM (¢)**	**($ in millions)**	**Per ASM (¢)**
Non-GAAP financial data:[(a)]				
CASM		**12.39**		**9.73**
Aircraft fuel	(436)	(3.93)	(230)	(2.23)
CASM (excluding fuel)[(b)]		**8.46**		**7.50**
Early Return Agreement[(c)]	(70)	(0.62)	—	—
Adjusted CASM (excluding fuel)[(b)]		**7.84**		**7.50**
Aircraft fuel	436	3.93	230	2.23
Adjusted CASM[(d)]		**11.77**		**9.73**
Net interest expense (income)	(3)	(0.03)	(5)	(0.05)
Adjusted CASM + net interest[(e)]		**11.74**		**9.68**
CASM		**12.39**		**9.73**
Net interest expense (income)	(3)	(0.02)	(5)	(0.05)
CASM + net interest[(e)]		**12.37**		**9.68**

(a) Cost per ASM figures may not recalculate due to rounding.

(b) CASM (excluding fuel) and Adjusted CASM (excluding fuel) are included as supplemental disclosures because we believe that excluding aircraft fuel is useful to investors as it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. The price of fuel, over which we have limited control, impacts the comparability of period-to-period financial performance, and excluding the price of fuel allows management an additional tool to understand and analyze our non-fuel costs and core operating performance, and increases comparability with other airlines that also provide a similar metric. CASM (excluding fuel) and Adjusted CASM (excluding fuel) are not determined in accordance with GAAP and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(c) We entered into the Early Return Agreement to early terminate the leases associated with 24 A320neo aircraft and as a result incurred non-recurring charges of $70 million during the three months ended June 30, 2026. The $70 million includes $44 million of lease return costs recorded in aircraft rent and $26 million of accelerated depreciation expense related to the remeasurement of useful lives of capitalized maintenance. See "Notes to Condensed Consolidated Financial Statements — 6. Operating Leases" for additional information.

(d) Adjusted CASM is included as supplemental disclosure because we believe it is a useful metric to properly compare our cost management and performance to other peers, as derivations of Adjusted CASM are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, we believe this metric is useful because it removes certain items that may not be indicative of our base operating performance or future results. Adjusted CASM is not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(e) Adjusted CASM including net interest and CASM including net interest are included as supplemental disclosures because we believe they are useful metrics to properly compare our cost management and performance to other peers that may have different capital structures and financing strategies, particularly as it relates to financing primary operating assets such as aircraft and engines. Additionally, we believe Adjusted CASM including net interest is useful because it removes certain items that may not be indicative of our base operating performance or future results. Adjusted CASM including net interest and CASM including net interest are not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

Reconciliation of GAAP to Non-GAAP Financial Data

	Six Months Ended June 30,			
	2026		2025	
	($ in millions)	Per ASM (¢)	($ in millions)	Per ASM (¢)
Non-GAAP financial data:[(a)]				
RASM		**10.86**		**9.08**
TSA Reserve[(b)]	73	0.35	—	—
Adjusted RASM (¢)[(c)]		**11.21**		**9.08**
CASM		**12.68**		**9.68**
Aircraft fuel	(704)	(3.37)	(468)	(2.31)
CASM (excluding fuel)[(d)]		**9.31**		**7.37**
Early Return Agreement[(e)]	(209)	(1.00)	—	—
Adjusted CASM (excluding fuel)[(d)]		**8.31**		**7.37**
Aircraft fuel	704	3.37	468	2.31
Adjusted CASM[(f)]		**11.68**		**9.68**
Net interest expense (income)	(5)	(0.02)	(11)	(0.06)
Adjusted CASM + net interest[(g)]		**11.66**		**9.62**
CASM		**12.68**		**9.68**
Net interest expense (income)	(5)	(0.03)	(11)	(0.06)
CASM + net interest[(g)]		**12.65**		**9.62**

(a) Revenue and cost per ASM figures may not recalculate due to rounding.

(b) We received a court ruling relating to the remittance of TSA fees for unused travel covering the 2016-2018 Audit that resulted in a $73 million charge, the TSA Reserve, that covers probable losses in prior years subject to audit that were recorded during the six months ended June 30, 2026. See “Notes to the Condensed Consolidated Financial Statements — 8. Commitments and Contingencies” and “Reconciliation of Revenue to Adjusted Revenue” for additional information.

(c) Adjusted RASM is included as a supplemental disclosure because we believe it is a useful metric to properly compare our revenue performance to our peers, as RASM metrics are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, we believe this metric is useful because it removes certain items that may not be indicative of our base operating performance or future results. Adjusted RASM is not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(d) CASM (excluding fuel) and Adjusted CASM (excluding fuel) are included as supplemental disclosures because we believe that excluding aircraft fuel is useful to investors as it provides an additional measure of management’s performance excluding the effects of a significant cost item over which management has limited influence. The price of fuel, over which we have limited control, impacts the comparability of period-to-period financial performance, and excluding the price of fuel allows management an additional tool to understand and analyze our non-fuel costs and core operating performance, and increases comparability with other airlines that also provide a similar metric. CASM (excluding fuel) and Adjusted CASM (excluding fuel) are not determined in accordance with GAAP and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(e) We entered into the Early Return Agreement to early terminate the leases associated with 24 A320neo aircraft and as a result incurred non-recurring charges of $209 million during the six months ended June 30, 2026. The $209 million includes $79 million of lease return costs recorded in aircraft rent; $73 million related to the write-off of non-recoverable capitalized prepaid maintenance balances recorded in maintenance, materials and repairs; $63 million of accelerated depreciation expense related to the remeasurement of useful lives of capitalized maintenance; and $(6) million of a reversal of previously accrued lease return costs. See “Notes to Condensed Consolidated Financial Statements — 6. Operating Leases” for additional information.

(f) Adjusted CASM is included as supplemental disclosure because we believe it is a useful metric to properly compare our cost management and performance to other peers, as derivations of Adjusted CASM are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, we believe this metric is useful because it removes certain items that may not be indicative of our base operating performance or future results. Adjusted CASM is not determined in accordance with

GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

(g) Adjusted CASM including net interest and CASM including net interest are included as supplemental disclosures because we believe they are useful metrics to properly compare our cost management and performance to other peers that may have different capital structures and financing strategies, particularly as it relates to financing primary operating assets such as aircraft and engines. Additionally, we believe Adjusted CASM including net interest is useful because it removes certain items that may not be indicative of our base operating performance or future results. Adjusted CASM including net interest and CASM including net interest are not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

Reconciliation of Revenue to Adjusted Revenue

	Six Months Ended June 30,			
	2026		2025	
	($ in millions)	Per Passenger $	($ in millions)	Per Passenger $
Non-GAAP financial data:[(a)(b)]				
Fare revenue:	1,062	58.84	698	42.70
TSA Reserve	13	0.70	—	—
Adjusted fare revenue:[(c)]	**1,075**	**59.54**	**698**	**42.70**
Non-fare passenger revenue:	1,125	62.29	1,084	66.39
TSA Reserve	60	3.35	—	—
Adjusted non-fare revenue:[(c)]	**1,185**	**65.64**	**1,084**	**66.39**
Other revenue:	84	4.66	59	3.57
TSA Reserve	—	—	—	—
Adjusted other revenue:[(c)]	**84**	**4.66**	**59**	**3.57**
Total ancillary revenue:	1,209	66.95	1,143	69.96
TSA Reserve	60	3.35	—	—
Adjusted total ancillary revenue:[(c)]	**1,269**	**70.30**	**1,143**	**69.96**
Total revenue:	2,271	125.79	1,841	112.66
TSA Reserve	73	4.05	—	—
Adjusted total revenue:[(c)]	**2,344**	**129.84**	**1,841**	**112.66**

(a) Revenue per passenger figures may not recalculate due to rounding.

(b) See "Reconciliation of GAAP to Non-GAAP Financial Data" above for discussion of adjusting items.

(c) Adjusted fare revenue, adjusted non-fare revenue, adjusted other revenue, adjusted total ancillary revenue and adjusted total revenue, and respective metrics per passenger, (collectively, "revenue per passenger") are included as supplemental disclosures because we believe they are useful metrics to properly compare our revenue performance to our peers, as revenue per passenger metrics are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, we believe these metrics are useful because they remove certain items that may not be indicative of our base operating performance or future results. These metrics are not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss), Pre-Tax Income (Loss) to Adjusted Pre-Tax Income (Loss), and Net Income (Loss) to EBITDA, EBITDAR, Adjusted EBITDA, and Adjusted EBITDAR

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
	(in millions)		**(in millions)**	
Non-GAAP financial data:				
Adjusted pre-tax income (loss)[(a)]	$ (24)	$ (70)	$ (93)	$ (110)
Adjusted net income (loss)[(a)]	$ (22)	$ (70)	$ (90)	$ (113)
EBITDA[(a)]	$ (41)	$ (54)	$ (262)	$ (80)
EBITDAR[(b)]	$ 225	$ 140	$ 269	$ 275
Adjusted EBITDA[(a)]	$ 3	$ (54)	$ (43)	$ (80)
Adjusted EBITDAR[(b)]	$ 225	$ 140	$ 415	$ 275

(a) Adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA are included as supplemental disclosures because we believe they are useful indicators of our operating performance. Derivations of pre-tax income (loss), net income (loss) and EBITDA are well-recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry.

Adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA have limitations as analytical tools. Some of the limitations applicable to these measures include: adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments; EBITDA and adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs; EBITDA, and adjusted EBITDA do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on our indebtedness; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and adjusted EBITDA do not reflect any cash requirements for such replacements; and other companies in our industry may calculate adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA differently than we do, limiting their usefulness as comparative measures. Because of these limitations, adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA should not be considered in isolation from or as a substitute for performance measures calculated in accordance with GAAP. In addition, because derivations of adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA are not determined in accordance with GAAP, such measures are susceptible to varying calculations and not all companies calculate the measures in the same manner. As a result, derivations of pre-tax income (loss), net income (loss) and EBITDA, including adjusted pre-tax income (loss), adjusted net income (loss) and adjusted EBITDA, as presented may not be directly comparable to similarly titled measures presented by other companies.

For the foregoing reasons, each of adjusted pre-tax income (loss), adjusted net income (loss), EBITDA and adjusted EBITDA has significant limitations which affect its use as an indicator of our profitability. Accordingly, you are cautioned not to place undue reliance on this information.

(b) EBITDAR and adjusted EBITDAR are included as supplemental disclosures because we believe them to be useful solely as valuation metrics for airlines as their calculations isolate the effects of financing in general, the accounting effects of capital spending and acquisitions (primarily aircraft, which may be acquired directly, directly subject to acquisition debt, by capital lease or by operating lease, each of which is presented differently for accounting purposes), and income taxes, which may vary significantly between periods and for different airlines for reasons unrelated to the underlying value of a particular airline. However, EBITDAR and adjusted EBITDAR are not determined in accordance with GAAP, are susceptible to varying calculations and not all companies calculate the measure in the same manner. As a result, EBITDAR and adjusted EBITDAR, as presented, may not be directly comparable to similarly titled measures presented by other companies. In addition, EBITDAR and adjusted EBITDAR should not be viewed as measures of overall performance since they exclude aircraft rent, which is a normal, recurring cash operating expense that is necessary to operate our business. Accordingly, you are cautioned not to place undue reliance on this information.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in millions)		(in millions)	
Adjusted net income (loss) reconciliation:				
Net income (loss)	$ (90)	$ (70)	$ (362)	$ (113)
Non-GAAP Adjustments[(a)]:				
TSA Reserve	—	—	73	—
Early Return Agreement	70	—	209	—
Pre-tax impact	**70**	**—**	**282**	**—**
Tax benefit (expense), related to non-GAAP adjustments	(2)	—	(10)	—
Net income (loss) impact	**$ 68**	**$ —**	**$ 272**	**$ —**
Adjusted net income (loss)	**$ (22)**	**$ (70)**	**$ (90)**	**$ (113)**
Adjusted pre-tax income (loss) reconciliation:				
Income (loss) before income taxes	$ (94)	$ (70)	$ (375)	$ (110)
Pre-tax impact	70	—	282	—
Adjusted pre-tax income (loss)	**$ (24)**	**$ (70)**	**$ (93)**	**$ (110)**
EBITDA, EBITDAR, Adjusted EBITDA and Adjusted EBITDAR reconciliation:				
Net income (loss)	$ (90)	$ (70)	$ (362)	$ (113)
Plus (minus):				
Interest expense	10	10	22	19
Capitalized interest	(6)	(8)	(14)	(16)
Interest income and other	(7)	(7)	(13)	(14)
Income tax expense (benefit)	(4)	—	(13)	3
Depreciation and amortization	56	21	118	41
EBITDA	**(41)**	**(54)**	**(262)**	**(80)**
Plus: Aircraft rent	266	194	531	355
EBITDAR	**$ 225**	**$ 140**	**$ 269**	**$ 275**
EBITDA	**$ (41)**	**$ (54)**	**$ (262)**	**$ (80)**
Plus (minus)[(a)]				
TSA Reserve	—	—	73	—
Early Return Agreement[(b)]	44	—	146	—
Adjusted EBITDA	**$ 3**	**$ (54)**	**$ (43)**	**$ (80)**
Plus: Aircraft rent	266	194	531	355
Minus: Early Return Agreement[(c)]	(44)	—	(73)	—
Adjusted EBITDAR	**$ 225**	**$ 140**	**$ 415**	**$ 275**

(a) See “Reconciliation of GAAP to Non-GAAP Financial Data” above for discussion of adjusting items.

(b) Represents lease termination costs and write-off of non-recoverable capitalized maintenance costs associated with the Early Return Agreement. See “Notes to Condensed Consolidated Financial Statements — 6. Operating Leases” for additional information.

(c) Represents lease termination costs related to aircraft rent associated with the Early Return Agreement. See “Notes to Condensed Consolidated Financial Statements — 6. Operating Leases” for additional information.

Comparative Operating Statistics

The following table sets forth our operating statistics for the three and six months ended June 30, 2026 and 2025. These operating statistics are provided because they are commonly used in the airline industry and, as such, allow readers to compare our performance against our results for the corresponding prior year period, as well as against the performance of our peers.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	2026	2025	Change
Operating statistics[a]						
ASMs (millions)	11,103	10,313	8 %	20,912	20,262	3 %
Departures	58,271	52,147	12 %	110,164	103,505	6 %
Average stage length (miles)	897	942	(5) %	898	933	(4) %
Block hours	151,888	140,149	8 %	288,036	276,885	4 %
Average aircraft in service	172	163	6 %	175	158	11 %
Aircraft – end of period	165	164	1 %	165	164	1 %
Average daily aircraft utilization (hours)	9.7	9.7	— %	9.1	9.7	(6) %
Passengers (thousands)	9,730	8,499	14 %	18,054	16,338	11 %
Average seats per departure	212	208	2 %	211	208	1 %
RPMs (millions)	8,915	8,182	9 %	16,601	15,636	6 %
Load factor	80.3 %	79.3 %	1.0 pt	79.4 %	77.2 %	2.2 pts
Fare revenue per passenger ($)	63.04	40.94	54 %	58.84	42.70	38 %
Non-fare passenger revenue per passenger ($)	63.87	64.77	(1) %	62.29	66.39	(6) %
Other revenue per passenger ($)	4.55	3.56	28 %	4.66	3.57	31 %
Total ancillary revenue per passenger ($)	68.42	68.33	— %	66.95	69.96	(4) %
Total revenue per passenger ($)	131.46	109.27	20 %	125.79	112.66	12 %
RASM (¢)	11.52	9.01	28 %	10.86	9.08	20 %
RASM, stage-length adjusted to 1,000 miles (¢) [c]	10.91	8.74	25 %	10.29	8.78	17 %
Adjusted fare revenue per passenger ($)[b]	63.04	40.94	54 %	59.54	42.70	39 %
Adjusted non-fare passenger revenue per passenger ($)[b]	63.87	64.77	(1) %	65.64	66.39	(1) %
Adjusted other revenue per passenger ($)[b]	4.55	3.56	28 %	4.66	3.57	31 %
Adjusted total ancillary revenue per passenger ($)[b]	68.42	68.33	— %	70.30	69.96	— %
Adjusted total revenue per passenger ($)[b]	131.46	109.27	20 %	129.84	112.66	15 %
Adjusted RASM (¢)[b]	11.52	9.01	28 %	11.21	9.08	23 %
Adjusted RASM, stage-length adjusted to 1,000 miles (¢)[b][c]	10.91	8.74	25 %	10.62	8.78	21 %
CASM (¢)	12.39	9.73	27 %	12.68	9.68	31 %
CASM (excluding fuel) (¢)[b]	8.46	7.50	13 %	9.31	7.37	26 %
CASM + net interest (¢)[b]	12.37	9.68	28 %	12.65	9.62	31 %
Adjusted CASM (¢)[b]	11.77	9.73	21 %	11.68	9.68	21 %
Adjusted CASM (excluding fuel) (¢)[b]	7.84	7.50	5 %	8.31	7.37	13 %
Adjusted CASM (excluding fuel), stage-length adjusted to 1,000 miles (¢)[b][c]	7.42	7.28	2 %	7.88	7.12	11 %
Adjusted CASM + net interest (¢)[b]	11.74	9.68	21 %	11.66	9.62	21 %
Adjusted CASM + net interest, stage-length adjusted to 1,000 miles (¢)[b][c]	11.12	9.40	18 %	11.04	9.30	19 %
Fuel cost per gallon ($)	4.17	2.36	77 %	3.56	2.45	45 %
Fuel gallons consumed (thousands)	104,789	97,427	8 %	197,751	190,639	4 %
Full-time equivalent employees	8,352	7,766	8 %	8,352	7,766	8 %

(a) Figures may not recalculate due to rounding. See "Glossary of Airline Terms" for definitions of terms used in this table.

(b) These metrics are not calculated in accordance with GAAP. For the reconciliation to corresponding GAAP measures, see "Results of Operations—Reconciliation of GAAP to Non-GAAP Financial Data."

(c) Stage-Length Adjusted (SLA) to 1,000 miles: Applicable Operating Statistic * Square root (stage length / 1,000).

Liquidity and Capital Resources

Overview

As of June 30, 2026, our total available liquidity was $1,156 million, consisting of $936 million of unrestricted cash and cash equivalents and $220 million of funds available under our undrawn Revolving Loan Facility. We had $506 million of total debt, net, of which $206 million is short-term and consists primarily of amounts outstanding under our Pre-delivery Credit Facilities. Our total debt, net is comprised of $226 million outstanding under our Pre-delivery Credit Facilities, $119 million outstanding under our pre-purchased miles facility with Barclays, $100 million of 2025-1 EETCs and $66 million in 10-year notes (collectively, the "PSP Promissory Notes") from the U.S. Department of the Treasury (the "Treasury"), partially offset by $5 million in deferred debt acquisition costs.

In connection with the term loan facility entered into with the Treasury in September 2020, which was repaid in full in February 2022, and the PSP Promissory Notes, we issued warrants (the "Warrants") to purchase 3,117,940 shares of FGHI common stock at a weighted-average price of $6.95 per share. In June 2024, the Treasury sold all such Warrants to a financial institution. During the six months ended June 30, 2026, 237,274 warrants expired and as of June 30, 2026, no warrants remain outstanding.

We continue to monitor our covenant compliance with various parties, including, but not limited to, our lenders and credit card processors. As of the date of this report, we are in compliance with all of our covenants.

The following table presents the major indicators of our financial condition and liquidity as of:

	June 30, 2026	December 31, 2025
	($ in millions)	
Cash and cash equivalents	$ 955	$ 671
Total current assets, excluding cash and cash equivalents	$ 351	$ 287
Total current liabilities, excluding current maturities of long-term debt, net and operating leases	$ 1,281	$ 1,023
Current maturities of long-term debt, net	$ 206	$ 301
Long-term debt, net	$ 300	$ 313
Stockholders' equity	$ 136	$ 491
Debt to capital ratio	79 %	56 %
Debt to capital ratio, including operating lease obligations	97 %	92 %

Use of Cash and Future Obligations

We expect to meet our cash requirements for the next twelve months through use of our available cash and cash equivalents, our Pre-delivery Credit Facilities, cash flows from operating activities and sale-leaseback financing. We expect to meet our long-term cash requirements with cash flows from operating and financing activities, including, but not limited to, potential future borrowings under the Pre-delivery Credit Facilities, our undrawn Revolving Loan Facility and/or potential issuances of debt or equity. The Revolving Loan Facility also permits us to enter into additional indebtedness secured by our loyalty program and brand-related assets, to the extent such indebtedness is pari passu to that of the Revolving Loan Facility. Our primary uses of cash are for working capital, aircraft PDPs, debt repayments, and capital expenditures.

Our single largest capital commitment relates to the acquisition of aircraft. As of June 30, 2026, we operated a total of 165 aircraft under operating leases. PDPs relating to future deliveries under our agreement with Airbus are required at various times prior to each aircraft's delivery date. As of June 30, 2026, our Pre-delivery Credit Facilities, which allow us to draw up to an aggregate of $299 million, had $226 million outstanding. As of June 30, 2026, we had $322 million of PDPs held by Airbus which have been partially financed by our Pre-delivery Credit Facilities.

As of June 30, 2026, we had a firm obligation to purchase 155 A320neo family aircraft and 20 additional spare engines to be delivered by 2033. Of our remaining aircraft commitments, 16 had committed operating leases for deliveries occurring between 2026 and 2029. We intend to evaluate financing options for the remaining aircraft, excluding the 11 aircraft included within the Aircraft Sale Agreement.

The following table summarizes current and long-term material cash requirements as of June 30, 2026, which we expect to fund primarily with operating and financing cash flows (in millions):

	Material Cash Requirements						
	Remainder of 2026	**2027**	**2028**	**2029**	**2030**	**Thereafter**	**Total**
Debt obligations[(a)]	$ 111	$ 102	$ 36	$ 9	$ 42	$ 211	$ 511
Interest commitments[(b)]	16	23	17	16	15	49	136
Operating lease obligations[(c)]	397	779	769	723	661	3,126	6,455
Flight equipment purchase obligations[(d)]	554	533	1,224	1,044	1,555	5,504	10,414
Total	**$ 1,078**	**$ 1,437**	**$ 2,046**	**$ 1,792**	**$ 2,273**	**$ 8,890**	**$ 17,516**

(a) Includes principal commitments only associated with our Pre-delivery Credit Facilities with borrowings as of June 30, 2026, the PSP Promissory Notes through 2031, our class A-1 enhanced equipment certificate through 2032 and our affinity card unsecured debt due through 2037. See "Notes to Condensed Consolidated Financial Statements — 5. Debt."

(b) Represents interest and commitment fees on debt obligations and our undrawn Revolving Loan Facility.

(c) Represents gross cash payments related to our operating fixed lease obligations that are not subject to discount as compared to the obligations measured on our condensed consolidated balance sheets. Also includes lease return obligations related to the Early Return Agreement. See "Notes to Condensed Consolidated Financial Statements — 6. Operating Leases."

(d) Represents purchase commitments for aircraft and engines. See "Notes to Condensed Consolidated Financial Statements — 8. Commitments and Contingencies."

Cash Flows

The following table presents information regarding our cash flows in the six months ended June 30, 2026 and 2025 (in millions):

	Six Months Ended June 30,	
	2026	**2025**
Net cash provided by (used in) operating activities	$ 191	$ (219)
Net cash provided by (used in) investing activities	80	(113)
Net cash provided by financing activities	13	155
Net increase (decrease) in cash, cash equivalents and restricted cash	**284**	**(177)**
Cash, cash equivalents and restricted cash at beginning of period	671	740
Cash, cash equivalents and restricted cash at end of period	**$ 955**	**$ 563**

Operating Activities

During the six months ended June 30, 2026, net cash provided by operating activities totaled $191 million, which was driven by $88 million of non-cash adjustments and $465 million of inflows from changes in operating assets and liabilities, partially offset by a $362 million net loss.

The $465 million of inflows from changes in operating assets and liabilities included:

- $503 million in increases in other liabilities primarily driven by the prepaid loyalty program consideration received, increased leased aircraft return accruals including the impacts from the Early Return Agreement, the TSA Reserve, cash received for supplier incentives, and increases to other operational related accruals; and
- $160 million in increases in our air traffic liability primarily driven by increased bookings on higher average fares; partially offset by
- $114 million in increases in other long-term assets primarily driven by increases in capitalized maintenance and prepaid maintenance;
- $62 million in increases in accounts receivable;
- $18 million in decreases in accounts payable; and
- $4 million in increases in supplies and other current assets.

Our net loss of $362 million was also adjusted by the following non-cash items to arrive at cash provided by operating activities:

- $130 million in adjustments for the Early Return Agreement primarily related to non-cash impacts from non-recoverable capitalized prepaid maintenance and accelerated depreciation;
- $55 million in depreciation and amortization; and
- $9 million in stock-based compensation expense; partially offset by
- $94 million in gains recognized on sale-leaseback transactions; and
- $12 million in deferred income tax expense.

During the six months ended June 30, 2025, net cash used in operating activities totaled $219 million, which was driven by a $113 million net loss, $71 million of outflows from changes in operating assets and liabilities, and $35 million of non-cash adjustments.

The $71 million of outflows from changes in operating assets and liabilities included:

- $103 million in increases in other long-term assets primarily driven by increases in capital maintenance and prepaid maintenance;
- $32 million in decreases in other liabilities primarily driven by leased aircraft return accruals and other operational related accruals; and
- $25 million in increases in accounts receivable; partially offset by
- $51 million in increases in accounts payable;
- $30 million in increases in our air traffic liability primarily driven by increased bookings on higher average fares and an increase in non-refundable customer flight credits for future travel; and
- $8 million in decreases in supplies and other current assets.

Our net loss of $113 million was also adjusted by the following non-cash items to arrive at cash used in operating activities:

- $90 million in gains recognized on sale-leaseback transactions; partially offset by
- $41 million in depreciation and amortization;
- $11 million in stock-based compensation expense; and
- $3 million in deferred income tax expense.

Investing Activities

During the six months ended June 30, 2026, net cash provided by investing activities totaled $80 million, driven by:

- $106 million in net inflows for PDP activity; partially offset by
- $25 million in cash outflows for capital expenditures; and
- $1 million in cash outflows for other investing activity.

During the six months ended June 30, 2025, net cash used in investing activities totaled $113 million, driven by:

- $62 million in net outflows for PDP activity; and
- $51 million in cash outflows for capital expenditures.

Financing Activities

During the six months ended June 30, 2026, net cash provided by financing activities was $13 million, driven by:

- $124 million in net proceeds received from sale-leaseback transactions; and
- $56 million in cash proceeds from debt issuances, consisting of $38 million drawn on our Pre-delivery Credit Facilities and $18 million in draws on our Barclays facility; partially offset by
- $165 million in cash outflows from principal repayments on debt related to our Pre-delivery Credit Facilities and 2025-1 EETCs; and
- $2 million in cash outflows for payments related to tax withholdings of share-based awards.

During the six months ended June 30, 2025, net cash provided by financing activities was $155 million, driven by:

- $101 million in cash proceeds from debt issuances, consisting of $100 million drawn on our Pre-delivery Credit Facilities, and $1 million drawn on our Barclays facility;
- $93 million in net proceeds received from sale-leaseback transactions; and
- $6 million in proceeds from the exercise of stock options; partially offset by
- $43 million in cash outflows from principal repayments on the Pre-delivery Credit Facilities; and
- $2 million in cash outflows for payments related to tax withholdings of share-based awards.

As of June 30, 2026, we did not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our results of operations, financial condition or cash flows.

Critical Accounting Policies and Estimates

There have been no material changes in our critical accounting policies and estimates during the six months ended June 30, 2026. For information regarding our critical accounting policies and estimates, see “Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates” included in Part II, Item 7 of our 2025 Annual Report.

Recently Adopted Accounting Pronouncements

See “Notes to Consolidated Financial Statements —1. Summary of Significant Accounting Policies” included in Part II, Item 8 of our 2025 Annual Report for a discussion of recent accounting pronouncements.

GLOSSARY OF AIRLINE TERMS

Set forth below is a glossary of industry terms:

“A320 family” means, collectively, the Airbus series of single-aisle aircraft, including the A320ceo, A320neo, A321ceo and A321neo aircraft.

“A320neo family” means, collectively, the Airbus series of single-aisle aircraft that feature the new engine option, including the A320neo and A321neo aircraft.

“Adjusted CASM” is a non-GAAP measure and means operating expenses, excluding special items, divided by ASMs. For a discussion of such special items and a reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Adjusted CASM including net interest” or “Adjusted CASM + net interest” is a non-GAAP measure and means the sum of Adjusted CASM and net interest expense (income) excluding special items divided by ASMs. For a discussion of such special items and a reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Adjusted CASM (excluding fuel)” is a non-GAAP measure and means operating expenses less aircraft fuel expense, excluding special items, divided by ASMs. For a discussion of such special items and a reconciliation of CASM to CASM (excluding fuel), Adjusted CASM (excluding fuel), Adjusted CASM, Adjusted CASM including net interest and CASM including net interest, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Adjusted RASM” is a non-GAAP measure and means total revenues, excluding special items, divided by ASMs. For a discussion of such special items and a reconciliation of RASM to adjusted RASM, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations.”

“Air traffic liability” means the value of tickets, unearned membership fees, customer rights to book future travel and other related fees sold in advance of travel.

“Ancillary revenue” means the sum of non-fare passenger revenue and other revenue.

“Available seat miles” or “ASMs” means seats (empty or full) multiplied by miles the seats are flown.

“Average aircraft in service” means the average number of aircraft used in flight operations, as calculated on a daily basis.

“Average daily aircraft utilization” means block hours divided by number of days in the period divided by average aircraft in service.

“Average stage length” means the average number of miles flown per flight segment.

“Block hours” means the number of hours during which the aircraft is in revenue service, measured from the time of gate departure before take-off until the time of gate arrival at the destination.

“CASM” or “unit costs” means operating expenses divided by ASMs.

“CASM (excluding fuel)” is a non-GAAP measure and means operating expenses less aircraft fuel expense, divided by ASMs.

“CASM including net interest” or “CASM + net interest” is a non-GAAP measure and means the sum of CASM and net interest expense (income) divided by ASMs.

“DOT” means the U.S. Department of Transportation.

“Fare revenue” consists of base fares for air travel, including miles redeemed under our frequent flyer program, unused and expired passenger credits, and revenue derived from charter flights.

“Fare revenue per passenger” means fare revenue divided by passengers.

“Load factor” means the percentage of aircraft seat miles actually occupied on a flight (RPMs divided by ASMs).

“Net interest expense (income)” means interest expense, capitalized interest, interest income and other.

“Non-fare passenger revenue” consists of fees related to certain ancillary items such as baggage, service fees, seat selection, and other passenger-related revenue that is not included as part of base fares for travel.

“Non-fare passenger revenue per passenger” means non-fare passenger revenue divided by passengers.

“Other revenue” consists primarily of services not directly related to providing transportation, such as the advertising, marketing and brand elements of the *FRONTIER Miles* affinity credit card program, and commissions revenue from the sale of items such as rental cars and hotels.

“Other revenue per passenger” means other revenue divided by passengers.

“Passengers” means the total number of passengers flown on all flight segments.

“Passenger revenue” consists of fare revenue and non-fare passenger revenue.

“PDP” means pre-delivery deposit payments, which are payments required by aircraft manufacturers in advance of delivery of the aircraft.

“RASM” or “unit revenue” means total revenue divided by ASMs.

“Revenue passenger miles” or “RPMs” means the number of miles flown by passengers.

“Total ancillary revenue per passenger” means ancillary revenue divided by passengers.

“Total revenue per passenger” means the sum of fare revenue, non-fare passenger revenue, and other revenue (collectively, “Total Revenue”) divided by passengers.

“TSA” means the U.S. Transportation Security Administration.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in market risk from the information provided in Part II, Item 7A. “Quantitative and Qualitative Disclosures About Market Risk”, in our 2025 Annual Report, other than as described below with respect to aircraft fuel as a result of recent geopolitical tensions which have contributed to volatility in the global energy markets. The adverse effects of changes in these markets could pose a potential loss as discussed below. The sensitivity analysis provided does not consider the effects that such adverse changes may have on overall economic activity, nor does it consider additional actions we may take to mitigate our exposure to such changes. Actual results may differ.

Aircraft Fuel. Our results of operations can vary materially due to changes in the price and availability of aircraft fuel and are also impacted by the number of aircraft in use and the number of flights we operate. Aircraft fuel represented approximately 32%, 27%, 23% and 24% of total operating expenses for the three and six months ended June 30, 2026 and 2025, respectively. Unexpected changes in the pricing of aircraft fuel or a shortage or disruption in the supply of aircraft fuel could have a material adverse effect on our business, results of operations and financial condition. Based on our fuel consumption during the six months ended June 30, 2026, a hypothetical 10% increase in the average price per gallon of aircraft fuel would have increased aircraft fuel expense by approximately $70 million.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2026. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), refers to the controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on such evaluation, our principal executive officer and principal financial officer concluded that, as of June 30, 2026, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

During the three months ended June 30, 2026, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we have been and will continue to be subject to commercial litigation claims and to administrative and regulatory proceedings and reviews that may be asserted or maintained. We believe the ultimate outcome of such lawsuits, proceedings and reviews is not reasonably likely, individually or in the aggregate, to have a material adverse effect on our business, results of operations and financial condition.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in Item 1A “Risk Factors” contained in our 2025 Annual Report. Investors are urged to review all such risk factors carefully.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

We do not have a share repurchase program and no shares were repurchased during the second quarter of 2026.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the fiscal quarter ended June 30, 2026, none of our directors or officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any other “non-Rule 10b5-1 trading arrangement” except as follows:

On May 7, 2026, Trevor Stedke, our Senior Vice President of Operations, terminated a Rule 10b5-1(c) trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c), which was originally adopted on September 2, 2025 for the sale of 191,436 shares of our common stock, plus an indeterminable number of shares to be acquired upon the future vesting of restricted and performance stock units, and was scheduled to expire on August 15, 2026. On May 12, 2026, Mr. Stedke adopted a Rule 10b5-1(c) trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 167,277 shares of our common stock, plus an indeterminable number of shares to be acquired upon the future vesting of restricted and performance stock units, until May 10, 2028.

On June 3, 2026, Steve Schuller, our Senior Vice President of Human Resources, adopted a Rule 10b5-1(c) trading arrangement intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 60,000 shares of our common stock until April 30, 2028.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference: Form	File Number	Date	Number	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Frontier Group Holdings, Inc.	8-K	001-40304	5/16/2025	3.1	
3.2	Amended and Restated Bylaws of Frontier Group Holdings, Inc.	8-K	001-40304	7/25/2024	3.1	
4.1	Form of Common Stock Certificate.	S-1	333-254004	3/8/2021	4.2	
4.2	Form of Common Stock Warrant.	10-Q	001-40304	8/8/2024	4.2	
10.1(a)†^	Sixth Amendment to the Amended and Restated Frontier Airlines, Inc. Credit Card Affinity Agreement, dated as of April 27, 2026, by and between Barclays Bank Delaware and Frontier Airlines, Inc.					X
10.1(b)†^	Seventh Amendment to the Amended and Restated Frontier Airlines, Inc. Credit Card Affinity Agreement, dated as of June 24, 2026, by and between Barclays Bank Delaware and Frontier Airlines, Inc.					X
10.1(c)†^	Aircraft Sale Agreement, dated June 30, 2026, by and between Frontier Airlines, Inc. and Avolon Leasing Ireland 3 Limited					X
10.1(d)†	Schedule of Aircraft Sale Agreements substantially identical in all material respects to the Aircraft Sale Agreement filed as Exhibit 10.1(c)					X
31.1	Certification of the Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of the Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	Inline XBRL Instance Document – The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).					X

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in such filing.

† Certain portions of this document that constitute confidential information have been redacted in accordance with Regulation S-K, Item 601(b)(10).

^ Schedules to this document have been omitted in accordance with Regulation S-K, Item 601(a)(5).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FRONTIER GROUP HOLDINGS, INC.

Date: July 29, 2026

By: /s/ Mark C. Mitchell

Mark C. Mitchell

Senior Vice President and Chief Financial Officer (Duly Authorized Officer and Principal Financial Officer)

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

Sixth Amendment to the Amended and Restated Frontier Airlines, Inc.
Credit Card Affinity Agreement

THIS SIXTH AMENDMENT ("**Amendment**") TO THE AMENDED AND RESTATED FRONTIER AIRLINES, INC. CREDIT CARD AFFINITY AGREEMENT is made and entered into as of April 27, 2026 by and between Barclays Bank Delaware ("**Barclays**"), and Frontier Airlines, Inc. ("**Frontier**").

RECITALS:

WHEREAS, Barclays and Frontier entered into the Amended and Restated Frontier Airlines, Inc. Credit Card Affinity Agreement as of September 15, 2020 ("**Original Agreement**");

WHEREAS, Barclays and Frontier entered into that First Amendment to the Original Agreement as of June 29, 2021 ("**First Amendment**"), that Second Amendment to the Original Agreement as of May 23, 2023 ("**Second Amendment**"), that Third Amendment to the Original Agreement as of September 6, 2024 ("**Third Amendment**"), that Fourth Amendment to the Original Agreement as of September 25, 2024 ("**Fourth Amendment**"), and that Fifth Amendment to the Original Agreement as of December 23, 2025 ("**Fifth Amendment**" and together with the Original Agreement, First Amendment, Second Amendment, Third Amendment, and Fourth Amendment, the "**Agreement**"); and

WHEREAS, Barclays and Frontier desire to amend the Agreement to provide for the launch of a new Entry Consumer Card (as defined below) that will be known as the Frontier Access World Mastercard.

NOW THEREFORE, in consideration of the premises and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Amendment to Section 1 (Definitions). Section 1 of the Agreement is hereby amended by adding the following defined terms in alphabetical order:

“**Entry Consumer Account**” means an Account that is opened in response to an application from an Entry Consumer Card Applicant and used for a purchase, balance transfer or cash advance.

“**Entry Consumer Card**” means the Barclays Product offered and having the applicable terms and benefits set forth in Schedule C that will be known as the Frontier Access World Mastercard, which shall be offered only to Entry Consumer Card Applicants.

"**Entry Consumer Card Applicant**" means an applicant for a Barclays Product whose risk, based on FICO score, credit bureau reports, and such other information

reviewed by Barclays in the application process, requires a higher APR and other pricing terms than those offered by Barclays to Near Prime Applicants. Applicants who meet the Prime Applicant Criteria or Near Prime Applicant Criteria shall not be approved or accepted for, or issued, an Entry Consumer Card.

2. Amendment to Section 4 (Issuance and Servicing of Barclays Products).

(a) The following language is hereby added to Section 4 of the Agreement:

(e) The Parties agree to launch a new Entry Consumer Card with a target launch date of April 28, 2026, for the Frontier partner site banner channel and June 1, 2026, for all remaining channels (together, the "Target Launch Date(s)") unless otherwise mutually agreed by the Parties. The Parties agree to use commercially reasonable efforts to achieve the Target Launch Dates, which are subject to each Party's performance of its obligations with respect to the launch of the Entry Consumer Card in accordance with this Amendment and the technology and integration commitments, functionalities and milestones as mutually agreed by the Parties. In the event of any anticipated delay to the Target Launch Dates, the Parties will use commercially reasonable efforts to promptly cure the cause of such delay. The failure of the Parties to commence the offering and issuance of the Entry Consumer Card on the Target Launch Dates shall not constitute a breach of this Agreement by either Party.

The Joint Marketing Committee shall review concerns related to Barclays' issuing policies and credit practices as set forth in Section 4(b) of the Agreement solely as they relate to the Entry Consumer Card upon the request of either Party (with all decisions concerning creditworthiness of any Frontier Member remaining in the sole discretion of Barclays). No sooner than [***] following the launch of the Entry Consumer Card, if the Joint Marketing Committee cannot resolve such concerns in a manner satisfactory to the Parties following good faith negotiations, either Party may elect to suspend offering the Entry Consumer Card product upon [***] prior written notice.

Barclays shall underwrite and assign applicants to the applicable Barclays Product pursuant to the terms of this Agreement, and shall not intentionally or systematically divert applicants who satisfy the Prime Applicant Criteria or Near Prime Applicant Criteria to the Entry Consumer Card.

(b) The last three (3) sentences of Section 4(b) of the Agreement are hereby deleted in their entirety and replaced with the following:

[***]

3. Amendment to Section 5 (Fees).

(a) Section 5(a)(i) of the Agreement is hereby deleted in its entirety and replaced with the following:

New Account Premiums: For Accounts opened hereunder, other than Accounts for which the Marketing Premium is paid, a New Account Premium of [***] for each annual fee Account, including Entry Consumer Accounts, and [***] for each no annual fee Account opened hereunder.

(b) Section 5(a)(ii) of the Agreement is hereby amended to add the following language at the end of the first sentence:

For the avoidance of doubt, the Renewal Premium for Entry Consumer Accounts, which are issued with an annual fee of [***], shall be [***].

(c) Section 5(a)(iii) of the Agreement is hereby deleted in its entirety and replaced with the following:

Marketing Premiums: Beginning on January 1, 2021, through the remainder of the Term, for each Prime Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use, for each Near Prime Account generated as a result of the Added Earnings Program, a Marketing Premium of
[***] on first use, and for each Entry Consumer Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use.

(d) Section 5(b)(i)(D) of the Agreement is hereby amended to add the following language at the end of the last sentence:

With respect to no annual fee Accounts, Entry Consumer Accounts, and/or to the extent Frontier does not implement the waiver of the first and second checked baggage fees (or provide an equivalent airline benefit as agreed by the Joint Marketing Committee) or subsequently discontinues such waiver, the total cost for each Purchase Mile shall be [***].

4. Amendment to Section 14 (Reports and Records). Section 14(a)(7) is hereby amended to add the following language at the end of the last sentence:

> For the avoidance of doubt, Entry Consumer Accounts shall not be considered in determining the Prime Account Baseline.

5. Amendment to Schedule C (Products).

[***]

6. All other terms and conditions of the Agreement shall remain in effect except as expressly modified herein or in another writing signed by both parties. Capitalized terms shall have the same meanings set forth in the Agreement.

7. This Amendment shall be governed by and construed under the laws of the State of Delaware as applied to agreements among Delaware residents entered into and to be performed entirely within the State of Delaware.

8. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Intending to be legally bound, the parties have executed this Amendment effective as of the date set forth above.

BARCLAYS BANK DELAWARE	**FRONTIER AIRLINES, INC.**
/s/ Tim Mills (Signature)	/s/ Howard Diamond (Signature)
Managing Director (Title)	EVP, Legal (Title)
04/22/2026 (Date)	04/27/2026 (Date)

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

Seventh Amendment to the Amended and Restated Frontier Airlines, Inc.
Credit Card Affinity Agreement

THIS SEVENTH AMENDMENT ("**Seventh Amendment**") TO THE AMENDED AND RESTATED FRONTIER AIRLINES, INC. CREDIT CARD AFFINITY AGREEMENT is made and entered into as of June 24, 2026 ("**Seventh Amendment Effective Date**") by and between Barclays Bank Delaware ("**Barclays**"), and Frontier Airlines, Inc. ("**Frontier**").

RECITALS:

WHEREAS, Barclays and Frontier entered into the Amended and Restated Frontier Airlines, Inc. Credit Card Affinity Agreement as of September 15, 2020 ("**Original Agreement**");

WHEREAS, Barclays and Frontier entered into that First Amendment to the Original Agreement as of June 29, 2021 ("**First Amendment**"), that Second Amendment to the Original Agreement as of May 23, 2023 ("**Second Amendment**"), that Third Amendment to the Original Agreement as of September 6, 2024 ("**Third Amendment**"), that Fourth Amendment to the Original Agreement as of September 25, 2024 ("**Fourth Amendment**"), that Fifth Amendment to the Original Agreement as of December 23, 2025 ("**Fifth Amendment**"), that Sixth Amendment to the Original Agreement as of April 27, 2026 ("**Sixth Amendment**" and together with the Original Agreement, First Amendment, Second Amendment, Third Amendment, the Fourth Amendment, and the Fifth Amendment, the "**Agreement**"); and

WHEREAS, Barclays and Frontier have agreed to further amend the Agreement as described herein.

NOW THEREFORE, in consideration of the premises and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Amendment to Section 1 (Definitions). Section 1 of the Agreement is hereby amended by adding the following defined terms in alphabetical order:

“**Account Team**” has the meaning ascribed to it in Section 6(e) of the Agreement.

“**Annual Marketing Fund**” has the meaning ascribed to it in Section 8 of the Agreement.

“**EBITDAR**” means earnings before interest, taxes, depreciation, amortization and rent (excluding all non-cash and/or non-operating expenses) measured on a rolling [***] month basis.

"**EBITDAR Coverage Ratio Level**" means EBITDAR as applied to the rolling [***] month sum of fixed recurring principal, interest, and rent (excluding any pre-delivery payment deposits and/or the related pre-

delivery payment deposit financings). The EBITDAR Coverage Ratio Level shall be inclusive of any adjustments (*i.e.*, special items) used to arrive at non-GAAP results as reported in Frontier's SEC filings.

"**Seventh Amendment Signing Bonus**" has the meaning ascribed to it in Section 5(a) of the Agreement.

"**Technology Resource Fund**" has the meaning ascribed to it in Section 6(d) of the Agreement.

2. Extension of Initial Term. The reference to "December 31, 2029" in Section 1(eee) of the Agreement is hereby amended to read "June 30, 2037". The extension of the Initial Term pursuant to this section hereby supersedes and replaces the extension of the Initial Term pursuant to the Third Amendment.

3. Amendment to Section 3 (Marketing of the Affinity Program; Member Lists). Section 3(d) of the Agreement is hereby amended to add the following after the last sentence:

For the avoidance of doubt, upon termination of this Agreement, Barclays shall not use the Lists for any purposes other than as set forth in this Agreement and to extent necessary to comply with Applicable Law.

4. Amendment to Section 4 (Issuance and Servicing of Barclays Products).

a) The first paragraph of Section 4(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

Frontier has designated [***] as the Network for the Affinity Program. Barclays acknowledges that Frontier is required to comply with the Network Rules and agrees to cooperate with Frontier and provide commercially reasonable assistance and documentation as permitted by Applicable Law and Barclays' policies which are necessary in order for Frontier to comply with the Network Rules. Frontier shall have [***], to designate a different Network for all Accounts following at least [***] days' prior written notice to Barclays, provided however that no change will be allowed during last [***] of the Initial Term or during any Renewal Term. Frontier shall reimburse Barclays for all reasonable, documented out-of-pocket costs incurred in connection with reissuing Barclays Cards to Barclays Cardholders, including the cost of any plastics or other form factors reflecting the prior Network that must be destroyed following a change to the Network. If a proposed change in the Network materially adversely affects the Affinity Program economics as determined by Barclays in its commercially reasonable discretion, the Parties will engage in good faith discussions for [***] days to amend the Agreement to adjust the

Affinity Program economics to eliminate the material adverse effect. If the Parties cannot mutually agree on changes to eliminate such material adverse effects, Barclays shall have the right to terminate the Agreement pursuant to Section 16(b) (i.e., due to a material change in Network Rule) upon ninety [***] advance written notice. In addition to the foregoing one-time right, Frontier shall, upon termination by Frontier following a breach by the Network of the applicable agreement between the Network and Frontier, have the right to designate a different Network for all Accounts, so long as Barclays has an existing relationship with the designated Network. Frontier shall, as soon as reasonably practicable, apprise Barclays of any events, facts or developments which could lead to the trigger of this right. In such event, Frontier shall reimburse Barclays for [***] of all reasonable, documented out-of-pocket costs incurred in connection with reissuing Barclays Cards to Barclays Cardholders, including the cost of any plastics or other form factors reflecting the prior Network that must be destroyed following a change to the Network.

b) The first and second sentences of Section 4(b) of the Agreement are hereby deleted in their entirety and replaced with the following:

Barclays may solicit Frontier Members regarding the Affinity Program and issue Barclays Cards and other Barclays Products in accordance with Barclays' standard policies, including, but not limited to, credit, fraud, and account opening, account issuing, and account management policies and credit practices, subject to Applicable Law. All decisions concerning the creditworthiness of any Frontier Member shall be made at the sole discretion of Barclays in accordance with the foregoing Barclays' policies, [***].

5. Amendment to Section 5 (Fees).

a) Section 5(a) of the Agreement is hereby amended to add the following:

(v) Seventh Amendment Signing Bonus. Barclays shall pay to Frontier a one-time payment in the sum of [***] by wire transfer within [***] of the Seventh Amendment Effective Date ("**Seventh Amendment Signing Bonus**").

In the event the Agreement is terminated by Barclays after [***] and prior to [***] pursuant to Section 16(b) due to Frontier's material default or 16(d), and the Portfolio value is: (i) less than [***] on the effective date of termination, Frontier shall repay [***] the Seventh Amendment Signing Bonus equal to: [***]; (ii) more than [***] on the effective date of termination, Frontier shall repay [***] the Seventh Amendment Signing Bonus equal to: [***]; or (iii) more than [***] on the effective date of termination, Frontier shall [***] the Seventh Amendment Signing Bonus.

In the event the Agreement is terminated by Barclays after [***] and prior to [***] pursuant to Section 16(b) for a material change in Applicable Law or Network Rule that makes the continued performance of this Agreement under the then current terms and conditions unduly burdensome, [***], Frontier shall [***] the Seventh Amendment Signing Bonus.

In the event Frontier exercises its option to cause Barclays to sell its interest in this Agreement together with the Portfolio after [***] and prior to [***] pursuant to Section 16(c)(i) of the Agreement, Frontier shall repay [***] the Seventh Amendment Signing Bonus equal to: [***].

In the event the Agreement is terminated by Barclays after [***] and prior to [***] pursuant to Section 16(c)(ii), and the Portfolio value is (i) less than [***] on the effective date of termination, Frontier shall repay [***] the Seventh Amendment Signing Bonus equal to: [***]; (ii) more than [***] on the effective date of termination, Frontier shall repay [***] the Seventh Amendment Signing Bonus equal to: [***]; or (iii) more than [***] on the effective date of termination, Frontier shall [***] of the Seventh Amendment Signing Bonus.

Frontier shall repay any amounts required under this Section 5(a)(v) within [***] of the effective date of termination.

b) Section 5(a)(ii) (Renewal Premium) of the Agreement is hereby deleted in its entirety and replaced with the following:

Renewal Premiums: Through and including the last day of the month in which the Seventh Amendment Effective Date occurs, for each Account that is open to new charges and is not: (1) in default, (2) more than [***] past due under the Cardholder Agreement, or (3) flagged as lost, stolen, or fraudulent according to Barclays' records, [***] for each active no annual fee Account and [***] for each annual fee Account, provided however, that any annual fee Account issued with or converted to an annual fee of (i) [***], [***] instead of [***], or (ii) [***], [***] instead of [***]. For the avoidance of doubt, the Renewal Premium for Entry Consumer Accounts, which are issued with an annual fee of [***], shall be [***]. To the extent Frontier does not continue to provide the Instant Elite Gold Status benefit to Barclays Cardholders with annual fee Accounts as more fully described in the Joint Marketing Plan or provide an equivalent airline benefit as agreed by the Joint Marketing Committee, the Renewal Premium for Accounts issued with or converted to an annual fee of [***] shall be
[***]. For purposes of this Agreement an active no fee Account means an Account [***] months prior to the Account anniversary.

Beginning on the first day of the month following the Seventh Amendment Effective Date through the remainder of the Term, the Renewal Premium for (i) Entry Consumer Accounts issued with an annual fee of [***], [***] instead of [***], (ii) any annual fee Account issued with or converted to an annual fee of [***], [***] instead of [***], and (iii) any annual fee Account issued with or converted to an annual fee of [***], [***]. The Renewal Premiums for all other Accounts shall remain as set forth in the preceding paragraph. To the extent Frontier does not continue to provide the Instant Elite Gold Status benefit to Barclays Cardholders with annual fee Accounts as more fully described in the Joint Marketing Plan or provide an equivalent airline benefit as agreed by the Joint Marketing Committee, the Renewal Premium for Accounts issued with or converted to an annual fee of [***] shall be [***] and [***] shall be [***].

c) Section 5(a)(iii) (Marketing Premiums) of the Agreement is hereby deleted in its entirety and replaced with the following:

Marketing Premiums: Beginning on [***], through and including [***] occurs, for each Prime Account generated as a result of the Added

Earnings Program, a Marketing Premium of [***] on first use; for each Near Prime Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use; and for each Entry Consumer Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use.

Beginning on [***] through [***], for each Prime Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use; for each Near Prime Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use; and for each Entry Consumer Account generated as a result of the Added Earnings Program, a Marketing Premium of [***] on first use.

d) Section 5(b)(i)(D) (Purchase Mile Fees) of the Agreement is hereby deleted in its entirety and replaced with the following:

(D) Beginning on [***] through and including [***] occurs: [***] for each Purchase Mile, provided that Frontier shall implement and communicate to Frontier Members a program to waive the first and second checked baggage fees for Barclays Cardholders with annual fee Accounts on eligible flights and bags or provide an equivalent airline benefit as agreed by the Joint Marketing Committee on the basis of appropriate market research to determine the efficacy of such benefits. Such benefits may change from time to time as agreed by the Joint Marketing Committee to address the then-current Barclays Products. With respect to no annual fee Accounts, Entry Consumer Accounts, and/or to the extent Frontier does not implement the waiver of the first and second checked baggage fees (or provide an equivalent airline benefit as agreed by the Joint Marketing Committee) or subsequently discontinues such waiver, the total cost for each Purchase Mile shall be [***].

e) Section 5(b)(i) (Purchase Mile Fees) of the Agreement is hereby amended to add the following:

(E) Beginning on [***] through [***] for each Purchase Mile, provided, however, such Purchase Mile fees shall be increased to (i) [***] for each Purchase Mile on the first day of the month following the month in which the Program exceeds [***] in Net Purchases on a rolling [***] basis; (ii) [***] for each Purchase Mile on the first day of the month following the month in which the Program exceeds [***] in Net Purchases on a rolling [***] basis; or (iii) [***] for each Purchase Mile on the first day of the month following the month in which the Program exceeds [***] in Net

Purchases on a rolling [***] basis. With respect to no annual fee Accounts, Entry Consumer Accounts, and/or to the extent Frontier does not implement the waiver of the first and second checked baggage fees (or provide an equivalent airline benefit as agreed by the Joint Marketing Committee) or subsequently discontinues such waiver as more fully described in Section 5(b)(i)(D), the total cost for each Purchase Mile shall be [***].

f) Section 5(b)(ii)(B) (Bonus Mile Fees) of the Agreement is hereby deleted in its entirety and replaced with the following:

(B) Beginning on [***], through and including [***] occurs: [***] for each Bonus Mile.

g) Section 5(b)(ii) (Bonus Mile Fees) of the Agreement is hereby amended to add the following:

(C) Beginning on [***] through [***] per each Bonus Mile.

6. Amendment to Section 5(f)(ii) (Pre-Purchased Mileage Facility).

a) The seventh sentence of Section 5(f)(ii) of the Agreement is hereby deleted in its entirety and replaced with the following:

On the Loan Repayment Date Barclays will increase the amount of the Facility based on [***] forecasted Revenue Share up to a cap of [***], with such cap to be increased to [***] beginning on [***].

b) The eighth sentence of Section 5(f)(ii) of the Agreement is hereby deleted in its entirety and replaced with the following:

At such time as the forecasted Revenue Share reaches [***] through [***] any increase in the Target Size at an Annual Reset Date or Semi-Annual Reset Date for amounts over [***] will be calculated based on [***] of the projected Revenue Share.

Beginning on [***] through and including [***], any increase in the Target Size at an Annual Reset Date or Semi-Annual Reset Date shall be calculated based on projected Revenue Share and EBITDAR Coverage Ratio Level with the advance rates as follows:

[***]

Beginning on [***] though and including [***], any increase in the Target Size at an Annual Reset Date or Semi-Annual Reset Date shall be calculated based on projected Revenue Share and EBITDAR Coverage Ratio Level with the advance rates as follows:

[***]

c) The ninth sentence of Section 5(f)(ii) of the Agreement is hereby deleted in its entirety and replaced with the following:

The amount of the Facility will be reset for the then current calendar year on January 15 of each calendar year during the Initial Term through and including January 15, [***] (each, an "**Annual Reset Date**").

d) Section 5(f)(ii)(1) of the Agreement is hereby deleted in its entirety and replaced with the following:

A forecast of Revenue Share for each calendar year during the Initial Term, for the purposes of determining the Target Size for such year, will be developed jointly by Barclays and Frontier on or before each January 15 through January 15, [***]. In the event Barclays and Frontier do not agree on any such forecast (such agreement not to be unreasonably withheld or delayed by either party), an annualized amount based upon the actual Revenue Share for the months of [***] of the immediately preceding calendar year will be used for calculating the Target Size for the new calendar year. If the Target Size is larger than the then current size of the Facility on any January 15 through January 15, [***], Barclays will increase the Target Size of the Facility to the amount of the forecasted Revenue Share for such year by [***] of such year by means of the purchase of additional Pre-Purchased Miles.

If the Target Size is less than the then current size of the Facility on any January 15 through January 15, [***], the Facility will be reduced to the new Target Size following the annual review process by amortizing the amount of the reduction equally over the[***] period from [***] of such year by deducting such reduction amounts from monthly Revenue Share amounts otherwise due to Frontier under this Agreement.

If the Target Size is less than the then current size of the Facility on any January 15 beginning on January 15, [***] through January 15, [***] and:

[***]

e) Section 5(f)(ii)(2) of the Agreement shall be deleted in its entirety and replaced with the following:

If on [***] of any year ([***]) through [***], the annualized Revenue Share for the year, calculated based upon the updated forecasted Revenue Share is projected to be [***] below the Target Size set for such year, Barclays shall recover the amount in excess of the [***], and the Target Size will be reduced in [***] of Revenue Share amounts otherwise due to Frontier under this Agreement. If on [***] of any year through [***], the forecasted Revenue Share for the year is projected to be [***] above the Target Size for such year, Barclays shall increase the Target Size by the amount of Revenue Share in excess of the [***]. The increase in the amount of the Facility will be accomplished by means of the purchase of additional Pre-Purchased Miles by Barclays on or before [***] of the applicable year.

If the Target Size is predicted to be [***] above the then-current Facility Size on any Semi-Annual Reset Date from July 15, 2029, through July 15, 2036, Barclays shall increase the Target Size of the Facility in excess of the ten percent (10%) overage. The increase in the amount of the Facility will be accomplished by means of the purchase of additional Pre-Purchased Miles by Barclays on or before July 31 of the applicable year.

If on any Semi-Annual Reset Date beginning on [***] through [***], the Target Size is predicted to be [***] or more below the Facility Size and:

[***]

f) The first two (2) sentences of Section 5(f)(ii)(3) of the Agreement shall be deleted in their entirety and replaced with the following:

Notwithstanding the foregoing provisions of this section 5(f), the maximum Target Size of the Facility will be (i) [***] through the Loan Repayment Date; (ii) [***] from the day following the Loan Repayment Date through the day immediately prior to the Seventh Amendment Effective Date; and (iii) thereafter [***]. If actual Revenue Share payable to Frontier pursuant to this Agreement has exceeded [***] on any rolling consecutive twelve-month period during the Initial Term and the [***] have been continually satisfied during such period, Barclays will employ commercially reasonable efforts to resize the Facility based on the overall attributes of the Frontier business at the time.

7. Amendment to Section 5(f)(iv) (Subsequent Monthly Purchases).

a) The first sentence of Section 5(f)(iv)(1) is hereby deleted in its entirety and replaced with the following:

For each calendar month through June 30, [***], provided that in each such month the Conditions Precedent are satisfied, Barclays shall purchase additional Pre-Purchased Miles in an amount equal to the difference between the then effective Target Size and the then Unused Pre-Purchased Miles held by Barclays (each, a "**Subsequent Purchase**").

b) The first sentence of Section 5(f)(iv)(3) is hereby deleted in its entirety and replaced with the following:

Prior to June 30, [***] ("**Repurchase Commencement Date**"), in each month in which a Conditions Precedent is not satisfied, the Facility will be reduced by [***] of the Facility as measured in the first month in which the Conditions Precedent were not satisfied ("**Reduction**").

8. Amendment to Section 5(f)(v) (Conditions Precedent).

a) The last paragraph of Section 5(f)(v)(3) of the Agreement is hereby deleted in its entirety and replaced with the following:

If Unrestricted Cash falls below the agreed upon level, then the EBITDAR is greater than [***]; provided that for the period of January through April, the EBITDAR Coverage Ratio Level is greater than [***].

b) Section 5(f)(v)(7) of the Agreement is hereby deleted in its entirety.

c) Section 5(f)(v)(8) of the Agreement is hereby deleted in its entirety.

9. Amendment to Section 6 (Resource Fund).

a) The first sentence of Section 6(a) of the Agreement (Resource Fund) is hereby deleted in its entirety and replaced with the following:

> Through and including December 31, 2026, Barclays will pay Frontier annually, [***] toward dedicated resources to support the Affinity Program ("**Resource Fund**"). Beginning on January 1, 2027 through the remainder of the Term, the Resource Fund shall be increased to [***] annually.

b) Section 6 of the Agreement is hereby amended to add the following:

> (d) Technology Resources.
>
> (i) Beginning on January 1, 2027, Barclays shall establish a technology resource fund ("**Technology Resource Fund**") which shall be funded annually in the amount of [***] and used to finance enhancements to the Frontier Miles program, product, channel, or technology investments, or other Affinity Program investments, as determined by Frontier in consultation with the Joint Marketing Committee. The parties agree that it is their mutual intention that the Technology Resource Fund shall be utilized for investments and enhancements reasonably related to the Barclays Cards and Barclays Cardholders as contemplated by this Agreement. Frontier shall provide Barclays with a report and an invoice every calendar quarter summarizing Frontier's expenditures to be satisfied via the Technology Resource Fund, and Barclays shall remit payment to Frontier within [***] of the end of the calendar quarter. If there are any amounts in the Technology Resource Fund as of December 31 of each year or the last day of the Term, as applicable, [***] of such amounts shall be retained by Barclays.
>
> (ii) In addition to the Technology Resource Fund, beginning on January 1, 2027, Barclays shall invest [***] annually with respect to technology in support of the Affinity Program.
>
> (e) Barclays' Program Personnel. Barclays shall designate and define a team for the Affinity Program ("**Account Team**"). The Account Team shall include the Barclays Affinity Program manager plus [***] Barclays' employees (i.e., a total of [***] Barclays' employees) located at Barclays' headquarters who are primarily dedicated to marketing, data analytics and management of the Affinity Program and have [***]

with respect to co-branded credit card programs other than this Affinity Program. The Account Team shall have primary responsibility for the Affinity Program within Barclays, and Barclays shall provide prior notice to Frontier of the hiring, removal, and/or replacement of the Barclays Affinity Program manager, unless the Barclays Affinity Program manager is being removed for cause, in which case Barclays will promptly provide notice following such removal.

10. Amendment to Section 7 (Marketing Plans).

a) Section 7(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

(a) Every [***], the parties shall meet to develop a Marketing Plan for the ensuing [***]. The parties shall make themselves available for discussions and consultations regarding the Marketing Plans, and shall use all reasonable resources, including the assignment of adequate personnel, as may be necessary to develop each Marketing Plan. In addition, the parties, upon either party's reasonable request, shall participate in additional meetings to revise the then-current Marketing Plan based on ongoing campaign results or changes to the marketing environment. Each Marketing Plan will establish the efforts to be completed by each party in order to promote the Affinity Program and set forth whether new Accounts originated pursuant to the Marketing Plan will be considered a new Account resulting in the payment of the New Account Premium or the Marketing Premium, or allocated between the two according to some formula. The Marketing Plans shall be developed based on parameters mutually agreed upon by the parties in conjunction with the Joint Marketing Committee, including, but not limited to the parties' reasonable and objective evaluations as to the most effective and efficient means to advertise and promote the Affinity Program in light of the performance of earlier marketing efforts, the cost effectiveness of the particular marketing channels and other factors effecting response rates, including but not limited to general economic trends and trends regarding Frontier Miles participation.

b) Section 7(c)(ii) of the Agreement is hereby amended to add the following after the last sentence:

Further, Barclays shall have the right to offer co-branded loans and co- branded deposit products, including tiered high-yield savings and certificate of deposit accounts, to Frontier Members using the Lists. Any such cross- selling efforts will be undertaken by Barclays as mutually agreed to by the parties.

11. Amendment to Section 8 (Account Joint Marketing Fund). Section 8 of the Agreement is hereby amended to add the following new paragraph:

> In addition to the Joint Marketing Fund, beginning on January 1, 2027, Barclays shall fund an annual marketing fund ("**Annual Marketing Fund**") in the amount of [***] of the previous calendar year's Net Purchases, with reconciliation within [***] of the end of such calendar year. The Annual Marketing Fund shall fund the Marketing Plan for the Affinity Program as detailed therein, including for general marketing purposes, costs and expenses of marketing in all channels (including, but not limited to, Barclays and Frontier channels), Affinity Program marketing and advertising collateral and Barclays Cardholder engagement activities. Any amounts in the Annual Marketing Fund that are unused in a calendar year shall be carried forward for use in the subsequent calendar year. At the expiration of the Term, if any amounts in the Annual Marketing Fund remain unused, [***] shall be distributed to Frontier, and the other [***] shall be distributed to Barclays.

12. Amendment to Schedule C (Products).

[***]

13. Amendment to Schedule F.

[***]

14. Amendment to Schedule G to the Agreement.

[***]

15. All other terms and conditions of the Agreement shall remain in effect except as expressly modified herein or in another writing signed by both parties. Capitalized terms shall have the same meanings set forth in the Agreement. For the avoidance of doubt, the Loyalty Partner Consent to Assignment , dated September 26, 2024, as amended from time to time, by and between Barclays and Frontier (together with certain other Affiliates of Frontier and as acknowledged and agreed by Citibank, N.A.), remains in full force and effect.

16. This Amendment shall be governed by and construed under the laws of the State of Delaware as applied to agreements among Delaware residents entered into and to be performed entirely within the State of Delaware.

17. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Intending to be legally bound, the parties have executed this Seventh Amendment effective as of the date set forth above.

BARCLAYS BANK DELAWARE	**FRONTIER AIRLINES, INC.**
/s/ Tim Mills (Signature)	/s/ Howard Diamond (Signature)
Managing Director (Title)	EVP, Legal (Title)
06/24/2026 (Date)	06/24/2026 (Date)

Exhibit 10.1(c)†^

Execution Version

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

Dated: June 30, 2026

FRONTIER AIRLINES, INC.

as Seller and

AVOLON LEASING IRELAND 3 LIMITED
as Buyer

AIRCRAFT SALE AGREEMENT ([***])

for one (1) new Airbus model A321- 271NX Aircraft bearing Manufacturer's Serial Number [***]
together with two (2) IAE model PW1133GA-JM engines scheduled to be delivered November 2026

Table of Contents

THIS AIRCRAFT SALE AGREEMENT ([***]) (this **Agreement**) dated June 30, 2026 IS BETWEEN:

(1) **FRONTIER AIRLINES, INC.**, a corporation incorporated in Colorado, USA, with its executive offices at 4545 Airport Way, Denver, CO 80239 (the **Seller**); and

(2) **AVOLON LEASING IRELAND 3 LIMITED**, a private company limited by shares incorporated under the laws of Ireland, with its principal place of business at Number One Ballsbridge, Building 1, Shelbourne Road, Ballsbridge, Dublin 4, D04 FP65, Ireland (Buyer).

WHEREAS

(A) Seller is party to the Airbus Purchase Agreement as defined herein pursuant to which it has agreed to purchase from Manufacturer certain Airbus model A321-271NX aircraft, including the Aircraft.

(B) Immediately following the Seller's purchase from the manufacturer of the Aircraft, Seller has agreed to sell to Buyer, and Buyer has agreed to purchase from Seller the Aircraft subject to the terms and conditions of this Agreement.

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

1.1 In this Agreement, the following words and expressions have the following meanings, in each case unless the context otherwise requires:

Acceptance Certificate means an acceptance certificate of the Aircraft in the form set out in Schedule 1 to be executed by Buyer in accordance with Clause 6.4;

Affiliate means, in respect of any person, any person directly or indirectly controlling, controlled by, or under common control with such first person; and a person shall be deemed to control another person if such first person possesses, directly or indirectly, the power to direct or cause the direction of the management of such other person, whether through the ownership of voting securities or otherwise;

Airbus Participation Agreement means Manufacturer's standard "participation agreement" whereby Manufacturer consents to representatives of Buyer to participate in the Delivery Participation and the Delivery Inspection as an observer in certain tasks in connection with the inspection, production, testing and delivery of the Aircraft;

Airbus Purchase Agreement means that certain Airbus A320 Family Aircraft Purchase Agreement dated as of September 30, 2011 between Manufacturer, as seller, and the Seller, as buyer, in respect of, inter alia, the Aircraft, as amended, supplemented and assigned;

Airbus Consent and Agreement means the consent and agreement relating to the Airbus Purchase Agreement Assignment dated on or before the Delivery Date and entered into by Manufacturer, Buyer and Seller in a form substantially similar to Schedule 9 or otherwise reasonably acceptable to Seller and Buyer;

Airbus Purchase Agreement Assignment means the purchase agreement assignment relating to the Airbus Purchase Agreement (but only to the extent relating to the Aircraft) dated on or before the Delivery Date and entered into between Seller and Buyer in a form substantially similar to Schedule 9 or otherwise reasonably acceptable to Seller and Buyer;

Airbus Commitment Letter has the meaning set out in Clause 6.3(c);

Aircraft means one (1) new ex-factory Airbus model A321-271NX aircraft scheduled to be delivered in the Scheduled Delivery Month, as more particularly described in the Acceptance Certificate, including the Airframe, the Engines (whether or not any of the Engines are installed on the Airframe at Delivery), the Landing Gear, the APU, all Parts installed in or on the Airframe at Delivery and all Aircraft Documents, manufactured in accordance with the Detailed Specifications;

Aircraft Documents means all records, logs, manuals, technical data and other materials and documents relating to the Aircraft (including each Airframe, each Engine, the APU, each Landing Gear and all Parts) and all additions, revisions, renewals and replacements made thereto prior to Delivery and provided by Manufacturer to Buyer in accordance with the terms of the Assigned Purchase Agreement;

Airframe means the Aircraft, excluding the Engines;

AML Laws means the Bank Secrecy Act (31 U.S.C. §§ 5311 et seq.), Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act (Pub. L. 107-56), or the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 et seq.) the Anti Money Laundering Act of 2020 (Division F. Pub. L. 116-283) each as amended from time to time, and implement through regulation or order, and anti-money-laundering laws as applicable to the Seller;

Applicable Law means in relation to any jurisdiction or the European Union, any law, regulation, treaty, directive, decision, rule, regulatory requirement, judgment, order, ordinance, request, guideline, or direction or other act of any government entity of such jurisdiction or of any EU institution whether or not having the force of law and with which any party is required to comply, or with which it would, in the normal cause of business, comply;

APU means the auxiliary power unit specified in the Acceptance Certificate;

Assigned Purchase Agreement means the Airbus Purchase Agreement (to the extent relating to the Aircraft) as assigned pursuant to the Airbus Purchase Agreement Assignment;

Aviation Authority means the FAA and any successor thereto or other Government Entity which shall have control or supervision of civil aviation in the State of Registration or have jurisdiction over, the registration, airworthiness or operation of the Aircraft;

BFE or Buyer Furnished Equipment means such of the items of buyer furnished equipment and components set forth on Schedule 5 that will be installed in the Aircraft prior to Delivery;

BFE Bill of Sale means any bill of sale relating to the BFE executed by Seller in favor of Manufacturer on the Delivery Date;

Bill of Sale means the warranty bill of sale substantially in the form set out in Schedule 3 executed by Manufacturer in favor of Buyer pursuant to the Assigned Purchase Agreement;

Business Day means a day, other than a Saturday or Sunday, on which banks are open in New York, New York, Denver, Colorado, and Dublin, Ireland, for the transaction of business of the nature required by this Agreement;

Buyer Guarantor means Avolon Aerospace Leasing Limited a company incorporated under the laws of the Cayman Islands with its registered address at PO Box 309, Ugland House, Grand

Cayman KY1-1104, Cayman Islands and its principal place of business at Number One Ballsbridge, Building 1,Shelbourne Road, Ballsbridge, Dublin 4, D04 FP65, Ireland;

Buyer Guarantee means a guarantee of Buyer in the form mutually agreed between Seller and Buyer Guarantor and dated on or about the date hereof;

Buyer Nominee has the meaning set out in Clause 19.1;

Buyer Party means Buyer, Buyer Guarantor and Buyer Nominee;

Default means any Event of Default and any event or circumstance that, with the giving of notice and/or lapse of time and/or the making of a relevant decision contemplated within Schedule 7 itself would constitute an Event of Default;

Defects has the meaning set out in Clause 6.3(c);

Delivery means the time at which Buyer shall obtain title to the Aircraft in accordance with Clause 6.4;

Delivery Date means the date on which Delivery occurs;

Delivery Inspection has the meaning set out in Clause 6.3(a);

Delivery Location means Manufacturer's delivery facilities located in Toulouse, France, Hamburg, Germany, Mobile, Alabama or such other location as shall be mutually agreed in writing by Buyer and Seller in accordance with Clause 6.7;

Delivery Participation has the meaning set out in Clause 6.3(a);

Detailed Specifications means the Airbus Detail Specifications, including those as set forth in Attachment 1 to Schedule 1, the BFE set forth in Schedule 5 and the LOPA set forth in Schedule 6, with the addition of any amendments necessary or desirable to achieve or perform the Modifications (to the extent agreed to by Manufacturer);

Disbursement Instructions has the meaning set out in the Escrow Agreement.

Dollars and **US$** mean the lawful currency of the United States of America and, in respect of all payments to be made under this Agreement in Dollars, mean funds which are for same day settlement in the New York Clearing House Interbank Payments System (or such other U.S. dollar funds as may at the relevant time be customary for the settlement of international banking transactions denominated in United States dollars);

Engine means each of the engines of the manufacture and model and having the respective manufacturer's serial numbers specified in the Acceptance Certificate and all Parts installed in or on such engines at Delivery;

Engine Manufacturer or **IAE** means International Aero Engines, LLC;

Escrow Agent means Bank of Utah, a Utah corporation;

Escrow Agreement means that certain Escrow Agreement, dated as of about the date hereof, among Buyer, Seller and the Escrow Agent in respect of the Aircraft and each of the other aircraft that are the subject of the Other Purchase Agreements;

Event of Default means any of the events referred to in Schedule 7;

Expected Delivery Date means the date when the Aircraft is scheduled to be ready for delivery at the Delivery Location, such date to be notified by Seller to Buyer in writing as soon as Seller receives notice of such date from Manufacturer and in any case not later than [***] before such date (or such shorter period as may be agreed in writing by Seller and Buyer);

Export Control Laws means the export control and dual use laws applicable to the Aircraft, as set forth in the U.S. Export Control Reform Act of 2018 and the Export Administration Regulations, 15 C.F.R. Parts 700-799, as amended from time to time;

FAA Counsel means the law firm of Daugherty, Fowler, Peregrin, Haught, & Jenson;

Final Delivery Date means the last day of the [***] after the Scheduled Delivery Month or such later date as the parties may agree in writing;

Final Delivery Date Delivery Delay has the meaning set out in Clause 7.3(a);

Government Entity means (a) any national government, political subdivision thereof or local jurisdiction therein, (b) any instrumentality, board commission, court or agency of any of the foregoing, however constituted, and (c) any association, organization or institution of which any of the foregoing is a member or to whose jurisdiction any thereof is subject or in whose activities any of the above is a participant;

Holdings means Frontier Airlines Holdings, Inc;

Indemnitees means [***];

Insolvency Event" means, in respect of the Seller, any of the following events:

(a) Seller consents to the appointment of a custodian, receiver, trustee or liquidator of itself or substantially all of Seller's property, or Seller admits in writing its inability to, or is unable to, or does not, pay its debts generally as they come due, or makes a general assignment for the benefit of creditors, or Seller files a voluntary petition in bankruptcy or voluntary petition seeking reorganization in a proceeding under any bankruptcy or insolvency laws (as now or hereafter in effect), or an answer admitting the material allegations of a petition filed against Seller in any such proceeding, or Seller by voluntary petition, answer or consent seeks relief under the provisions of any bankruptcy, insolvency or other similar law providing for the reorganization or winding up of corporations, or provides for an agreement, composition, extension or adjustment with its creditors; or

(b) an order, judgment or decree is entered by any court appointing, without the consent of Seller, a custodian, receiver, trustee or liquidator or sequestering all or substantially all of Seller's property, and any such order, judgment or decree of appointment or sequestration remains in effect, undismissed, unstayed, unterminated and unvacated for a period of [***] after the date of entry thereof or at any time an order for relief is granted; or

(c) a petition against Seller in a proceeding under bankruptcy, insolvency or other similar laws (as now or hereafter in effect) is filed in a court of competent jurisdiction and is not withdrawn or dismissed within [***] thereafter or at any time an order for relief is granted in such proceeding, or if, under the provisions of any law providing for reorganization or winding-up of corporations which may apply to Seller, any court of competent jurisdiction assumes jurisdiction over, or custody or control of, Seller or of substantially all of Seller's property, and such jurisdiction custody or control remains in effect, unrelinquished, unstayed, undismissed, unvacated and unterminated for a period of [***]; or

(d) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of Seller or any material part of its assets; or

(e) any analogous procedure or step is taken in any jurisdiction;

Inspection Loss has the meaning set out in Clause 6.3(b);

Landing Gear means the landing gear specified in the Acceptance Certificate;

Lender means one or more banks or financial institutions or other persons notified in writing by Buyer to Seller that may from time to time provide financing to Buyer or Buyer Nominee in relation to Buyer's or Buyer Nominee's acquisition and/or continuing ownership of the Aircraft and shall include any person acting as agent or security agent or trustee for one or more such lenders;

Lien means any mortgage, charge, pledge, lien, right of detention, right of set-off (but excluding any right of set-off arising in favor of a banker by operation of law), right of de-registration or export, any "international interest" or "national interest" as defined in the Cape Town Convention or any encumbrance or security interest whatsoever, howsoever created or arising;

Losses means any costs, expenses, payments, charges, losses, demands, liabilities, claims, actions, proceedings, penalties, fines, damages, judgments, orders or other sanctions;

Manufacturer means Airbus S.A.S. or Airbus Americas, Inc., as applicable;

Manufacturer Final Delivery Date Delivery Delay has the meaning set out in Clause 7.3(b);

Modifications means [***];

Modification Cost means the modification cost associated with the accomplishment and completion of any Modifications for the Aircraft, which costs shall be borne by Buyer;

Other Purchase Agreement means each of the Aircraft Purchase and Sale Agreements between Buyer and Seller in respect of aircraft bearings manufacturer's serial numbers [***];

Part means each part, component, appliance, accessory, instrument, navigational and communications equipment, furnishings, modules or other item of equipment (other than complete Engines) and shall include the APU, the Landing Gear, cabin components and inflight entertainment system for the time being installed or incorporated in or attached to the Airframe or an Engine;

Purchase Price means an amount of [***];

Relevant Officer means the Director of Fleet of Seller or the Treasurer of Seller;

Sale Documents means this Agreement, the Escrow Agreement, the Airbus Purchase Agreement Assignment, the Airbus Consent and Agreement, the Airbus Participation Agreement, the Warranty, the Warranty Documents, the Bill of Sale, Assigned Purchase Agreement, the Acceptance Certificate and any other document which Seller and Buyer shall agree in writing to be a Sale Document;

Sanctions means all economic sanctions and anti-terrorism Laws, including (a) any United Nations Security Council Resolutions imposing sanctions, (b) any sanctions or restrictive measures imposed by European Union Council decision or regulation and (c) United States export control and economic sanctions laws;

Scheduled Delivery Date means an initial date to be advised by Seller no later than [***] before the start of the scheduled delivery month which is anticipated to be in November of 2026;

Scheduled Delivery Month means November 2026;

Security Deposit means [***];

Seller's Documents means this Agreement, each other Sale Document signed by Seller, and each consent to or acknowledgment of any Sale Document signed by Seller, each notice, and all notices, consents, certificates, confirmations and other documents from time to time issued or entered into by Seller pursuant to or in connection with any thereof which contain a statement to effect that the same is a Seller's Document;

State of Registration means the United States of America;

Subsidiary means:

(a) in relation to any reference to accounts, any company whose accounts are consolidated with the accounts of Seller in accordance with accounting principles generally accepted under accounting standards of GAAP; or

(b) for any other purpose, an entity from time to time:

(i) of which another has direct or indirect control or owns directly or indirectly more than fifty per cent (50%) of the voting share capital; or

(ii) which is a direct or indirect subsidiary of another under the laws of the jurisdiction of its incorporation

Taxes means all present and future taxes, levies, civil penalties, assessments, imposts, duties, withholdings, fees or charges of any nature whatsoever, imposed by a taxing authority of any country, or governmental subdivision thereof or therein or by any international authority, including, without limitation, consumption tax or any other tax in respect of added value or any income (including, without limitation, gross income, minimum, alternative minimum, capital gains income, gross receipts and net receipts), franchise, transfer, sales, use, VAT, business, occupation, excise, personal property, real property, stamp or other tax, together with any penalties, additions to tax, fines or interest with respect to any of the foregoing; and "tax" and "taxation" shall be construed accordingly;

Termination Notice has the meaning set out in Clause 7.3(a);

Total Loss means, prior to the Delivery, the event or occurrence when the Aircraft is lost, destroyed or in the reasonable opinion of Manufacturer is damaged beyond economic repair, as evidenced by written notification from Manufacturer to Seller;

VAT means any value added tax and any goods and services, sales or turnover tax, imposition or levy of a like nature or similar tax payable in any jurisdiction;

Warranty means, if Manufacturer is Airbus Americas, Inc., the warranty of title executed by Airbus S.A.S. in favor of Seller in the form attached as Schedule 4; and

Warranty Documents means the agreements to be entered into among any of the Seller, Buyer, any Lender acting as security agent and trustee and Manufacturer or Engine Manufacturer (as relevant) which will provide for an outright transfer to Buyer of Manufacturer's and Engine Manufacturer's warranties in respect of the Airframe and Engines, respectively, whether by means of assignment by Seller consented to by Manufacturer or Engine Manufacturer (as relevant) or by direct agreement between Buyer and Manufacturer or Engine Manufacturer (as relevant).

1.2 Clause headings and the table of contents are inserted for convenience of reference only, have no legal effect and shall be ignored in the interpretation of this Agreement.

1.3 In this Agreement, unless a contrary indication appears:

(a) references to clauses and schedules are to be construed as references to the clauses of, and schedules to, this Agreement and references to this Agreement include its schedules;

(b) references to (or to any specified provision of) this Agreement or any other document shall include this Agreement, that document or the relevant provision as it may from time to time be amended or supplemented;

(c) a reference to an "amendment" includes a supplement, novation, restatement or reenactment and "amended" will be construed accordingly;

(d) words importing the plural shall include the singular and vice versa, and words importing a gender include every gender;

(e) references to a person shall be construed as including references to an individual, firm, company, corporation, unincorporated association or body of persons and any Government Entity, whether or not having separate legal personality and references to Buyer and Seller shall be construed so as to include the successors, permitted assignees and permitted transferees of the relevant person;

(f) references to any provision of law is a reference to such provision as applied, amended, extended or re-enacted and includes any subordinate legislation;

(g) a reference to an "approval" shall be construed as a reference to any approval, consent, authorization, exemption, permit, license, registration, filing or enrolment by or with any competent authority; and

(h) a reference to "including" shall be construed as a reference to "including without limitation", so that any list of items or matters appearing after the word "including" shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word "including."

2. Representations, Warranties and Covenants

2.1 Representations and warranties by Buyer and Seller

Each of Buyer and Seller for itself makes the representations and warranties set out in this Clause 2.1 on the date of this Agreement and at Delivery.

(a) Status

(i) In respect of the Seller, it is a corporation that is duly incorporated, validly existing and in good standing under the laws of the state of Colorado, United States of America.

(ii) In respect of Buyer, it is a national banking association, duly organized and validly existing under the laws of the United States.

(iii) It has the power to own its assets and carry on its business as it is being conducted.

(b) Binding obligations

Its obligations in the Sale Documents to which it is a party are, subject to any general principles of law limiting its obligations which are specifically referred to in any legal opinion delivered pursuant to Clause 4, legal, valid, binding and enforceable obligations.

(c) Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Sale Documents to which it is a party do not and will not conflict with:

(i) any Applicable Law to which it is subject;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets.

(d) Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, the Sale Documents to which it is a party and the transactions contemplated by the Sale Documents have been, or will on or before Delivery be, duly authorized, executed and delivered by it.

(e) Authorization

All authorizations, consents, registrations and notifications required by it under the laws of its state of incorporation in connection with the entry into, performance, validity and enforceability of, the Sale Documents to which it is a party and the transactions contemplated by the Sale Documents, have been (or will on or before Delivery have been) obtained or effected (as appropriate) and are in full force and effect.

(f) Immunity

It is subject to civil commercial law with respect to its obligations under the Sale Documents to which it is a party, neither it nor any of its assets is entitled to any right of immunity, and the entry into and performance of the Sale Documents by it constitute private and commercial acts.

2.2 Further representations of Seller Seller represents and warrants

to Buyer that:

(a) immediately prior to the transfer of title to the Aircraft from Seller to Buyer under the Assigned Purchase Agreement, the Aircraft shall be free from all Liens and it shall procure that title to the Aircraft is transferred to Buyer with full title guarantee and free from all Liens other than any Liens created by or through Buyer;

(b) Seller is not in breach of any provision of the Airbus Purchase Agreement for which Seller has received a notification of breach thereof from Manufacturer for which Seller's right to purchase the Aircraft under the Airbus Purchase Agreement may be terminated by Manufacturer;

(c) the Airbus Purchase Agreement in respect of the Aircraft or the obligation or the right for Seller to purchase the Aircraft under the Airbus Purchase Agreement has not been terminated;

(d) Since the date of this Agreement, Seller has not agreed to any amendment or modification of the Airbus Purchase Agreement in respect of the Aircraft without the prior written consent of Buyer, which materially adversely impacts Buyer's rights or obligations in respect of such Aircraft;

(e) Seller is not in breach of any financing arrangement of its obligations under the Airbus Purchase Agreement for which the right to purchase the Aircraft serves as security and for which Seller has received a notification of breach thereof from a financing party;

(f) to Seller's actual knowledge there are no claims or actions pending or threatened in respect of the Aircraft which would give rise to any Liens over the Aircraft in favor of any third party; and

2.3 Covenants by the Seller

(a) Seller, for the benefit of Buyer, undertakes, covenants and agrees in this Clause 2.3 from the date hereof through Delivery that:

(i) without the prior written consent of Buyer, Seller will not agree to any amendment or modification of the Airbus Purchase Agreement in respect of the Aircraft which materially adversely impacts Buyer's rights or obligations in respect of the Aircraft; and

(ii) Seller will not breach any financing arrangement of its obligations under the Airbus Purchase Agreement for which the right to purchase the Aircraft serves as security and for which Seller has received a notification of breach thereof from a financing party.

3. Security Deposit

As security for the obligations of Buyer under this Agreement, a sum equal to the Security Deposit has been or will be deposited with the Escrow Agent within [***] of the date hereof, in accordance with the Escrow Agreement. The Escrow Agent holds, will continue to hold and will make payment of the Security Deposit and any interest accrued thereon in accordance with the Escrow Agreement. Seller and Buyer agree to timely provide any Disbursement Instructions required under the Escrow Agreement for release and/or payment of the Security Deposit and any interest accrued thereon as agreed herein. Notwithstanding anything else herein or in the Escrow Agreement, Disbursement Instructions to the Escrow Agent from Buyer alone regarding the release and/or payment of the Security Deposit and any interest accrued thereon that are for the benefit of Buyer (per this Agreement) will be permitted but only under the following conditions only:

(i) an Insolvency Event has occurred and is continuing and Seller requires the consent or approval of a bankruptcy court in order to issue a Disbursement Instruction, provided that Buyer may only issue Disbursement Instructions of type contemplated hereby and only when contemplated hereby; and

(ii) irrespective of whether an Insolvency Event has occurred, the delivery of the relevant Aircraft to Buyer or a Buyer Nominee has occurred, as evidenced by a signed warranty bill of sale for the Aircraft from Manufacturer.

4. Conditions

4.1 Seller's conditions

The effectiveness of this Agreement on Seller is subject to the conditions that on the date of this Agreement Seller shall have received the documents and evidence specified in Part 1 of Schedule 8

in form and substance satisfactory to the Seller. The obligation of Seller to sell and cause Manufacturer to deliver the Aircraft to Buyer under this Agreement is subject to the condition that, on or prior to Delivery, Seller shall have received the documents and evidence specified in Part 2 of Schedule 8 in form and substance satisfactory to the Seller. The obligation of Seller to sell and cause Manufacturer (pursuant to Assigned Purchase Agreement) to deliver the Aircraft to Buyer under this Agreement is subject to the further conditions that:

(a) immediately prior to Delivery, Seller shall be satisfied that Manufacturer will receive the Purchase Price in full on Delivery in accordance with Clause 6.4;

(b) immediately following Delivery, Buyer and, if required by the Escrow Agent, jointly with, the Seller, shall timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement; and

(c) the representations and warranties made by Buyer in this Agreement shall be true and correct as if each were made with respect to the facts and circumstances existing immediately prior to Delivery; and

The conditions specified in this Clause 4.1 are inserted for the sole benefit of Seller and may be waived in whole or in part and with or without conditions by the Seller.

4.2 Buyer's conditions

The effectiveness of this Agreement on Buyer is subject to the conditions that on the date of this Agreement Buyer shall have received the documents and evidence specified in Part 3 of Schedule 8 in form and substance satisfactory to Buyer. The obligation of Buyer to purchase from Seller under this Agreement and accept delivery of the Aircraft from Manufacturer under Assigned Purchase Agreement is subject to the condition that, on or prior to Delivery, Buyer shall have received the documents and evidence specified in Part 4 of Schedule 8 in form and substance satisfactory to Buyer. The obligation of Buyer to purchase from Seller under this Agreement and accept delivery of the Aircraft from Manufacturer under the Assigned Purchase Agreement is subject to the further conditions specified in Part 5 of Schedule 8. The obligation of Buyer to purchase from Seller under this Agreement and accept delivery of the Aircraft from Manufacturer under the Assigned Purchase Agreement is subject to the further conditions that, on Delivery:

(a) the Aircraft shall be free from any Liens other than any Liens created by or through Buyer or anyone acting under Buyer;

(b) the representations and warranties made by Seller in this Agreement shall be true and correct as if each were made with respect to the facts and circumstances existing immediately prior to Delivery;

(c) Manufacturer and Engine Manufacturer shall have consented to or otherwise agreed to the Warranty Documents such that remaining warranties thereunder are vested in Buyer;

(d) the Aircraft shall be in the condition required for Delivery under the Assigned Purchase Agreement, as confirmed from Buyer to Manufacturer in the Acceptance Certificate;

(e) the Aircraft shall not have suffered an actual or potential Total Loss on or before the Delivery Date or have been involved in any incident which caused damage to the Aircraft; and

(f) no Default or Event of Default has occurred and is continuing.

The conditions specified in this Clause 4.2 are inserted for the sole benefit of Buyer and may be waived in whole or in part and with or without conditions by Buyer.

5. Agreement to Sell and Purchase Price

5.1 Without prejudice to Clause 4, Seller agrees to cause Manufacturer to sell and deliver to Buyer and Buyer agrees to buy and accept delivery of the Aircraft from Manufacturer upon and subject to the terms and conditions of this Agreement, “as is, where is”, free from all Liens (except for Liens created by, for, or through Buyer), in consideration of the payment to Manufacturer by Buyer of the Purchase Price for the account of Seller (provided that Seller and Buyer agree that the Security Deposit and any interest accrued thereon shall be disbursed to Buyer by the Escrow Agent pursuant to the Escrow Agreement and Seller and Buyer agree to jointly and timely issue Disbursement Instructions to the Escrow Agent to make such payment to Buyer).

5.2 Seller shall ensure that any remaining warranties under the Warranty Documents (to the extent assignable) are vested in Buyer and shall, where reasonably requested by Buyer, take reasonable commercial steps to procure the consent of any applicable third parties to the assignment to Buyer of any of any remaining warranties under the Warranty Documents.

5.3 [***]

6. Delivery

6.1 Delivery

Subject to the terms and conditions of this Agreement delivery of the Aircraft shall take place on its Expected Delivery Date at the Delivery Location.

6.2 Condition of Aircraft

It shall be a condition to precedent for Buyer under Clause 4.2 that the Aircraft shall be delivered by Manufacturer to Buyer in accordance with the Detailed Specifications on the Delivery Date. Buyer shall not be obligated to accept delivery from Manufacturer without Buyer’s confirmation that the Aircraft is in the condition required by the Assigned Purchase Agreement (which confirmation shall not be unreasonably withheld, delayed of conditioned).

6.3 Delivery Inspection and Participation; Manufacturer's delivery process

(a) Buyer and its authorized representatives (nominated by notice from Buyer to the Seller) may at its own cost physically inspect the Aircraft at the Delivery Location before Delivery (the "**Delivery Inspection**") and participate in Manufacturer's delivery process of the Aircraft (the "**Delivery Participation**"). Such Delivery Inspection and Delivery Participation shall include, but not be limited to, a customer flight (in respect of which, Seller shall procure that a maximum of two (2) of Buyer's representatives shall be permitted on board the Aircraft), customer walk and review of Aircraft Documents and shall be conducted in accordance with Manufacturer's customary practices. For the avoidance of doubt, Seller will procure that Manufacturer permits Buyer to have these Delivery Inspection and Delivery Participation rights through the execution of the Airbus Participation Agreement.

(b) Buyer and its authorized representatives shall under no circumstances delay, obstruct, hinder or prevent the delivery procedure of the Aircraft. If Buyer causes Seller any loss, damage or liability arising directly as a result of the physical Delivery Inspection of the Aircraft by Buyer itself or its nominated and authorized representative (an Inspection Loss) then Buyer shall indemnify Seller from and against such Inspection Loss. Provided however that if Buyer (or its representatives) finds the Aircraft not to be in accordance with the Detailed Specifications, Buyer shall not be liable to indemnify Seller in respect of any delay in the delivery procedure of the Aircraft or Inspection Loss that results from such finding.

(c) [***]

(d) Seller hereby agrees to notify Buyer as soon as practicable (but in no event later than [***] of Seller having received written notice thereof from Manufacturer) regarding:

(i) any revisions to the Scheduled Delivery Month;

(ii) any revisions to the Expected Delivery Date and

(iii) the scheduled date of the Delivery Inspection and any revisions thereto.

(e) In respect of any delay to the Scheduled Delivery Month or the Expected Delivery Date of more than [***], Seller and Buyer will then engage in good faith discussions, for a period not to exceed [***], to determine whether any steps can be taken to accelerate the occurrence of the Scheduled Delivery Month or the Expected Delivery Date, as applicable, or, if no such steps can be taken, whether any alternative arrangements can be reached between the parties to mitigate such delay.

6.4 Transfer of title and payment of Purchase Price

Subject to the terms and conditions of this Agreement, the sale and transfer of title to the Aircraft by Manufacturer to Buyer under this Agreement and the Assigned Purchase Agreement shall take place by execution and delivery of the Bill of Sale by Manufacturer to Buyer immediately after receipt by Manufacturer from Buyer of the Purchase Price. Subject to Clause 6.2 and 6.3(c), immediately prior to Delivery, Seller shall have procured that Manufacturer shall have confirmed that it has received an amount sufficient to pay the Purchase Price for the Aircraft. Upon Delivery, Buyer shall execute the Acceptance Certificate.

6.5 Payment

(a) All payments to be made under this Agreement by Buyer to Manufacturer shall be made in immediately available funds, so that Manufacturer receives credit for the full amount of such payment on the due date to the account of Manufacturer as notified to Buyer not less than [***] prior written notice.

(b) All payments to be made under this Agreement by Seller to Buyer shall be made in immediately available funds, so that Buyer receives credit for the full amount of such payment on the due date, to such account as Buyer may specify in writing to the Seller.

(c) Subject to Clause 11.3, all payments under this Agreement from one party (payor) to the other party or Manufacturer (recipient) shall be made in full without any deduction or withholding (whether in respect of set-off, counter claim, duties, taxes, charges or otherwise howsoever), unless the payor is prohibited by law from doing so, in which event the payor shall:

(i) ensure that the deduction or withholding does not exceed the minimum amount legally required;

(ii) pay to the relevant taxation or other authorities within the period for payment permitted by Applicable Law the full amount of the deduction or withholding; and

(iii) upon request in writing from the recipient to the payor deliver to the recipient any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.

6.6 Risk

All risk of loss or destruction of the Aircraft or damage to the Aircraft (as between Seller and Buyer) shall pass from Seller to Buyer upon Delivery.

6.7 Delivery Location

Seller and Buyer shall cooperate with a view to ensuring that the Delivery Location shall be in a mutually acceptable jurisdiction.

7. Delayed Delivery and Failure to Deliver

7.1 Total Loss Before Delivery

(a) If before Delivery the Aircraft suffers a Total Loss, Seller shall notify Buyer in writing thereof as soon as practicable (but in no event later than [***]) after becoming aware of such event and, with effect from the date of such Total Loss, unless Manufacturer is able to deliver a replacement aircraft pursuant to the Airbus Purchase Agreement and prior to the Final Delivery Date for such Aircraft, the Seller's obligation to sell and Buyer's obligation to purchase the Aircraft shall terminate. Notwithstanding any such termination, Seller and Buyer within [***] after such notification to Buyer of the Total Loss shall jointly and timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement, [***].

(b) If before Delivery an event occurs which, with the passage of time and/or the satisfaction of any other condition, would constitute a Total Loss, unless Manufacturer is able to deliver a replacement aircraft pursuant to the Airbus Purchase Agreement and prior to the Final Delivery Date for such Aircraft, Seller shall notify Buyer in writing thereof as soon as practicable (but in no event later than [***]) after becoming aware of such event and, for so long as such event continues, Buyer shall be under no obligation to buy, and Seller shall be under no obligation to sell, the Aircraft.

(c) If before Delivery a Total Loss occurs with respect to one or more Engines but not the Airframe, Seller shall promptly notify Buyer in writing of such Total Loss and, unless Seller and Buyer agree to the replacement of the destroyed Engine by Seller with an engine in the same or a better condition, maintenance status, utility and economic value to that which the destroyed Engine had immediately prior to such Total Loss and which is in all respects reasonably satisfactory to Buyer, Buyer shall be entitled to terminate its obligation to purchase the Aircraft by notice in writing to Seller and the obligations of each party to respectively buy and sell the Aircraft pursuant to this Agreement will end from the date of that notice, but without prejudice to any other liabilities each party may have to the other as expressly stated in this Agreement. Notwithstanding any such termination, Seller and Buyer within [***] after such notification to Buyer of the Total Loss shall jointly and timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement, [***].

(d) If the replacement of the destroyed Engine agreed to by Seller and Buyer is not carried out through Seller on the basis so agreed between Seller and Buyer, Buyer shall be entitled to terminate its obligation to purchase the Aircraft by notice in writing to Seller and the obligations of each party to respectively buy and sell the Aircraft pursuant to this Agreement will end from the date of that notice, but without prejudice to any other liabilities each party may have to the other as expressly stated in this Agreement.

(e) If before Delivery the Aircraft suffers damage or a fault occurs which (in either case) does not constitute a Total Loss but which is reasonably expected to have a repair cost in excess of [***], then:

(i) Seller shall promptly notify Buyer of the details of such damage or fault (with proposals for repair where Seller reasonably considers repairs can be carried out before the Final Delivery Date); and

(ii) Buyer shall, following receipt of such notice from the Seller, notify Seller whether Buyer is prepared to proceed with the purchase of the Aircraft subject to such damage or fault being repaired to Buyer's reasonable satisfaction prior to the Final Delivery Date. If Buyer is prepared to proceed on the basis of the repair, Seller shall procure the timely repair and Buyer shall be allowed to do a follow up Delivery Inspection of the Aircraft (in accordance with Clause 6.3) following such repair. However if (i) the repair is not so completed and the Aircraft is not delivered to Buyer on or before the Final Delivery Date or (ii) Buyer is not prepared to proceed on the basis of the repair, then Buyer shall be entitled to terminate its obligation to purchase the Aircraft by notice in writing to Seller and the obligations of each party to respectively buy and sell the Aircraft pursuant to this Agreement will end from the date of such notice from Buyer, but without prejudice to any other liabilities each party may have to the other as expressly stated in this Agreement. Notwithstanding any such termination, Seller and Buyer within [***] after notification from Buyer to Seller of such termination shall jointly and timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement, [***].

7.2 Airbus Purchase Agreement

(a) If, at any time prior to Delivery, the obligation of Manufacturer to sell and/or of Seller to buy the Aircraft pursuant to the Airbus Purchase Agreement is terminated (other than as a result of a breach by Buyer of its obligations under this Agreement to the extent not caused by the Seller), Buyer shall be entitled to terminate its obligation to purchase the Aircraft by notice in writing to Seller and the obligations of each party to respectively buy and sell the Aircraft pursuant to this Agreement will end from the date of that notice, but without prejudice to any other liabilities each party may have to the other as expressly stated in this Agreement.

(b) Except for any delays caused by Modifications, Seller will indemnify and hold harmless Buyer for all of its losses, costs and expenses (including any reasonable legal fees incurred) should the delivery of the Aircraft be delayed beyond the Scheduled Delivery Date or fail to deliver as a result of a breach of Seller or Manufacturer of its respective obligations under this Agreement or the Airbus Purchase Agreement or the Airbus Purchase Agreement Assignment.

(c) Buyer will indemnify and hold harmless Seller for all of its losses, costs and expenses (including any reasonable legal fees incurred) should the delivery of the Aircraft be delayed beyond the Scheduled Delivery Date or the Aircraft fail to deliver as a result of a breach of Buyer of its obligations under this Agreement. [***]

7.3 Delivery Delays

(a) Subject to Clauses 6.3(b), 6.3(c), 6.3(d), 6.3(e) and 7.3(f), if the Delivery is delayed beyond or shall not have occurred on or before the Final Delivery Date, including due to any delay in the delivery of any Buyer Furnished Equipment (“**Final Delivery Date Delivery Delay**”), either Seller or Buyer, to the extent that such Final Delivery Date Delivery Delay is not wholly attributable to such electing party or, in the case of the Seller, a Default or Event of Default has not occurred and is not continuing, may elect to terminate this Agreement by giving notice in writing to the other party (a “**Termination Notice**”) provided however that if such delay is caused by Modifications, Buyer shall not have the right to terminate.

(b) If (i) there is a Final Delivery Date Delivery Delay or (ii) Manufacturer notifies Seller that delivery of the Aircraft under the Airbus Purchase Agreement and/or the Assigned Purchase Agreement will be postponed until a date falling on or after the Final Delivery Date, including due to any delay in the delivery of any Buyer Furnished Equipment by Airbus or any relevant supplier or vendor (unless such BFE is required by Buyer as part of the Modification as agreed by Seller and Buyer) (“**Manufacturer Final Delivery Date Delay**”), the parties shall enter into commercially reasonable discussions for a period of [***] to determine whether a mutually acceptable alternative delivery date can be agreed. If an alternative delivery date is not agreed upon during such consultation period each of Buyer and the Seller, where the delay is not wholly attributable to such electing party, may elect to terminate this Agreement by providing a Termination Notice.

(c) In connection with a termination pursuant to a Termination Notice:

(i) the obligation of Seller to sell, and of Buyer to buy, the Aircraft shall be terminated and the obligations of each party to respectively buy and sell the Aircraft pursuant to this Agreement will end from the date of that notice.

(ii) if the Termination Notice is issued pursuant to a Final Delivery Date Delivery Delay which is wholly attributable to Buyer, (x) Seller and Buyer within [***] of such Termination Notice shall jointly and timely issue Disbursement Instructions to the

Escrow Agent to pay to Seller the Security Deposit without any interest accrued thereon in the manner prescribed by the Escrow Agreement, (y) Seller and Buyer within [***] of such Termination Notice shall jointly and timely issue Disbursement Instructions the Escrow Agent to pay to Buyer any interest accrued on the Security Deposit in the manner prescribed by the Escrow Agreement, less any Modification Costs actually incurred by Seller (or which Seller has committed to incur at a later date irrespective of the termination if such amount has not been reimbursed or otherwise paid by Buyer). To the extent any such termination is requested by Buyer and such termination is wholly attributable to delayed BFE required by Buyer pursuant to a Modification and Seller has not caused such delay through its actions or inactions, Buyer shall bear all out of pocket costs and expenses of Seller (including, but not limited to, commitment fees, breakage costs, legal fees, etc.) resulting from such delay or termination. [***] The termination pursuant to this Clause 7.3(c)(ii) shall be without prejudice to any other obligations or liabilities one party may have to the other as expressly stated in this Agreement.

(iii) in connection with a Termination Notice issued pursuant to a Final Delivery Date Delivery Delay where such Final Delivery Date Delivery Delay is wholly attributable to the Seller, (x) Seller and Buyer within [***] of such Termination Notice shall jointly and timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement and (y) the termination pursuant this Clause 7.3(c)(iii) shall be without prejudice to any other obligations or liabilities one party may have to the other as expressly stated in this Agreement.

(iv) in connection with a Termination Notice issued for any reason other than as contemplated under Clause 7.3(c)(ii) or Clause 7.3(c)(iii), (x) Seller and Buyer within [***] of such Termination Notice shall jointly and timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement, less any Modification Costs actually incurred by Seller (or which Seller has committed to incur at a later date irrespective of the termination) if any such amount has not been reimbursed or paid by Buyer and (y) the parties hereto shall have no further obligations or liabilities to each other in respect of this Agreement.

(d) If the Delivery is delayed beyond or shall not have occurred on or before the Final Delivery Date solely due to a Default or Event of Default, Seller shall bear all out-of-pocket third party financing costs and expenses of Buyer (including, but not limited to, commitment fees, breakage costs, legal fees, etc.) resulting from such delay or termination of the obligations of each party to this Agreement.

(e) If the Delivery is delayed beyond or shall not have occurred on or before the Final Delivery Date and (i) no Default or Event of Default has occurred and is continuing and (ii) Seller is obligated to purchase and take delivery of the Aircraft pursuant to the Airbus Purchase Agreement, then if such delay in Delivery is solely due to failure of Buyer to pay for the Aircraft or to accept the Aircraft pursuant to this Agreement, Buyer shall bear all out-of-pocket third party financing costs and expenses of Seller (including, but not limited to, commitment fees, breakage costs, legal fees, etc.) resulting from such delay or termination of the obligations of each party to this Agreement.

(f) Notwithstanding any other provision herein, should the Seller's actions or inactions in respect of agreed Modifications alone cause any delays or terminations of the delivery of the Aircraft from Manufacturer, (i) Buyer shall not be liable to Seller for any such delays or terminations, including in respect of Losses Buyer otherwise indemnifies or holds harmless

Seller for hereunder and (ii) Buyer shall not lose its right to terminate this Agreement if such delays would cause delivery to occur beyond the Final Delivery Date.

7.4 [***]

[***]

7.5 Limitations on Right to Terminate or Modify

(a) Seller hereby undertakes that it shall not terminate its right to purchase the Aircraft from Manufacturer without the express prior written consent of Buyer or upon a Total Loss. Only the issuance of a Termination Notice by Buyer shall be deemed written consent for Seller to terminate its right to purchase the Aircraft from Manufacturer.

(b) Seller hereby undertakes that it shall not agree to any amendment or modification to the Airbus Purchase Agreement in respect of the Aircraft, including in respect of the Detailed Specifications, without the prior written consent of Buyer; provided that a unilateral amendment or modification to the Detailed Specifications by Manufacturer (to the extent permissible under the Airbus Purchase Agreement) shall not be considered an amendment or modification to the Airbus Purchase Agreement in respect of the Aircraft agreed to by Seller without the consent of Buyer so long as Seller notifies Buyer in writing of any such amendments or modifications to the Detailed Specifications promptly upon receipt of confirmation of such information by Seller from Manufacturer.

8. Occurrence of an Event of Default

Upon the occurrence and continuation of an Event of Default, Buyer may elect to terminate this Agreement by notice in writing to Seller whereupon the obligation of Seller to sell, and of Buyer to buy, the Aircraft shall be terminated and the obligations of each party to respectively buy and sell the Aircraft pursuant to this Agreement will end from the date of that notice, but without prejudice to any other liabilities each party may have to the other as expressly stated in this Agreement, including liability of Seller for the Event of Default and the failure of Buyer being able to purchase the Aircraft. Notwithstanding any such termination, Seller and Buyer within [***] of such termination shall jointly and timely issue Disbursement Instructions to the Escrow Agent to pay to Buyer the Security Deposit together with any interest accrued thereon in the manner prescribed by the Escrow Agreement. In respect of an Event of Default, Buyer shall have all remedies available to it hereunder and at law or in equity. Further, Buyer’s remedies shall be cumulative and not exclusive and the exercise by Buyer of any remedy will not prevent the concurrent or subsequent exercise of any other remedy otherwise available to Buyer under this Agreement or at law or in equity

9. Modifications

[***]

10. Disclaimer and Indemnification

10.1 Disclaimer

BUYER EXPRESSLY AGREES AND ACKNOWLEDGES THAT SAVE ONLY AS EXPRESSLY PROVIDED IN CLAUSE 2.2 OF THIS AGREEMENT, NO CONDITION, WARRANTY OR REPRESENTATION OF ANY KIND IS OR HAS BEEN GIVEN BY OR ON BEHALF OF SELLER IN RESPECT OF THE AIRCRAFT OR ANY PART THEREOF, AND ACCORDINGLY BUYER CONFIRMS THAT IT HAS NOT, IN ENTERING INTO THIS AGREEMENT, RELIED ON ANY

CONDITION, WARRANTY OR REPRESENTATION BY SELLER OR ANY PERSON ON SELLER'S BEHALF OTHER THAN THOSE CONTAINED IN CLAUSE 2.2 OF THIS AGREEMENT, EXPRESS OR IMPLIED, WHETHER ARISING BY LAW OR OTHERWISE IN RELATION TO THE AIRCRAFT OR ANY PART THEREOF, INCLUDING, WITHOUT LIMITATION, WARRANTIES OR REPRESENTATIONS AS TO THE DESCRIPTION, AIRWORTHINESS, SUITABILITY, QUALITY, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, VALUE, STATE, CONDITION, APPEARANCE, SAFETY, DURABILITY, DESIGN OR OPERATION OF ANY KIND OR NATURE OF THE AIRCRAFT OR ANY PART THEREOF, AND THE BENEFIT OF ANY SUCH CONDITION, WARRANTY OR REPRESENTATION BY SELLER IS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVED BY BUYER. TO THE EXTENT PERMISSIBLE UNDER APPLICABLE LAW, BUYER HEREBY ALSO WAIVES ANY RIGHTS WHICH IT MAY HAVE IN TORT IN RESPECT OF ANY OF THE MATTERS REFERRED TO ABOVE (SAVE ONLY AS EXPRESSLY PROVIDED IN CLAUSE 2.2 OF THIS AGREEMENT) AND IRREVOCABLY AGREES THAT SELLER SHALL HAVE NO GREATER LIABILITY IN TORT IN RESPECT OF ANY SUCH MATTER THAN IT WOULD HAVE IN CONTRACT AFTER TAKING ACCOUNT OF ALL OF THE FOREGOING EXCLUSIONS. NO THIRD PARTY MAKING ANY REPRESENTATION OR WARRANTY RELATING TO THE AIRCRAFT OR ANY PART THEREOF IS THE AGENT OF SELLER NOR HAS ANY SUCH THIRD-PARTY AUTHORITY TO BIND SELLER THEREBY. NOTWITHSTANDING ANYTHING CONTAINED ABOVE, NOTHING CONTAINED HEREIN IS INTENDED TO OBVIATE, REMOVE OR WAIVE ANY RIGHTS OF WARRANTY OR OTHER CLAIMS RELATING THERETO WHICH BUYER OR SELLER MAY HAVE AGAINST THE MANUFACTURER OR THE ENGINE MANUFACTURER OR THE SUPPLIER OF ANY PART OR ANY THIRD PARTY.

DELIVERY OF THE ACCEPTANCE CERTIFICATE BY BUYER TO SELLER SHALL BE CONCLUSIVE PROOF, AS BETWEEN BUYER AND SELLER, THAT BUYER HAS INSPECTED THE AIRCRAFT AND EACH PART THEREOF AND THAT THE AIRCRAFT AND EACH PART THEREOF IS, IN ALL RESPECTS ACCEPTABLE AND SATISFACTORY TO, AND HAS BEEN ACCEPTED BY, BUYER FOR THE PURPOSES OF THIS AGREEMENT AND THE ASSIGNED PURCHASE AGREEMENT.

10.2 Indemnities

Subject and without prejudice to Clause 10.1 and Clause 6.4 above, Seller shall indemnify and hold harmless each of the Indemnitees in full on demand in respect of all Losses suffered or incurred by such Indemnitee arising out of or connected in any way with any breach by Seller of the provisions of this Agreement, PROVIDED THAT the indemnities contained in this Clause 10.2 shall not extend to Losses with respect to any Indemnitee:

(i) to the extent that such Losses arise out of any act, omission, event or circumstance occurring after Delivery; or

(ii) to the extent that such Losses are caused by the gross negligence, willful misconduct or fraud by such Indemnitee or by the failure of such Indemnitee to comply with its express obligations under any Sale Document; or

to the extent that such Losses represent a Tax or loss of Tax benefits. Buyer shall indemnify and hold Seller harmless in full on demand in respect of any Losses suffered or incurred by Seller arising out of or connected in any way with costs related to or delays caused by Modifications or breach by Buyer of the provisions of the Agreement unless such Losses are caused by the gross negligence, willful misconduct or fraud by Seller or the failure of Seller to comply with its express obligations under the Sale Documents.

11. Costs, Expenses and Taxes

11.1 Costs and Expenses

Each party shall bear its own costs and expenses in respect of the preparation and execution of this Agreement and the other Sale Documents.

11.2 Filings

Buyer shall bear all costs arising in respect of (i) any filing with the Aviation Authority of this Agreement and any other Sale Document and (ii) any filing or any registration of Buyer's rights in the Aircraft in the aircraft registry. Notwithstanding the foregoing, Buyer shall be responsible for the fees of FAA Counsel. Furthermore, Buyer shall be responsible for all financing-related expenses in connection with the purchase of the Aircraft.

11.3 Taxes

(a) The Purchase Price is inclusive of any VAT.

(b) Seller shall pay, indemnify and hold harmless Buyer from all stamp, documentary, VAT, registration, sales or other like duties or Taxes (including any payable by Buyer) levied, assessed, charged or imposed by any taxing authority in any country on or in connection with this Agreement or the Bill of Sale except for (i) any Taxes imposed on Buyer which would not have arisen but for the gross negligence or willful misconduct of Buyer and (ii) any Taxes in the jurisdiction of tax residence of Buyer that are based on or measured by the net income, gross receipts, net worth or accumulated earnings, or capital gain or profits of Buyer or any of its Affiliates.

12. Assignment

12.1 Without limiting Buyer's rights under Clause 19, Buyer shall not assign any of its rights or obligations under this Agreement (either directly or through a beneficial interest transfer or through a transfer of ownership of Buyer), without the prior consent of the Seller.

12.2 Seller shall not assign any of its rights or obligations under this Agreement.

13. Miscellaneous

13.1 This Agreement (together with the Sale Documents and all documents which are required by their respective terms to be entered into by the parties or any of them) contains the entire agreement and understanding between Buyer and Seller relating to the sale of the Aircraft and supersedes any previous understanding, commitment, agreement or representation whatsoever, oral or written. This Agreement may only be amended by an instrument in writing entered into on or after the date of this Agreement executed by or on behalf of Buyer and the Seller.

13.2 The powers, rights and remedies conferred on Buyer and Seller respectively under this Agreement are cumulative and are additional to, and not exclusive of, any powers, rights or remedies provided by law or otherwise available to them, and in addition:

(a) no waiver shall be effective unless specifically made in writing and signed by a duly authorized officer of the party granting such waiver;

(b) subject to Clause 13.2(c) below, neither the single or partial exercise or temporary or partial waiver by Buyer or Seller of any right, nor the failure by Buyer or Seller to exercise in whole or in part any right or to insist on the strict performance of any provision of this Agreement, nor the discontinuance, abandonment or adverse determination of any proceedings taken by Buyer or Seller to enforce any right or any such provision shall (except for the period or to the extent covered by any such temporary or partial waiver) operate as a waiver of, or preclude any exercise or enforcement or (as the case may be) other exercise or enforcement by Buyer or Seller of, that or any other right or provision;

(c) all references in Clause 13.2(b):

(i) to any right shall include any power, right or remedy conferred by this Agreement on, or provided by law or otherwise available to, Buyer or the Seller; and

(ii) to any failure to do something shall include any delay in doing it; and

(d) the giving by Buyer or Seller of any consent to any act which by the terms of this Agreement requires such consent shall not prejudice Buyer's or the Seller's right to withhold or give consent to the doing of any similar act.

13.3 This Agreement may be entered into in any number of counterparts and this has the same effect as if the signatures (or seals, if any) on the counterparts were on a single copy of this Agreement.

13.4 If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

13.5 Buyer and Seller agree that where the consent of Buyer Nominee is required pursuant to the terms of this Agreement, the consent of Buyer shall also be required and that any consent of Buyer Nominee shall be contingent upon the consent of Buyer having been obtained. It shall be reasonable in any circumstances for Buyer Nominee withholding or delaying its consent where the consent of Buyer is similarly reasonably withheld or delayed.

14. Confidentiality

14.1 Each of the parties hereto agrees that it shall keep confidential the existence and terms of this Agreement, the other Sale Documents and all ancillary documents, and shall not disclose the same to any person except: (a) as required by applicable law or governmental regulations; (b) as required to permit due performance of the terms of this Agreement; (c) to legal, financial or other professional advisors who are bound by a professional duty of confidentiality; (d) to the Lender, any other financiers of the Aircraft and their respective legal advisors who are bound by a professional duty of confidentiality; (e) to prospective investors where in each case they have signed a confidentiality agreement to keep such documents and information strictly confidential on terms substantially similar to this Clause, (f) to its Affiliates who in each case shall in each case agree to keep the terms of this Agreement confidential on terms no less restrictive than this Clause 14.1; (g) in respect of Buyer, to Buyer Guarantor, Buyer Nominee and Buyer Guarantor's and Buyer Nominee's respective shareholders and Affiliates, who in each case shall in each case agree to keep the terms of this Agreement, the other Sale Documents and all ancillary documents confidential on terms no less restrictive than this Clause 14.1; or (h) with the prior written consent of the other party.

14.2 In the event of any permitted disclosure to a third party pursuant to this Clause 14, the disclosing party shall notify such third party of the confidential nature of this Agreement and all ancillary documents and of the restrictions in this Clause 14 on the disclosure of such confidential information.

15. Notices

15.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter.

15.2 Addresses

The address, e-mail or fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Agreement is that identified with the name of Seller or Buyer at (a) or (b) below or any substitute address, fax number or department or officer as the relevant party may notify to the other by not less than [***] notice.

(a) Buyer at:

Address:
Avolon Leasing Ireland 3 Limited
Number One Ballsbridge
Shelbourne Road
Ballsbridge
004 FP65
Dublin 4
Ireland
Attention: The Directors
Email: [***]

(b) Seller at:

Address:
Frontier Airlines, Inc.
4545 Airport Way
Denver, CO 80239
Attention: Treasurer
Email: [***]
Fax: [***]

With a copy to:
Address:
Frontier Airlines, Inc.
4545 Airport Way
Denver, CO 80239
Attention: EVP, Corporate & Legal Affairs
Email: [***]

15.3 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

(a) if by way of fax, when received in legible form; or

(b) if by way of letter, when it has been left at the relevant address or [***] after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under Clause 15.2, if addressed to that department or officer.

15.4 Notification of address and fax number

Each party shall notify the other promptly of changing its own address, electronic mail or fax number.

15.5 Electronic communication

(a) Any communication to be made between Seller and Buyer under or in connection with this Agreement may be made by electronic mail or other electronic means, if the parties:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

(ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between Seller and Buyer will be effective only when actually received in readable form.

15.6 English language

All notices, requests, directions and other communications to be given under this Agreement will be in English. Except as expressly provided herein, all documents delivered to Buyer by Seller and by Seller to Buyer pursuant to this Agreement will be in English or, if not in English, will be accompanied by a certified English translation. If there is any inconsistency between the English version of this Agreement or any document delivered pursuant to this Agreement, and any version in any other language, the English translation will prevail unless the document is a constitutional, statutory or other official document.

16. No Brokers

16.1 No Brokers

Each of Seller and Buyer hereby represent and warrant to the other that it has not paid, agreed to pay or caused to be paid directly or indirectly in any form, any commission, percentage, contingent fee, brokerage or other similar payments of any kind, in connection with the establishment or operation of this Agreement or the Sale Documents, to any person (other than fees payable by each party to its legal advisers).

16.2 Indemnity

Each of Seller and Buyer agrees to indemnify and hold the other harmless from and against any and all claims, suits, damages, costs and expenses (including, but not limited to reasonable attorneys' fees) asserted by any agent, broker or other third party for any commission or compensation of any nature whatsoever based upon this Agreement or the other Sale Documents or the Aircraft, if such claim, suit, damage, cost or expense arises out of any breach by the indemnifying party, its officers, employees or agents of Clause 16.1.

17. Governing Law

THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES (OTHER THAN THE PROVISIONS OF SECTION 5-1401 AND 5- 1402 OF THE GENERAL OBLIGATIONS LAWS OF THE STATE OF NEW YORK).

18. Enforcement

EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT OBJECT TO THE COMMENCEMENT OF ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, IN ANY WAY RELATING TO THIS AGREEMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW; PROVIDED, THAT BUYER MAY AT ITS OPTION BRING SUIT OR INSTITUTE OTHER JUDICIAL PROCEEDINGS AGAINST SELLER OR SELLER'S ASSETS IN THE COURTS OF ANY OTHER JURISDICTION WHERE SELLER OR SUCH ASSETS MAY BE FOUND, TO THE EXTENT PERMITTED BY THE APPLICABLE LAW OF SUCH OTHER JURISDICTION.

18.2 EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN CLAUSE 15. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

18.3 WAIVER OF JURY TRIAL

EACH PARTY HEREBY WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH IT IS A PARTY INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER OR THEREUNDER. The scope of the above waiver and agreement is intended to be all encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including without limitation contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each party hereto acknowledges that the above waiver and agreement is a material inducement to enter into a business relationship, that each has already relied on the above waiver and agreement in entering into this Agreement, and that each will continue to rely on the above waiver and agreement in their related future dealings. Each party hereto further warrants and represents that it has reviewed the above waiver and agreement with its legal counsel and that it knowingly and voluntarily waives its jury trial rights and agrees as described above following consultation with legal counsel. THIS WAIVER AND AGREEMENT SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT OR AGREEMENTS RELATING HERETO.

19. Buyer Nominee

19.1 Seller agrees that Buyer may serve written notice on Seller no later than [***] prior to the Delivery Date nominating another Person, including any Affiliate of Buyer or an owner trustee subject to a trust, the beneficiary of which is Buyer or an Affiliate of Buyer, to take title to an Aircraft on the Delivery Date, in lieu of Buyer, on the terms and subject to the conditions set out in this Agreement and in each other Sale Document (such nominee, "**Buyer Nominee**"); provided that Seller shall have received such 'know your customer' documents regarding Buyer Nominee as Seller may require regarding Buyer Nominee for Seller to confirm that Seller will not be in violation of any Sanctions, Export Control Laws or AML Laws due to the nomination of Buyer Nominee.

19.2 Notwithstanding the foregoing in Clause 19.1

(a) the appointment of Buyer Nominee shall not cause Seller to have any greater obligation, risk or liability under this Agreement and the other Sale Documents as a result of such nomination based on the facts and circumstances existing and applicable laws in effect at the time of Delivery, than it would have had if such nomination had not taken place;

(b) the nomination of Buyer Nominee shall not cause Seller to violate any laws (including any securities laws, any Sanctions, Export Control Laws, and AML Laws);

(c) Buyer covenants and agrees in favor of Seller that it shall procure that any Buyer Nominee shall at all times comply with and perform in full all of obligations of "Buyer" under any Sale Document to which Buyer Nominee is a party or deemed a party by virtue of this Clause 19;

(d) any failure by Buyer Nominee to comply with any obligation under this Agreement or any Sale Document to which it is a party or deemed a party by virtue of this Clause 19 shall be deemed to be a breach by Buyer of the equivalent obligation of Buyer hereunder or thereunder;

(e) Buyer shall at all times remain primarily liable for all obligations of Buyer and Buyer Nominee (in respect of Buyer Nominee, other than the obligation to receive title to the Aircraft); and

(f) Buyer and Seller may rescind, terminate, amend, supplement, vary or otherwise modify the rights and obligations of the parties under this Agreement pursuant to the terms of this Agreement without the consent of Buyer Nominee.

[Balance of page intentionally blank]

Signature Page – Aircraft Sale Agreement ([***])

IN WITNESS whereof the parties hereto have caused this Agreement to be duly executed the day and year first above written.

SELLER:
SIGNED
for and on behalf of
FRONTIER AIRLINES, INC.
By: */s/ Howard Diamond*
Name: Howard Diamond
Tittle: EVP, Corporate & Legal Affairs and Secretary

BUYER:
SIGNED
for and on behalf of

AVOLON LEASING IRELAND 3 LIMITED,
By: */s/ Julie Ann Sherry*
Name: Julie Ann Sherry
Title: Attorney-in-fact

Schedule 1
Form of Acceptance Certificate

DATED: __

FROM: Avolon Leasing Ireland 3 Limited (**Buyer**) TO: Frontier

Airlines, Inc. (**Seller**)

Buyer acknowledges that:

1. on the date first written above (**Delivery Date**) at : [a./p.]m ___ time pursuant to the terms of the Aircraft Sale Agreement ([***]) dated June 30, 2026 (**Sale Agreement**) and made between Seller and Buyer relating to one (1) Airbus model A321-271NX aircraft with aircraft manufacturer's serial number and country registration mark as set forth below, including two (2) International Aero Engines, LLC model PW1133GA-JM engines with manufacturer's serial numbers as set forth below, and as more particularly described in the Sale Agreement (**Aircraft**), Seller has delivered the Aircraft to Buyer while the Aircraft is in [Toulouse, France/Hamburg, German/Mobile, Alabama], and Buyer has accepted delivery of the Aircraft from the Seller.

2. Buyer has inspected the Aircraft, the Aircraft Documents and the Aircraft and the Aircraft Documents are in all respects satisfactory to Buyer and is in all respects in accordance with the Sale Agreement.

3. The execution and delivery of this Acceptance Certificate confirms the acceptance of the Aircraft and the Aircraft Documents by Buyer as satisfactory to it and otherwise acceptable for all purposes of the Sale Agreement.

4. Terms and expressions defined in the Sale Agreement shall have the same meaning when used in this Acceptance Certificate.

5. On the Delivery Date and at the time first listed above

   (i) the Airframe, Engines and Parts had the following Flight Hours/Flight Cycles at the time of :

   (a)

Airframe Serial No:	______________________
Country of Registration:	______________________
Country Registration Mark:	______________________
Total Flight Hours Since New:	______________________
Total Flight Cycles Since New:	______________________
Flight Hours Since Last C-Check:	N/A

Calendar Months Since Last S-Check:	N/A
Flight Hours Since Last S-Check:	N/A
MTOW:	
MLW:	
MZFW:	

(b) Engine Type: International Aero Engines, LLC PW1133GA-JM:

Position	1	2
Serial No:	[__]	[__]
Total Flight Hours:	[__]	[__]
Total Cylcles:	[__]	[__]
Flight Hours since last Engine Performance Restoration:	N/A	N/A
Cycles since last Engine Performance Restoration:	N/A	N/A
Cycles remaining to next expected Engine Performance Restoration:	[__]	[__]

(c)

APU Type and Model:	[__]
Serial No:	[__]
Total APU Hours:	[__]
Total Cycles:	[__]
[APU]/[Flight] Hours since the APU Heavy Repair:	N/A

(d) Landing Gear:

Position:	LH Main	Nose	RH Main
Model:	[__]	[__]	[__]
Serial No:	[__]	[__]	[__]
Total Flight Hours:	[__]	[__]	[__]
Total Flight Cycles:	[__]	[__]	[__]
Flight Hours since last Landing Gear Overhaul:	N/A	N/A	N/A
Flight Cycles since last Landing Gear Overhaul:	N/A	N/A	N/A

(e) Fuel on Board: __

(f) Status of components or Parts with time/cycle and calendar limits (see attached sheet)

(g) the Detailed Specifications received from Manufacturer (see attached sheet)

(h) All of the foregoing has been inspected by Buyer and was technically acceptable on the date first written above to Buyer's full satisfaction and pursuant to the terms and provisions of the Sale Agreement.

(ii) attached hereto is a schedule of all Aircraft Documents inspected by Buyer in respect of the Aircraft; and

(iii) attached hereto is a schedule of Loose Equipment listing items of loose equipment inspected by Buyer and to be delivered to Buyer with the Aircraft on the Delivery Date.

SIGNED for and on behalf of Buyer

AVOLON LEASING IRELAND 3 LIMITED

By:
Name:
Title:

Attachment 1 to Acceptance Certificate

[***]

Schedule 2 [Reserved]

Schedule 3
Form of Manufacturer Bill of Sale

[***]

Schedule 4
Form of Airbus S.A.S. Title Warranty

[***]

Schedule 5
Listing of BFE (Buyer Furnished Equipment)

[***]

Schedule 6 LOPA

[***]

Schedule 7 Event of Default

To the extent permitted by applicable law, each of the following shall constitute an Event of Default:

(a) Breach of Airbus Purchase Agreement. Seller breaches any provision of the Airbus Purchase Agreement for which Seller has received a notification of breach thereof from Manufacturer for which Seller's right to purchase the Aircraft under the Airbus Purchase Agreement may be terminated by Manufacturer.

(b) Termination of Airbus Purchase Agreement. The Airbus Purchase Agreement in respect of the Aircraft or the obligation or the right for Seller to purchase the Aircraft under the Airbus Purchase Agreement is terminated unless such termination is caused by breach of Buyer of this Agreement.

(c) Breach of Purchase Agreement Assignment Documents. Seller breaches any material provision of the Purchase Agreement Assignment or the Airbus Consent and Agreement taking into account any grace period or right to cure as set forth therein.

(d) Other Obligations. Seller fails to comply with any other provision of this Agreement or any other Seller Document (a "**General Covenant Default**") and either (i)(x) a Relevant Officer has knowledge of such General Covenant Default, (y) such Relevant Officer has knowledge that such General Covenant Default constitutes a Default, and (z) Seller fails to notify Buyer in writing of such General Covenant Default within [***] of such Relevant Officer having knowledge of the foregoing or (ii) such General Covenant Default, if capable of being remedied, continues for [***] after receipt of written notice thereof from Buyer to Seller; provided, however in the case of this subclause (ii), that, if Seller shall be diligently undertaking to remedy any such failure and notwithstanding the diligence of Seller in attempting to remedy such failure, such failure is not cured within said [***] period and both (I) such failure is not capable of being cured within said [***] period, and (II) such failure may not be cured by a monetary payment by Seller, then Seller shall have an additional [***] to cure such General Covenant Default prior to it constituting an Event of Default, such period (the "[***]"); and (iii) in the event the [***] is not sufficient to allow for remediation of such failure, and Seller has been diligently undertaking to remedy any such failure and notwithstanding the diligence of Seller in attempting to remedy such failure, such failure is not cured within such [***], then Seller shall have an additional [***] period to cure such General Covenant of Default prior to it constituting an Event of Default.

(e) Misrepresentation. Any representation or warranty made or deemed to be made or repeated by Seller in Seller's Documents or any other document delivered by or on behalf of Seller under or in connection with any Seller's Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made and, if by remedying any situation or circumstance such representation or warranty would cease to be false or incorrect and if such situation or circumstance is capable of remedy, Seller shall have [***] time to remedy the same.

(f) [***]

(g) Authorizations. Any consent, authorization, license, permit, certificate or approval of, or registration with or declaration to any Government Entity required to be obtained or made by Seller to authorize, or required to be obtained or made by Seller in connection with, the execution, delivery, validity, enforceability or admissibility in evidence of any of Seller Documents or the performance by Seller of its obligations under any such Seller Documents or the use or operation of aircraft, generally, for the carriage, for hire or reward, of passengers is revoked, suspended, canceled, withdrawn or terminated or expires and is not renewed, or otherwise ceases to be in full force and effect and such revocation, suspension, cancellation, withdrawal, termination, expiration, non-renewal or cessation would reasonably be expected to prejudice Buyer's rights under or in connection with any of the Sale Documents, or jeopardize the interest of any Buyer Party in or right to, the Aircraft or may give rise to criminal liability of any Buyer Party.

Schedule 8
List of Documents and Evidence

Part 1
Seller's Conditions Precedent to Effectiveness

1. A copy certified by an officer of Buyer to be a true, complete and up-to-date copy, of the constitutional documents of Buyer.

2. A Secretary's certificate of Buyer certifying that resolutions of the board of directors of Buyer have been approved authorizing officers as signatories, which signatories can sign and deliver on behalf of Buyer the Sale Documents to which it is a party and any notices or other documents to be given pursuant thereto.

3. Specimen signatures, authenticated by an officer of Buyer, of each of the authorized signatories referred to in Clause 2 above.

4. A copy of this Agreement and the Buyer Guarantee duly executed by the parties thereto (other than the Seller), with the originals to follow promptly after the date hereof.

5. Within [***] of the date hereof, the Security Deposit has been received by the Escrow Agent.

Part 2
Seller's Conditions Precedent to Sale

1. A Secretary's certificate of Buyer certifying that resolutions of the board of directors of Buyer referred to in Part 1 of this Schedule 8 remain effective and have not been amended, modified or revoked other than with the consent of the Seller.

2. Specimen signatures, authenticated by an officer of Buyer, of each of the authorized signatories referred to in sub-clause 2 of Part 1 to this Schedule 8.

3. A copy of each of the Sale Documents (other than this Agreement, the Buyer Guarantee and the Airbus Participation Agreement) duly executed by the parties thereto (other than the Seller), with the originals to follow promptly after Delivery.

4. Seller shall have received the benefit of the Purchase Price (which shall be paid directly by Buyer to Manufacturer upon Delivery).

Part 3
Buyer's Conditions Precedent to Effectiveness

1. A copy certified by an officer of Seller to be a true, complete and up-to-date copy, of the constitutional documents of the Seller.

2. A Secretary's certificate of Seller certifying that resolutions of the board of directors of Seller have been approved:

(a) approving the transactions contemplated by the Sale Documents to which Seller is a party; and

(b) authorizing a person or persons to sign and deliver on behalf of Seller the Sale Documents to which it is a party and any notices or other documents to be given pursuant thereto.

3. Specimen signatures, authenticated by an officer of the Seller, of each of the authorized signatories referred to in sub-clause 2(b) above.

4. A copy of this Agreement and the Buyer Guarantee duly executed by the parties thereto (other than Buyer) with the originals to follow promptly after Delivery.

Part 4
Buyer's Conditions Precedent to Purchase

1. A Secretary's certificate of Seller certifying that resolutions of the board of directors of Seller referred to in Part 3 of this Schedule 8 remain effective and have not been amended, modified or revoked other than with the consent of Buyer.

2. Specimen signatures, authenticated by an officer of the Seller, of each of the authorized signatories referred to in sub-clause2(b) of Part 3 to this Schedule 8.

3. A copy of this Agreement and each of the other Sale Documents duly executed by the parties thereto (other than Buyer) with the originals to follow promptly after Delivery.

4. Copies of all Aircraft Documents.

5. No Insolvency Event has occurred and is continuing; provided that an Insolvency Event shall be deemed not to have occurred and be continuing if within the first [***] of such Insolvency Event Seller has irrevocably "assumed" the Airbus Purchase Agreement with respect to the Aircraft such that Seller no longer has the right to terminate the Airbus Purchase Agreement with respect to the Aircraft in connection with such Insolvency Event.

6. Immediately prior to Delivery, unless Buyer is entitled under the terms and conditions of this Agreement to issue Disbursement Instructions on its own, Buyer shall be reasonably satisfied that Seller shall be able to timely issue Disbursement Instructions required hereby or by the Escrow Agreement without the consent of any third party, including any court.

Part 5
Buyer's Conditions Subsequent to Effectiveness

1. Within [***] following the date of this Agreement or such later date as mutually agreed by Buyer and the Seller, each acting reasonably, Buyer shall receive a copy of the Airbus Participation Agreement satisfactory to it in form and substance to Buyer and duly executed by the parties thereto (other than Buyer).

Part 6
Buyer's Conditions Subsequent to Purchase

1. Immediately following Delivery, Seller shall have executed the Disbursement Instructions to cause the Security Deposit for the Aircraft and any accrued interest thereon to be returned to Buyer as set forth in the Escrow Agreement.

Schedule 9
Form of Airbus Purchase Agreement

[***]

Schedule 10
Form of Airbus Consent and Agreement

[***]

[***] Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and would likely cause competitive harm to the registrant if publicly disclosed.

Schedule of Aircraft Sale Agreements Substantially Identical in all Materials Respects to the Aircraft Sale Agreement Filed as Exhibit 10.1(c) to this Quarterly Report on Form 10-Q

In accordance with the instructions to Item 601 of Regulation S-K, Frontier Group Holdings, Inc. (the "Company") has omitted 10 Aircraft Sale Agreements as exhibits to this Quarterly Report on Form 10-Q because they are substantially identical in all material respects to the Aircraft Sale Agreement filed as Exhibit 10.1(c), except for the aircraft-specific and conforming differences set forth in this schedule.

Each omitted agreement (i) is dated June 30, 2026, (ii) is between Frontier Airlines, Inc., as Seller, and Avolon Leasing Ireland 3 Limited, as Buyer, and (iii) relates to one new Airbus model A321-271NX aircraft together with two IAE model PW1133GA-JM engines. References in each omitted agreement to the agreement number, Manufacturer's Serial Number, Scheduled Delivery Month, Purchase Price, the "Other Purchase Agreement" definition, and the [***] in Clause 7.4 are conformed to the applicable aircraft listed below.

Omitted Agreement	Material Differences from Filed Form of Agreement
Aircraft Sale Agreement No. 2 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered November 2026. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 3 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered November 2026. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 4 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered December 2026. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 5 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered December 2026. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 6 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered May 2027. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 7 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered May 2027. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 8 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered June 2027. The Purchase Price is [***]. Clause 7.4 provides that [***].

Aircraft Sale Agreement No. 9 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered May 2027. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 10 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered June 2027. The Purchase Price is [***]. Clause 7.4 provides that [***].
Aircraft Sale Agreement No. 11 / MSN [***]	This omitted agreement relates to aircraft bearing Manufacturer's Serial Number [***] and is scheduled to be delivered June 2027. The Purchase Price is [***]. Clause 7.4 provides that [***].

Exhibit 31.1

CERTIFICATION

I, James G. Dempsey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Frontier Group Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2026

/s/ James G. Dempsey
James G. Dempsey
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Mark C. Mitchell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Frontier Group Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2026

/s/ Mark C. Mitchell

Mark C. Mitchell
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification of Chief Executive Officer Pursuant to 18 U.S.C. § 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Frontier Group Holdings, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	July 29, 2026	/s/ James G. Dempsey
		James G. Dempsey
		Chief Executive Officer
		(Principal Executive Officer)

Exhibit 32.2

Certification of Chief Financial Officer Pursuant to 18 U.S.C. § 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Frontier Group Holdings, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 29, 2026

/s/ Mark C. Mitchell
Mark C. Mitchell
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)