
**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 September 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

(State or other jurisdiction of
incorporation or organization)

46-3681866

(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 230,417,551 shares of common stock, \$0.001 par value per share, outstanding as of October 23, 2026.

TABLE OF CONTENTS

	<u>Page</u>
<u>Part I. Financial Information</u>	
Item 1. Condensed Consolidated Financial Statements (unaudited)	
Condensed Consolidated Balance Sheets	3
Condensed Consolidated Statements of Operations	4
Condensed Consolidated Statements of Comprehensive Income (Loss)	5
Condensed Consolidated Statements of Cash Flows	6
Condensed Consolidated Statements of Stockholders' Equity	7
Notes to Condensed Consolidated Financial Statements	9
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	23
Glossary of Airline Terms	45
Item 3. Quantitative and Qualitative Disclosures about Market Risk	47
Item 4. Controls and Procedures	47
<u>Part II. Other Information</u>	
Item 1. Legal Proceedings	48
Item 1A. Risk Factors	48
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	48
Item 3. Defaults Upon Senior Securities	48
Item 4. Mine Safety Disclosures	48
Item 5. Other Information	49
Item 6. Exhibits	50
Signature	52

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)

	September 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	\$ 976	\$ 671
Accounts receivable, net	166	85
Supplies, net	105	90
Other current assets	104	112
Total current assets	1,351	958
Property and equipment, net	459	510
Operating lease right-of-use assets	4,529	4,806
Pre-delivery deposits for flight equipment	272	428
Intangible assets, net	27	27
Other assets	394	491
Total assets	\$ 7,032	\$ 7,220
Liabilities and stockholders' equity		
Accounts payable	\$ 87	\$ 130
Air traffic liability	500	352
Frequent flyer liability	36	16
Current maturities of long-term debt, net	160	301
Current maturities of operating leases	724	779
Other current liabilities	661	525
Total current liabilities	2,168	2,103
Long-term debt, net	322	313
Long-term operating leases	3,844	4,070
Long-term frequent flyer liability	73	44
Other long-term liabilities	588	199
Total liabilities	6,995	6,729
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Common stock, \$0.001 par value per share, with 230,344,050 and 229,010,827 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	449	437
Retained earnings (accumulated deficit)	(407)	59
Accumulated other comprehensive income (loss)	(5)	(5)
Total stockholders' equity	37	491
Total liabilities and stockholders' equity	\$ 7,032	\$ 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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating revenues:				
Passenger	\$ 1,327	\$ 854	\$ 3,514	\$ 2,636
Other	28	32	112	91
Total operating revenues	1,355	886	3,626	2,727
Operating expenses:				
Aircraft fuel	425	234	1,129	702
Salaries, wages and benefits	275	251	812	754
Aircraft rent	301	181	832	536
Station operations	218	173	607	531
Maintenance, materials and repairs	89	52	295	150
Sales and marketing	49	38	140	118
Depreciation and amortization	59	24	177	65
Other operating	47	10	122	69
Total operating expenses	1,463	963	4,114	2,925
Operating income (loss)	(108)	(77)	(488)	(198)
Other income (expense):				
Interest expense	(12)	(15)	(34)	(34)
Capitalized interest	5	10	19	26
Interest income and other	11	6	24	20
Total other income (expense)	4	1	9	12
Income (loss) before income taxes	(104)	(76)	(479)	(186)
Income tax expense (benefit)	—	1	(13)	4
Net income (loss)	\$ (104)	\$ (77)	\$ (466)	\$ (190)
Earnings (loss) per share:				
Basic	\$ (0.45)	\$ (0.34)	\$ (2.03)	\$ (0.84)
Diluted	\$ (0.45)	\$ (0.34)	\$ (2.03)	\$ (0.84)

See Notes to Condensed Consolidated Financial Statements

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	\$ (104)	\$ (77)	\$ (466)	\$ (190)
Amortization from cash flow hedges, net of adjustment for deferred tax benefit (expense) of less than \$1 for each of the three and nine months ended September 30, 2026 and 2025	—	—	—	—
Other comprehensive income (loss)	—	—	—	—
Comprehensive income (loss)	\$ (104)	\$ (77)	\$ (466)	\$ (190)

See Notes to Condensed Consolidated Financial Statements

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

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (466)	\$ (190)
Adjustments to reconcile net loss to cash provided by (used in) operating activities:		
Deferred income taxes	(12)	4
Depreciation and amortization	83	65
Gains recognized on sale-leaseback transactions	(126)	(157)
Stock-based compensation	15	16
Early Return Agreements charges	180	—
Changes in operating assets and liabilities:		
Accounts receivable, net	(81)	(20)
Supplies and other current assets	(17)	(28)
Other long-term assets	(164)	(179)
Accounts payable	(25)	31
Air traffic liability	148	31
Other liabilities	615	(7)
Cash provided by (used in) operating activities	150	(434)
Cash flows from investing activities:		
Capital expenditures	(35)	(53)
Pre-delivery deposits for flight equipment, net of refunds	156	(105)
Other	(1)	—
Cash provided by (used in) investing activities	120	(158)
Cash flows from financing activities:		
Proceeds from issuance of debt, net of issuance costs	77	354
Principal repayments on debt	(211)	(188)
Proceeds from sale-leaseback transactions	172	248
Proceeds from the exercise of stock options	—	6
Tax withholdings on share-based awards	(3)	(2)
Cash provided by financing activities	35	418
Net increase (decrease) in cash, cash equivalents and restricted cash	305	(174)
Cash, cash equivalents and restricted cash, beginning of period	671	740
Cash, cash equivalents and restricted cash, end of period	\$ 976	\$ 566

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
Net income (loss)	—	—	—	(77)	—	(77)
Shares issued in connection with vesting of restricted stock units	109,043	—	—	—	—	—
Shares withheld to cover employee taxes on vested restricted stock units	(33,980)	—	—	—	—	—
Stock option exercises	19,950	—	—	—	—	—
Stock-based compensation	—	—	5	—	—	5
Balance at September 30, 2025	228,229,561	\$ —	\$ 434	\$ 6	\$ (6)	\$ 434

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
Net income (loss)	—	—	—	(104)	—	(104)
Shares issued in connection with vesting of performance and restricted stock units	205,828	—	—	—	—	—
Shares withheld to cover employee taxes on vested performance and restricted stock units	(60,298)	—	(1)	—	—	(1)
Stock-based compensation	—	—	6	—	—	6
Balance at September 30, 2026	230,344,050	\$ —	\$ 449	\$ (407)	\$ (5)	\$ 37

See Notes to Condensed Consolidated Financial Statements

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

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 nine months ended September 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 September 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 September 30, 2026 and December 31, 2025, the Company’s air traffic liability balance was \$500 million and \$361 million, respectively, which includes amounts classified as other long-term liabilities on the Company’s condensed consolidated balance sheets. During the nine months ended September 30, 2026, 94% of the air traffic liability as of December 31, 2025 was recognized as passenger revenue within the Company’s condensed

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

consolidated statements of operations. Of the air traffic liability balances as of September 30, 2026 and December 31, 2025, \$81 million and \$75 million, respectively, was related to unearned membership fees.

During the nine months ended September 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 is being 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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Passenger revenues:				
Fare	\$ 665	\$ 330	\$ 1,727	\$ 1,028
Non-fare passenger revenues:				
Service fees	281	234	717	720
Baggage	239	178	688	569
Seat selection	91	78	262	228
Other	51	34	120	91
Total non-fare passenger revenue	662	524	1,787	1,608
Total passenger revenues	1,327	854	3,514	2,636
Other revenues	28	32	112	91
Total operating revenues	\$ 1,355	\$ 886	\$ 3,626	\$ 2,727

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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Domestic	\$ 1,300	\$ 841	\$ 3,463	\$ 2,583
Latin America	55	45	163	144
Total operating revenues	\$ 1,355	\$ 886	\$ 3,626	\$ 2,727

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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

3. Other Current Assets

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

	September 30, 2026	December 31, 2025
Supplier incentives	\$ 41	\$ 69
Prepaid expenses	33	26
Forgivable loans	3	11
Income tax and other taxes receivable	6	4
Other	21	2
Total other current assets	\$ 104	\$ 112

4. Other Current Liabilities

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

	September 30, 2026	December 31, 2025
Passenger and other taxes and fees payable	\$ 171	\$ 148
Salaries, wages and benefits	130	143
Station obligations	116	78
Aircraft maintenance	103	65
Fuel liabilities	50	36
Leased aircraft return costs	38	7
Other current liabilities	53	48
Total other current liabilities	\$ 661	\$ 525

5. Debt

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

	September 30, 2026	December 31, 2025
Secured debt:		
Pre-delivery Credit Facilities ^(a)	\$ 180	\$ 348
Revolving Loan Facility ^(b)	—	—
2025-1 EETCs ^(c)	100	105
Unsecured debt:		
Affinity card advance purchase of miles ^(d)	140	101
PSP Promissory Notes ^(e)	66	66
Total debt	486	620
Less: current maturities of long-term debt, net	(160)	(301)
Less: total debt acquisition costs and other discounts, net	(4)	(6)
Long-term debt, net	\$ 322	\$ 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 \$285 million. See Note 8 for the Company's commitment schedule regarding its A320neo family orderbook.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

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 and payments allowable six months subsequent to maturity.

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 required commitment fees to be paid, on a quarterly basis, on each individual aircraft delivery once PDP funding began, 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 consisted of separate loans for each PDP aircraft. Each separate loan matured upon the delivery of that aircraft to the Company. The Third PDP Financing Facility was repaid periodically according to the preceding sentence and matured in July 2026, at which time the Third PDP Financing Facility was terminated in accordance with its terms.

- (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 \$105 million in 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 FGIH common stock at a weighted-average price of \$6.95 per share. During the nine months ended September 30, 2025, 1,244,608 warrants were exercised. The Company settled the exercises through a net share settlement of 248,893 shares of FGIH common stock and cash of less than \$1 million. During the nine months ended September 30, 2026, 237,274 warrants expired and as of September 30, 2026, no warrants remain outstanding.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Cash payments for interest related to debt were \$28 million and \$31 million for the nine months ended September 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 September 30, 2026 and December 31, 2025, the Company did not have any outstanding letters of credit that were drawn upon.

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

	Total
Remainder of 2026	\$ 62
2027	102
2028	39
2029	9
2030	42
Thereafter	232
Total debt principal payments	\$ 486

The Company continues to monitor covenant compliance with various parties, including, but not limited to, its lenders and credit card processors. As of September 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 nine months ended September 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 recorded in aircraft rent within the Company's condensed consolidated statement of operations. Additionally, during the nine months ended September 30, 2026, the Company recorded \$81 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 September 30, 2026, the Company recorded \$2 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.

Second Early Return Agreement

In August 2026, the Company entered into an agreement (the "Second Early Return Agreement") to early terminate the leases associated with 13 A320neo aircraft, which represented a lease modification. The costs associated with the Second Early Return Agreement include non-recurring non-cash charges during the three months ended September 30, 2026 comprised of: \$31 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, \$26 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 and \$(7) million of benefit related to the reversal of previously

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

accrued fixed lease return costs recorded in aircraft rent within the Company's condensed consolidated statement of operations. Additionally, during the three months ended September 30, 2026, the Company recorded \$84 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, with the majority to be settled in 2028 and 2029.

Aircraft

As of September 30, 2026, the Company leased 164 aircraft with remaining terms ranging from 1 month to 12 years, all of which are under operating leases and primarily included within operating lease right-of-use assets and operating lease liabilities on the Company's condensed consolidated balance sheets. In addition, as of September 30, 2026, the Company leased 61 spare engines, all of which are under operating leases, with the remaining terms ranging from 1 month to 11 years. As of September 30, 2026, the lease rates for 18 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 nine months ended September 30, 2026 and 2025, the Company completed sale-leaseback transactions with third-party lessors for 4, 17, 2 and 9 new Airbus A320neo family aircraft, respectively. Additionally, during the three and nine months ended September 30, 2025, the Company completed 6 and 8 sale-leaseback transactions with third-party lessors for engines, respectively. All of the leases from the sale-leaseback transactions are accounted for as operating leases. The Company recognized gains on sale-leaseback transactions of \$32 million, \$126 million, \$67 million, and \$157 million during the three and nine months ended September 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 nine months ended September 30, 2026 and 2025, aircraft rent expense was \$301 million, \$832 million, \$181 million and \$536 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 \$97 million, \$218 million, \$(1) million, and \$2 million for the three and nine months ended September 30, 2026 and 2025, respectively. As of September 30, 2026 and December 31, 2025, the Company's total leased aircraft and spare engine return cost liability was \$229 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 three and nine months ended September 30, 2026, the Company amended certain aircraft operating leases that were slated to expire in 2027 in order to extend the term of the lease, and recorded a benefit of \$13 million and \$17 million, respectively, 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.

During the three and nine months ended September 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 \$7 million and \$27 million, respectively, 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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

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 September 30, 2026, the remaining lease terms vary from 1 month to 12 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 September 30, 2026.

Lease Costs

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating lease cost ^(a)	\$ 278	\$ 186	\$ 759	\$ 548
Variable lease cost ^(a)	151	114	402	340
Total lease costs	\$ 429	\$ 300	\$ 1,161	\$ 888

(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 nine months ended September 30, 2026 and 2025, the Company acquired, through new or modified operating leases, operating lease assets totaling \$209 million, \$840 million, \$167 million and \$725 million, respectively, which are included in operating lease right-of-use assets on the Company's condensed consolidated balance sheets. During the three months ended September 30, 2026, in connection with the Second Early Return Agreement, the Company reduced operating lease right-of-use assets and liabilities due to the lease modification remeasurement totaling \$254 million and \$261 million, respectively. During the nine months ended September 30, 2026, in connection with the Early Return Agreement and Second Early Return Agreement (collectively, the "Early Return Agreements"), the Company reduced operating lease right-of-use assets and liabilities due to the lease modification remeasurement totaling \$673 million and \$686 million, respectively. During the three and nine months ended September 30, 2026 and 2025, the Company paid cash of \$198 million, \$609 million, \$184 million, and \$540 million, respectively, for amounts included in the measurement of lease liabilities.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

7. Stock-Based Compensation

During the three and nine months ended September 30, 2026 and 2025, the Company recognized \$6 million, \$15 million, \$5 million, and \$16 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 nine months ended September 30, 2026. During the nine months ended September 30, 2026, no vested stock options were exercised. As of September 30, 2026, the weighted-average exercise price of outstanding stock options was \$9.49 per share.

Restricted Stock Units

During the nine months ended September 30, 2026, 3,103,973 restricted stock units were issued with a weighted-average grant date fair value of \$5.41 per share. During the nine months ended September 30, 2026, 1,810,917 restricted stock units vested, of which 508,077 restricted stock units were withheld to cover employees' tax withholding obligations, with a weighted-average grant date fair value of \$6.87 and \$8.01 per share, respectively.

Performance Stock Units

During the nine months ended September 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 nine months ended September 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 September 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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

8. Commitments and Contingencies

Flight Equipment Commitments

As of September 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	—	5	5	1
2027	—	8	8	3
2028	9	11	20	2
2029	—	15	15	5
2030	—	22	22	7
Thereafter	3	78	81	2
Total	12	139	151	20

(a) While the schedule presented above reflects the contractual delivery dates as of September 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 September 30, 2026 and December 31, 2025, the Company had \$57 million and \$81 million, respectively, of deferred purchase incentives recognized within other assets on the Company's condensed consolidated balance sheets. As of September 30, 2026 and December 31, 2025, the Company had \$47 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 September 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	\$ 318
2027	533
2028	1,224
2029	1,045
2030	1,557
Thereafter	5,510
Total	\$ 10,187

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Employees

The Company has seven union-represented employee groups that together represented approximately 87% of all employees as of September 30, 2026. The table below sets forth the Company's employee groups and status of the collective bargaining agreements as of September 30, 2026:

Employee Group	Representative	Amendable Date ^(a)	Percentage of Workforce
			September 30, 2026
Pilots	Air Line Pilots Association ("ALPA")	January 2024 ^(b)	28%
Flight Attendants	Association of Flight Attendants ("AFA-CWA")	May 2024 ^(c)	51%
Aircraft Technicians	International Brotherhood of Teamsters ("IBT")	September 2031 ^(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) During the three months ended September 30, 2026, the Company executed a new collective bargaining agreement with IBT representing its aircraft technicians.

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 September 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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Basic:				
Net income (loss)	\$ (104)	\$ (77)	\$ (466)	\$ (190)
Weighted-average common shares outstanding, basic	230,242,641	228,174,036	229,882,164	227,515,630
Earnings (loss) per share, basic	\$ (0.45)	\$ (0.34)	\$ (2.03)	\$ (0.84)
Diluted:				
Net income (loss)	\$ (104)	\$ (77)	\$ (466)	\$ (190)
Weighted-average common shares outstanding, basic	230,242,641	228,174,036	229,882,164	227,515,630
Effect of dilutive potential common shares	—	—	—	—
Weighted-average common shares outstanding, diluted	230,242,641	228,174,036	229,882,164	227,515,630
Earnings (loss) per share, diluted	\$ (0.45)	\$ (0.34)	\$ (2.03)	\$ (0.84)

Due to the net loss for each of the three and nine months ended September 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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

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 nine months ended September 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 nine months ended September 30, 2026 was 0% and a benefit of 2.7%, respectively, on pre-tax losses, compared to an expense of 1.3% and 2.2%, respectively, on pre-tax losses for the three and nine months ended September 30, 2025. The effective tax rate for the three and nine months ended September 30, 2026 and 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 September 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 September 30, 2026, the Company had a valuation allowance of \$161 million against its deferred tax assets, primarily U.S. federal, state and foreign net operating loss carryforwards. During the three months ended September 30, 2026, the Company recorded a valuation allowance against its deferred tax assets, primarily U.S. federal, state and foreign net operating loss carryforwards, of \$20 million, \$2 million, and \$1 million, respectively. During the nine months ended September 30, 2026, the Company recorded a valuation allowance against its deferred tax assets, primarily for U.S. federal, state and foreign net operating loss carryforwards of \$85 million, \$8 million, and \$3 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.

FRONTIER GROUP HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

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 September 30, 2026 and December 31, 2025, the Company had \$18 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):

	September 30, 2026		December 31, 2025	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Secured debt:				
Pre-delivery Credit Facilities	\$ 180	\$ 182	\$ 348	\$ 352
2025-1 EETCs	100	100	105	109
Unsecured debt:				
Affinity card advance purchase of miles	140	125	101	100
PSP Promissory Notes	66	65	66	65
Total debt	\$ 486	\$ 472	\$ 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):

Description	Balance Sheet Classification	Fair Value Measurements as of September 30, 2026			
		Total	Level 1	Level 2	Level 3
Cash, cash equivalents and restricted cash	Cash and cash equivalents	\$ 976	\$ 976	\$ —	\$ —

Description	Balance Sheet Classification	Fair Value Measurements as of December 31, 2025			
		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 September 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 nine months ended September 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. In September 2026, we entered into a collective bargaining contract ratification with the union representing our aircraft technicians. Further, we are currently in negotiations with the unions which represent our pilots and flight attendants 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 nine months ended September 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 March 2026, we entered into an agreement (the “Early Return Agreement”) to terminate the leases associated with 24 A320neo aircraft. As of September 30, 2026, all 24 aircraft have been returned and removed from the fleet. For the three and nine months ended September 30, 2026, we recognized \$3 million and \$212 million, respectively, of expenses related to the Early Return Agreement, which includes one-time charges for lease return costs, costs related to the write-off of non-recoverable capitalized prepaid maintenance, accelerated depreciation of capitalized maintenance, and costs related to commitment fees.

In August 2026, we entered into an agreement (the “Second Early Return Agreement”) to terminate the leases associated with 13 A320neo aircraft. As of October 2026, all 13 aircraft have been returned and removed from the fleet. For the three months ended September 30, 2026, we recognized \$134 million of operating expenses related to the Second 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. For additional information related to the Early Return Agreement and the Second Early Return Agreement (collectively the “Early Return Agreements”) please refer to “Notes to Condensed Consolidated Financial Statements — 6. Operating Leases.” In addition, during the third quarter of 2026 and in conjunction with our fleet optimization strategy, we entered into 10 direct leases for A321neo aircraft.

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.

Overview

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Total operating revenues	\$ 1,355	\$ 886	\$ 3,626	\$ 2,727
Total operating expenses	\$ 1,463	\$ 963	\$ 4,114	\$ 2,925
Pre-tax income (loss)	\$ (104)	\$ (76)	\$ (479)	\$ (186)
Adjusted pre-tax income (loss)	\$ 39	\$ (76)	\$ (54)	\$ (186)
Available seat miles (“ASMs”)	11,419	9,689	32,331	29,951
Earnings (loss) per share, diluted	\$ (0.45)	\$ (0.34)	\$ (2.03)	\$ (0.84)

Revenues

Total operating revenues for the three months ended September 30, 2026 totaled \$1,355 million, an increase of 53% compared to the three months ended September 30, 2025. This was primarily due to the 30% increase in revenue per available seat mile (“RASM”), driven by a 30% increase in total revenue per passenger as compared to the corresponding prior year period. Capacity, as measured by ASMs, for the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, increased by 18%.

Total operating revenues for the nine months ended September 30, 2026 totaled \$3,626 million, an increase of 33% compared to the nine months ended September 30, 2025. This was primarily due to the 23% increase in RASM, driven by an 18% increase in total revenue per passenger and a 0.9-point increase in load factor for the nine months ended September 30, 2026, as compared to the corresponding prior year period. Capacity, as measured by ASMs, for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, increased by 8%.

Adjusted RASM, a non-GAAP measure, increased from 9.10¢ during the nine months ended September 30, 2025 to 11.44¢ during the nine months ended September 30, 2026. For the nine months ended September 30, 2026, Adjusted RASM excludes the impact of \$73 million related to the TSA Reserve associated with prior periods. There

were no adjustments for the three months ended September 30, 2026 and the three and nine months ended September 30, 2025.

Operating Expenses

Total operating expenses during the three months ended September 30, 2026 increased to \$1,463 million, resulting in a cost per available seat mile ("CASM") of 12.81¢, an increase of 29%, as compared to the three months ended September 30, 2025. Fuel expense for the three months ended September 30, 2026 was \$191 million higher than the corresponding prior year period. The 82% increase in fuel expense for the three months ended September 30, 2026 was driven by a 56% increase in fuel cost per gallon and a 16% increase in fuel gallons consumed.

Our non-fuel expenses increased by 42% during the three months ended September 30, 2026, as compared to the corresponding prior year period, driven primarily by expenses related to the Second Early Return Agreement to terminate the leases associated with 13 A320neo aircraft. The 42% increase was also driven by higher operations, as measured by capacity and departures, as well as higher aircraft rent due to increased lease return costs, and a decrease in sale-leaseback transactions resulting in decreased sale-leaseback gains. CASM (excluding fuel), a non-GAAP measure, increased 21% to 9.09¢, on an 18% increase in capacity, for the three months ended September 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 7.53¢ for the three months ended September 30, 2025 to 7.84¢ for the three months ended September 30, 2026. For the three months ended September 30, 2026, Adjusted CASM (excluding fuel) also excludes the impact of \$136 million in expenses related to the Early Return Agreements and the \$6 million expense relating to the collective bargaining contract ratification. There were no adjustments for the three months ended September 30, 2025.

Total operating expenses during the nine months ended September 30, 2026 increased to \$4,114 million, resulting in a CASM of 12.73¢, an increase of 30% compared to the nine months ended September 30, 2025. Fuel expense for the nine months ended September 30, 2026 was \$427 million higher than the corresponding prior year period. The 61% increase in fuel expense for the nine months ended September 30, 2026 was driven by the 49% increase in fuel cost per gallon and an 8% increase in fuel gallons consumed.

Our non-fuel expenses increased by 34% during the nine months ended September 30, 2026, as compared to the corresponding prior year period, driven primarily by expenses related to the Early Return Agreements, higher aircraft rent due to increased lease return costs driven by a larger fleet, increased station, employee, and maintenance costs, and a decrease in sale-leaseback gains. CASM (excluding fuel), a non-GAAP measure, increased 24% to 9.23¢, on an 8% increase in capacity, for the nine months ended September 30, 2026, as compared to the corresponding prior period due to the aforementioned drivers of increased non-fuel expenses.

Adjusted CASM (excluding fuel), a non-GAAP measure, increased from 7.42¢ for the nine months ended September 30, 2025 to 8.15¢ for the nine months ended September 30, 2026. For the nine months ended September 30, 2026, Adjusted CASM (excluding fuel) also excludes the impact of \$345 million in expenses relating to the Early Return Agreements and \$6 million in expenses related to aircraft technicians collective bargaining contract ratification. There were no adjustments for the nine months ended September 30, 2025.

Net Income (Loss)

We generated a net loss of \$104 million during the three months ended September 30, 2026, compared to a net loss of \$77 million for the three months ended September 30, 2025. Considering the aforementioned non-GAAP adjustments, as well as \$1 million of commitment fees related to the Early Return Agreement, and \$1 million of related tax benefit, our adjusted net income, a non-GAAP measure, was \$40 million for the three months ended

September 30, 2026. There were no non-GAAP adjustments to net loss during the three months ended September 30, 2025.

We generated a net loss of \$466 million during the nine months ended September 30, 2026, compared to a net loss of \$190 million for the nine months ended September 30, 2025. Considering the aforementioned non-GAAP adjustments, as well as \$1 million of commitment fees related to the Early Return Agreement, and \$9 million of related tax expense, our adjusted net loss, a non-GAAP measure, was \$50 million for the nine months ended September 30, 2026. There were no non-GAAP adjustments to net loss during the nine months ended September 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,” “Results of Operations — 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 September 30, 2026, our total available liquidity was \$1,178 million, consisting of \$958 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 September 30, 2026 Compared to Three Months Ended September 30, 2025

Operating Revenues

	Three Months Ended September 30,				
	2026	2025	Change		
Operating revenues (\$ in millions):					
Passenger	\$ 1,327	\$ 854	\$ 473	55 %	
Other	28	32	(4)	(13)%	
Total operating revenues	\$ 1,355	\$ 886	\$ 469	53 %	
Operating statistics:					
ASMs (millions)	11,419	9,689	1,730	18 %	
Revenue passenger miles (“RPMs”) (millions)	9,000	7,815	1,185	15 %	
Average stage length (miles)	891	917	(26)	(3)%	
Load factor	78.8 %	80.7 %	(1.9) pts	N/A	
RASM (¢)	11.87	9.14	2.73	30 %	
Fare revenue per passenger (\$)	67.82	39.74	28.08	71 %	
Total revenue per passenger (\$)	138.22	106.44	31.78	30 %	
Passengers (thousands)	9,805	8,325	1,480	18 %	

Total operating revenue increased \$469 million, or 53%, during the three months ended September 30, 2026 compared to the three months ended September 30, 2025. Revenue was favorably impacted by the 30% increase to RASM, driven by a 30% increase in total revenue per passenger, led by fare revenue per passenger, and a 3% decrease in average stage length, supported by a 19% increase in departures, partially offset by a 1.9-point reduction in load factor, as compared to the corresponding prior year period. The 18% increase in capacity, as measured by ASMs, was primarily driven by an 18% increase in average daily aircraft utilization as compared to the corresponding prior year period.

Operating Expenses

	Three Months Ended September 30,				Cost per ASM		Change
	2026	2025			2026	2025	
Operating expenses (\$ in millions): ^(a)							
Aircraft fuel	\$ 425	\$ 234	\$ 191	82 %	3.72 ¢	2.42 ¢	54 %
Salaries, wages and benefits	275	251	24	10 %	2.41	2.59	(7)%
Aircraft rent	301	181	120	66 %	2.64	1.87	41 %
Station operations	218	173	45	26 %	1.91	1.79	7 %
Maintenance, materials and repairs	89	52	37	71 %	0.78	0.54	44 %
Sales and marketing	49	38	11	29 %	0.43	0.39	10 %
Depreciation and amortization	59	24	35	146 %	0.52	0.25	108 %
Other operating	47	10	37	370 %	0.40	0.10	300 %
Total operating expenses	\$ 1,463	\$ 963	\$ 500	52 %	12.81 ¢	9.95 ¢	29 %
Operating statistics:							
ASMs (millions)	11,419	9,689	1,730	18 %			
Average stage length (miles)	891	917	(26)	(3)%			
Passengers (thousands)	9,805	8,325	1,480	18 %			
Departures	59,703	50,141	9,562	19 %			
CASM (excluding fuel) (¢) ^(b)	9.09	7.53	1.56	21 %			
Adjusted CASM (excluding fuel) (¢) ^(b)	7.84	7.53	0.31	4 %			
Fuel cost per gallon (\$)	3.96	2.54	1.42	56 %			
Fuel gallons consumed (thousands)	107,214	92,188	15,026	16 %			

(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 \$191 million, or 82%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025. The increase was primarily due to the 56% increase in fuel cost per gallon as well as a 16% increase in fuel gallons consumed, driven by higher capacity.

Salaries, Wages and Benefits. Salaries, wages and benefits expense increased by \$24 million, or 10%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025. The increase was primarily due to higher crew costs and costs related to the collective bargaining contract ratification with our aircraft technicians, as compared to the corresponding prior year period.

Aircraft Rent. Aircraft rent expense increased by \$120 million, or 66%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, primarily due to higher aircraft lease return expense, driven by the Second Early Return Agreement.

Station Operations. Station operations expense increased by \$45 million, or 26%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, primarily due to increased airport operations driven by an 18% increase in passengers and a 19% increase in departures as well as an increase in airport cost sharing arrangements.

Maintenance, Materials and Repairs. Maintenance, materials and repair expense increased by \$37 million, or 71%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025. This increase was primarily due to the write-off of non-recoverable prepaid maintenance balances related to the Second Early Return Agreement and higher engine repair costs.

Sales and Marketing. Sales and marketing expense increased by \$11 million, or 29%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, primarily due to the increase in credit card fees as a result of the 55% increase in passenger revenue, partially offset by a decrease in third-party distribution channel fees. The following table presents our distribution channel mix:

Distribution Channel	Three Months Ended September 30,		Change
	2026	2025	
Our website, mobile app and other direct channels	70 %	68 %	2 pts
Third-party channels	30 %	32 %	(2) pts

Depreciation and Amortization. Depreciation and amortization expense increased by \$35 million, or 146%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, primarily due to the accelerated depreciation on capitalized maintenance costs related to the Second Early Return Agreement.

Other Operating Expense. Other operating expenses increased by \$37 million, or 370%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025. This increase was primarily driven by the decrease in sale-leaseback gains as a result of four aircraft inductions compared to two aircraft inductions and six engine inductions in the corresponding prior year period.

Other Income (Expense). Other income increased by \$3 million, or 300%, during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025. The increase was primarily due to higher interest income from higher balances in interest-bearing cash accounts and decreased interest expense, driven by lower principal balances on our debt, partially offset by lower capitalized interest.

Income Taxes. Our effective tax rate for the three months ended September 30, 2026 was 0% on pre-tax loss, compared to an expense of 1.3% on a pre-tax loss for the three months ended September 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.

Results of Operations

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

Operating Revenues

	Nine Months Ended September 30,			
	2026	2025	Change	
Operating revenues (\$ in millions):				
Passenger	\$ 3,514	\$ 2,636	\$ 878	33 %
Other	112	91	21	23 %
Total operating revenues	\$ 3,626	\$ 2,727	\$ 899	33 %
Operating statistics:				
ASMs (millions)	32,331	29,951	2,380	8 %
RPMs (millions)	25,601	23,451	2,150	9 %
Average stage length (miles)	895	928	(33)	(4)%
Load factor	79.2%	78.3%	0.9 pts	N/A
RASM (¢)	11.22	9.10	2.12	23 %
Fare revenue per passenger (\$)	62.01	41.70	20.31	49 %
Total revenue per passenger (\$)	130.17	110.56	19.61	18 %
Adjusted RASM (¢) ^(a)	11.44	9.10	2.34	26 %
Adjusted fare revenue per passenger (\$) ^(a)	62.46	41.70	20.76	50 %
Adjusted total revenue per passenger (\$) ^(a)	132.79	110.56	22.23	20 %
Passengers (thousands)	27,859	24,663	3,196	13 %

(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 \$899 million, or 33%, during the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. Revenue was favorably impacted by the 23% increase in RASM, driven by an 18% increase in total revenue per passenger, led by fare revenue per passenger, a 4% decrease in average stage length, supported by an 11% increase in departures and a 0.9-point increase in load factor as compared to the corresponding prior year period. In addition, capacity, as measured by ASMs, for the nine months ended September 30, 2026, increased by 8% primarily due to the 8% increase in average aircraft in service as compared to the nine months ended September 30, 2025. Revenue was unfavorably impacted by the TSA Reserve related to prior periods of \$73 million incurred during the nine months ended September 30, 2026.

Operating Expenses

	Nine Months Ended September 30,				Cost per ASM		
	2026	2025	Change		2026	2025	Change
Operating expenses (\$ in millions): ^(a)							
Aircraft fuel	\$ 1,129	\$ 702	\$ 427	61 %	3.50 ¢	2.35 ¢	49 %
Salaries, wages and benefits	812	754	58	8 %	2.51	2.52	— %
Aircraft rent	832	536	296	55 %	2.57	1.79	44 %
Station operations	607	531	76	14 %	1.88	1.77	6 %
Maintenance, materials and repairs	295	150	145	97 %	0.91	0.50	82 %
Sales and marketing	140	118	22	19 %	0.43	0.39	10 %
Depreciation and amortization	177	65	112	172 %	0.55	0.22	150 %
Other operating	122	69	53	77 %	0.38	0.23	65 %
Total operating expenses	\$ 4,114	\$ 2,925	\$ 1,189	41 %	12.73 ¢	9.77 ¢	30 %
Operating statistics:							
ASMs (millions)	32,331	29,951	2,380	8 %			
Average stage length (miles)	895	928	(33)	(4)%			
Passengers (thousands)	27,859	24,663	3,196	13 %			
Departures	169,867	153,646	16,221	11 %			
CASM (excluding fuel) (¢) ^(b)	9.23	7.42	1.81	24 %			
Adjusted CASM (excluding fuel) (¢) ^(b)	8.15	7.42	0.73	10 %			
Fuel cost per gallon (\$)	3.70	2.48	1.22	49 %			
Fuel gallons consumed (thousands)	304,965	282,827	22,138	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 \$427 million, or 61%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was due to a 49% 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 \$58 million, or 8%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was primarily due to higher crew costs and costs related to the collective bargaining contract ratification with our aircraft technicians, as compared to the corresponding prior year period.

Aircraft Rent. Aircraft rent expense increased by \$296 million, or 55%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to additional lease return expense, in part related to the Early Return Agreements, and increased aircraft and engine rent due to a larger fleet.

Station Operations. Station operations expense increased by \$76 million, or 14%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to increased airport operations driven by a 13% increase in passengers and an 11% increase in departures as well as an increase in airport cost sharing arrangements.

Maintenance, Materials and Repairs. Maintenance, materials and repair expense increased by \$145 million, or 97%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30,

2025. This increase was primarily due to the write-off of non-recoverable prepaid maintenance balances related to the Early Return Agreements, as well as higher engine repair costs and the timing of aircraft inspections and related material costs, driven by an 8% increase in average aircraft in service.

Sales and Marketing. Sales and marketing expense increased by \$22 million, or 19%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to an increase in credit card fees as a result of the 33% increase in total operating revenue partially offset by a decrease in third-party distribution channel fees. The following table presents our distribution channel mix:

Distribution Channel	Nine Months Ended September 30,		Change
	2026	2025	
Our website, mobile app and other direct channels	70 %	70 %	— pt
Third-party channels	30 %	30 %	— pt

Depreciation and Amortization. Depreciation and amortization expense increased by \$112 million, or 172%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to the accelerated depreciation on capitalized maintenance costs related to the Early Return Agreements and an increase in capitalized maintenance depreciation due to a larger fleet.

Other Operating Expense. Other operating expenses increased by \$53 million, or 77%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was primarily driven by the decrease in sale-leaseback gains, as a result of 17 aircraft inductions compared to 9 aircraft inductions and 8 engine inductions in the corresponding prior year period, and increased taxes, outside services, and travel costs.

Other Income (Expense). Other income decreased by \$3 million, or 25%, during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to lower capitalized interest, partially offset by higher interest income, driven by higher balances in interest-bearing cash accounts.

Income Taxes. Our effective tax rate for the nine months ended September 30, 2026 was a benefit of 2.7% on pre-tax loss, compared to an expense of 2.2% on pre-tax loss for the nine months ended September 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 September 30,			
	2026		2025	
	(\$ in millions)	Per ASM (€)	(\$ in millions)	Per ASM (€)
Non-GAAP financial data: ^(a)				
CASM		12.81		9.95
Aircraft fuel	(425)	(3.72)	(234)	(2.42)
CASM (excluding fuel) ^(b)		9.09		7.53
Early Return Agreement ^(c)	(2)	(0.03)	—	—
Second Early Return Agreement ^(d)	(134)	(1.17)	—	—
Collective Bargaining Contract Ratification ^(e)	(6)	(0.05)	—	—
Adjusted CASM (excluding fuel) ^(b)		7.84		7.53
Aircraft fuel	425	3.72	234	2.42
Adjusted CASM ^(f)		11.56		9.95
Net interest expense (income)	(4)	(0.03)	(1)	(0.01)
Early Return Agreement ^(e)	(1)	(0.01)	—	—
Adjusted CASM + net interest ^(h)		11.52		9.94
CASM		12.81		9.95
Net interest expense (income)	(4)	(0.03)	(1)	(0.01)
CASM + net interest ^(h)		12.78		9.94

(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) In connection with the Early Return Agreement to early terminate the leases associated with 24 A320neo aircraft, we incurred non-recurring charges of \$2 million of lease return costs recorded in aircraft rent within the condensed consolidated statement of operations during the three months ended September 30, 2026. See "Notes to Condensed Consolidated Financial Statements — 6. Operating Leases" for additional information.
- (d) We entered into the Second Early Return Agreement to early terminate the leases associated with 13 A320neo aircraft and as a result incurred non-recurring charges of \$134 million within the condensed consolidated statement of operations during the three months ended September 30, 2026. The \$134 million includes \$84 million of lease return costs recorded in aircraft rent; \$31 million of accelerated depreciation expense related to the remeasurement of useful lives of capitalized maintenance recorded in depreciation and amortization; \$26 million related to the write-off of non-recoverable capitalized prepaid maintenance balances recorded in maintenance, materials and repairs; and \$(7) million of a reversal of previously accrued lease return costs recorded in aircraft rent. See "Notes to Condensed Consolidated Financial Statements — 6. Operating Leases" for additional information.
- (e) We entered into an agreement with the union representing our aircraft technicians effective September 2026, and as a result incurred a one-time charge of \$6 million related to a contract ratification incentive recorded in salaries, wages and benefits within the condensed consolidated statement of operations during the three months ended September 30, 2026.
- (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) In connection with the Early Return Agreement, we incurred charges of \$1 million of commitment fees related to lease return costs payable in future years recorded in interest expense within the condensed consolidated statement of operations during the three months ended September 30, 2026.
- (h) 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

	Nine Months Ended September 30,			
	2026		2025	
	(\$ in millions)	Per ASM (€)	(\$ in millions)	Per ASM (€)
Non-GAAP financial data:^(a)				
RASM		11.22		9.10
TSA Reserve ^(b)	73	0.22	—	—
Adjusted RASM (€)^(c)		11.44		9.10
CASM				
Aircraft fuel	(1,129)	(3.50)	(702)	(2.35)
CASM (excluding fuel)^(d)		9.23		7.42
Early Return Agreement ^(e)	(211)	(0.65)	—	—
Second Early Return Agreement ^(f)	(134)	(0.41)	—	—
Collective bargaining contract ratification ^(g)	(6)	(0.02)	—	—
Adjusted CASM (excluding fuel)^(d)		8.15		7.42
Aircraft fuel	1,129	3.49	702	2.35
Adjusted CASM^(h)		11.64		9.77
Net interest expense (income)	(9)	(0.03)	(12)	(0.04)
Early Return Agreement ⁽ⁱ⁾	(1)	—	—	—
Adjusted CASM + net interest^(j)		11.61		9.73
CASM				
Net interest expense (income)	(9)	(0.03)	(12)	(0.04)
CASM + net interest^(j)		12.70		9.73

- (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 in passenger revenue within the condensed consolidated statement of operations during the nine months ended September 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 \$211 million within the condensed consolidated statement of operations during the nine months ended September 30, 2026. The \$211 million includes \$81 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 recorded in depreciation and amortization; and \$(6) million of a reversal of previously accrued lease return costs recorded in aircraft rent. See “Notes to Condensed Consolidated Financial Statements — 6. Operating Leases” for additional information.
- (f) We entered into the Second Early Return Agreement to early terminate the leases associated with 13 A320neo aircraft and as a result incurred non-recurring charges of \$134 million within the condensed consolidated statement of operations during the nine months ended September 30, 2026. The \$134 million includes \$84 million of lease return costs recorded in aircraft rent; \$31 million of accelerated depreciation expense related to the remeasurement of useful lives of capitalized maintenance recorded in depreciation and amortization; \$26 million related to the write-off of non-recoverable capitalized prepaid maintenance balances recorded in maintenance, materials and repairs; and \$(7) million of a reversal of previously accrued lease return costs recorded in aircraft rent. See “Notes to Condensed Consolidated Financial Statements — 6. Operating Leases” for additional information.
- (g) We entered into an agreement with the union representing our aircraft technicians effective September 2026, and as a result incurred a one-time charge of \$6 million related to a contract ratification incentive recorded in salaries, wages and benefits within the condensed consolidated statement of operations during the nine months ended September 30, 2026.
- (h) 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.
- (i) In connection with the Early Return Agreement, we incurred charges of \$1 million of commitment fees related to lease return costs payable in future years recorded in interest expense within the condensed consolidated statement of operations during the nine months ended September 30, 2026.
- (j) 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

	Nine Months Ended September 30,			
	2026		2025	
	(\$ in millions)	Per Passenger \$	(\$ in millions)	Per Passenger \$
Non-GAAP financial data: ^{(a)(b)}				
Fare revenue:	1,727	62.01	1,028	41.70
TSA Reserve	13	0.45	—	—
Adjusted fare revenue: ^(c)	1,740	62.46	1,028	41.70
Non-fare passenger revenue:	1,787	64.12	1,608	65.18
TSA Reserve	60	2.17	—	—
Adjusted non-fare revenue: ^(c)	1,847	66.29	1,608	65.18
Other revenue:	112	4.04	91	3.68
TSA Reserve	—	—	—	—
Adjusted other revenue: ^(c)	112	4.04	91	3.68
Total ancillary revenue:	1,899	68.16	1,699	68.86
TSA Reserve	60	2.17	—	—
Adjusted total ancillary revenue: ^(c)	1,959	70.33	1,699	68.86
Total revenue:	3,626	130.17	2,727	110.56
TSA Reserve	73	2.62	—	—
Adjusted total revenue: ^(c)	3,699	132.79	2,727	110.56

(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 September 30,		Nine Months Ended September 30,					
	2026	2025	2026	2025				
	(in millions)		(in millions)					
Non-GAAP financial data:								
Pre-tax income (loss)	\$	(104)	\$	(76)	\$	(479)	\$	(186)
Net income (loss)	\$	(104)	\$	(77)	\$	(466)	\$	(190)
Adjusted pre-tax income (loss) ^(a)	\$	39	\$	(76)	\$	(54)	\$	(186)
Adjusted net income (loss) ^(a)	\$	40	\$	(77)	\$	(50)	\$	(190)
EBITDA ^(a)	\$	(49)	\$	(53)	\$	(311)	\$	(133)
EBITDAR ^(b)	\$	252	\$	128	\$	521	\$	403
Adjusted EBITDA ^(a)	\$	62	\$	(53)	\$	19	\$	(133)
Adjusted EBITDAR ^(b)	\$	284	\$	128	\$	699	\$	403

- (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 September 30,		Nine Months Ended September 30,					
	2026	2025	2026	2025				
	(in millions)		(in millions)					
Adjusted net income (loss) reconciliation:								
Net income (loss)	\$	(104)	\$	(77)	\$	(466)	\$	(190)
Non-GAAP Adjustments ^(a) :								
TSA Reserve		—		—		73		—
Early Return Agreement		3		—		212		
Second Early Return Agreement		134		—		134		—
Collective Bargaining Contract Ratification		6		—		6		—
Pre-tax impact		143		—		425		—
Tax benefit (expense), related to non-GAAP adjustments		1		—		(9)		—
Net income (loss) impact	\$	144	\$	—	\$	416	\$	—
Adjusted net income (loss)	\$	40	\$	(77)	\$	(50)	\$	(190)
Adjusted pre-tax income (loss) reconciliation:								
Income (loss) before income taxes	\$	(104)	\$	(76)	\$	(479)	\$	(186)
Pre-tax impact		143		—		425		—
Adjusted pre-tax income (loss)	\$	39	\$	(76)	\$	(54)	\$	(186)
EBITDA, EBITDAR, Adjusted EBITDA and Adjusted EBITDAR reconciliation:								
Net income (loss)	\$	(104)	\$	(77)	\$	(466)	\$	(190)
Plus (minus):								
Interest expense		12		15		34		34
Capitalized interest		(5)		(10)		(19)		(26)
Interest income and other		(11)		(6)		(24)		(20)
Income tax expense (benefit)		—		1		(13)		4
Depreciation and amortization		59		24		177		65
EBITDA		(49)		(53)		(311)		(133)
Plus: Aircraft rent		301		181		832		536
EBITDAR	\$	252	\$	128	\$	521	\$	403
EBITDA	\$	(49)	\$	(53)	\$	(311)	\$	(133)
Plus (minus) ^(a)								
TSA Reserve		—		—		73		—
Early Return Agreement ^(b)		2		—		148		—
Second Early Return Agreement ^(b)		103		—		103		—
Collective Bargaining Contract Ratification		6		—		6		—
Adjusted EBITDA	\$	62	\$	(53)	\$	19	\$	(133)
Plus: Aircraft rent		301		181		832		536
Minus: Early Return Agreement ^(c)		(2)		—		(75)		—
Minus: Second Early Return Agreement ^(c)		(77)		—		(77)		—
Adjusted EBITDAR	\$	284	\$	128	\$	699	\$	403

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- (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 Agreements. 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 Agreements. 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 nine months ended September 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 September 30,			Nine Months Ended September 30,		
	2026	2025	Change	2026	2025	Change
Operating statistics^(a)						
ASMs (millions)	11,419	9,689	18 %	32,331	29,951	8 %
Departures	59,703	50,141	19 %	169,867	153,646	11 %
Average stage length (miles)	891	917	(3) %	895	928	(4) %
Block hours	154,241	131,019	18 %	442,277	407,904	8 %
Average aircraft in service	163	163	— %	171	159	8 %
Aircraft – end of period	164	166	(1) %	164	166	(1) %
Average daily aircraft utilization (hours)	10.3	8.7	18 %	9.5	9.4	1 %
Passengers (thousands)	9,805	8,325	18 %	27,859	24,663	13 %
Average seats per departure	213	209	2 %	212	208	2 %
RPMs (millions)	9,000	7,815	15 %	25,601	23,451	9 %
Load factor	78.8 %	80.7 %	(1.9) pts	79.2 %	78.3 %	0.9 pts
Fare revenue per passenger (\$)	67.82	39.74	71 %	62.01	41.70	49 %
Non-fare passenger revenue per passenger (\$)	67.47	62.78	7 %	64.12	65.18	(2) %
Other revenue per passenger (\$)	2.93	3.92	(25) %	4.04	3.68	10 %
Total ancillary revenue per passenger (\$)	70.40	66.70	6 %	68.16	68.86	(1) %
Total revenue per passenger (\$)	138.22	106.44	30 %	130.17	110.56	18 %
RASM (¢)	11.87	9.14	30 %	11.22	9.10	23 %
RASM, stage-length adjusted to 1,000 miles (¢) ^(c)	11.21	8.76	28 %	10.61	8.77	21 %
Adjusted fare revenue per passenger (\$) ^(b)	67.82	39.74	71 %	62.46	41.70	50 %
Adjusted non-fare passenger revenue per passenger (\$) ^(b)	67.47	62.78	7 %	66.29	65.18	2 %
Adjusted other revenue per passenger (\$) ^(b)	2.93	3.92	(25) %	4.04	3.68	10 %
Adjusted total ancillary revenue per passenger (\$) ^(b)	70.40	66.70	6 %	70.33	68.86	2 %
Adjusted total revenue per passenger (\$) ^(b)	138.22	106.44	30 %	132.79	110.56	20 %
Adjusted RASM (¢) ^(b)	11.87	9.14	30 %	11.44	9.10	26 %
Adjusted RASM, stage-length adjusted to 1,000 miles (¢) ^{(b)(c)}	11.21	8.76	28 %	10.83	8.77	23 %
CASM (¢)	12.81	9.95	29 %	12.73	9.77	30 %
CASM (excluding fuel) (¢) ^(b)	9.09	7.53	21 %	9.23	7.42	24 %
CASM + net interest (¢) ^(b)	12.78	9.94	29 %	12.70	9.73	31 %
Adjusted CASM (¢) ^(b)	11.56	9.95	16 %	11.64	9.77	19 %
Adjusted CASM (excluding fuel) (¢) ^(b)	7.84	7.53	4 %	8.15	7.42	10 %
Adjusted CASM (excluding fuel), stage-length adjusted to 1,000 miles (¢) ^{(b)(c)}	7.40	7.21	3 %	7.71	7.15	8 %
Adjusted CASM + net interest (¢) ^(b)	11.52	9.94	16 %	11.61	9.73	19 %
Adjusted CASM + net interest, stage-length adjusted to 1,000 miles (¢) ^{(b)(c)}	10.87	9.52	14 %	10.98	9.37	17 %
Fuel cost per gallon (\$)	3.96	2.54	56 %	3.70	2.48	49 %
Fuel gallons consumed (thousands)	107,214	92,188	16 %	304,965	282,827	8 %
Full-time equivalent employees	8,187	7,535	9 %	8,187	7,535	9 %

- (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 September 30, 2026, our total available liquidity was \$1,178 million, consisting of \$958 million of unrestricted cash and cash equivalents and \$220 million of funds available under our undrawn Revolving Loan Facility. As of September 30, 2026, we had \$482 million of total debt, net, of which \$160 million is short-term and consists primarily of amounts outstanding under our Pre-delivery Credit Facilities. Our total debt, net as of September 30, 2026 is comprised of \$180 million outstanding under our Pre-delivery Credit Facilities, \$140 million outstanding under our pre-purchased miles facility with Barclays, \$100 million of class A-1 enhanced equipment trust certificates (the “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 \$4 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 nine months ended September 30, 2026, 237,274 warrants expired and as of September 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:

	September 30, 2026	December 31, 2025
	(\$ in millions)	
Cash and cash equivalents	\$ 976	\$ 671
Total current assets, excluding cash and cash equivalents	\$ 375	\$ 287
Total current liabilities, excluding current maturities of long-term debt, net and operating leases	\$ 1,284	\$ 1,023
Current maturities of long-term debt, net	\$ 160	\$ 301
Long-term debt, net	\$ 322	\$ 313
Stockholders' equity	\$ 37	\$ 491
Debt to capital ratio	93 %	56 %
Debt to capital ratio, including operating lease obligations	99 %	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 September 30, 2026, we operated a total of 164 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 September 30, 2026, our Pre-delivery Credit Facilities, which allow us to draw up to an aggregate of \$285 million, had \$180 million outstanding. As of September 30, 2026, we had \$272 million of PDPs held by Airbus which have been partially financed by our Pre-delivery Credit Facilities.

As of September 30, 2026, we had a firm obligation to purchase 151 A320neo family aircraft and 20 additional spare engines to be delivered by 2033. Of our remaining aircraft commitments, 12 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 September 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)	\$ 62	\$ 102	\$ 39	\$ 9	\$ 42	\$ 232	\$ 486
Interest commitments ^(b)	10	26	20	19	17	63	155
Operating lease obligations ^(c)	208	757	781	737	645	3,188	6,316
Flight equipment purchase obligations ^(d)	318	533	1,224	1,045	1,557	5,510	10,187
Total	\$ 598	\$ 1,418	\$ 2,064	\$ 1,810	\$ 2,261	\$ 8,993	\$ 17,144

(a) Includes principal commitments only associated with our Pre-delivery Credit Facilities with borrowings as of September 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 Agreements. 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 nine months ended September 30, 2026 and 2025 (in millions):

	Nine Months Ended September 30,	
	2026	2025
Net cash provided by (used in) operating activities	\$ 150	\$ (434)
Net cash provided by (used in) investing activities	120	(158)
Net cash provided by financing activities	35	418
Net increase (decrease) in cash, cash equivalents and restricted cash	305	(174)
Cash, cash equivalents and restricted cash at beginning of period	671	740
Cash, cash equivalents and restricted cash at end of period	\$ 976	\$ 566

Operating Activities

During the nine months ended September 30, 2026, net cash provided by operating activities totaled \$150 million, which was driven by \$140 million of non-cash adjustments and \$476 million of inflows from changes in operating assets and liabilities, partially offset by a \$466 million net loss.

The \$476 million of inflows from changes in operating assets and liabilities included:

- \$615 million in increases in other liabilities primarily driven by increased leased aircraft return accruals including the impacts from the Early Return Agreements, the prepaid loyalty program consideration received, the TSA Reserve, cash received for supplier incentives, and increases to other operational related accruals; and
- \$148 million in increases in our air traffic liability primarily driven by increased bookings on higher average fares; partially offset by
- \$164 million in increases in other long-term assets primarily driven by increases in capitalized maintenance and prepaid maintenance;
- \$81 million in increases in accounts receivable;
- \$25 million in decreases in accounts payable; and
- \$17 million in increases in supplies and other current assets.

Our net loss of \$466 million was also adjusted by the following non-cash items to arrive at cash provided by operating activities:

- \$180 million in adjustments for the Early Return Agreements primarily related to non-cash impacts from non-recoverable capitalized prepaid maintenance and accelerated depreciation;
- \$83 million in depreciation and amortization; and
- \$15 million in stock-based compensation expense; partially offset by
- \$126 million in gains recognized on sale-leaseback transactions; and
- \$12 million in deferred income tax benefit.

During the nine months ended September 30, 2025, net cash used in operating activities totaled \$434 million, which was driven by a \$190 million net loss, \$172 million of outflows from changes in operating assets and liabilities, and \$72 million of non-cash adjustments.

The \$172 million of outflows from changes in operating assets and liabilities included:

- \$179 million in increases in other long-term assets primarily driven by increases in capitalized maintenance, prepaid maintenance and capitalized interest;
- \$28 million in increases in supplies and other current assets;
- \$20 million in increases in accounts receivable;
- \$7 million in decreases in other liabilities primarily driven by leased aircraft return accruals and other operational related accruals, partially offset by an increase in manufacturer credits; partially offset by
- \$31 million in increases in accounts payable; and
- \$31 million in increases in our air traffic liability primarily driven by increased bookings on higher volume and average fares, as well as increased sales in our membership programs.

Our net loss of \$190 million was also adjusted by the following non-cash items to arrive at cash used in operating activities:

- \$157 million in gains recognized on sale-leaseback transactions; partially offset by
- \$65 million in depreciation and amortization;
- \$16 million in stock-based compensation expense; and
- \$4 million in deferred income tax expense.

Investing Activities

During the nine months ended September 30, 2026, net cash provided by investing activities totaled \$120 million, driven by:

- \$156 million in net inflows for PDP activity; partially offset by
- \$35 million in cash outflows for capital expenditures; and
- \$1 million in cash outflows for other investing activity.

During the nine months ended September 30, 2025, net cash used in investing activities totaled \$158 million, driven by:

- \$105 million in net outflows for PDP activity; and
- \$53 million in cash outflows for capital expenditures.

Financing Activities

During the nine months ended September 30, 2026, net cash provided by financing activities was \$35 million, driven by:

- \$172 million in net proceeds received from sale-leaseback transactions; and
- \$77 million in cash proceeds from debt issuances, consisting of \$38 million drawn on our Pre-delivery Credit Facilities and \$39 million in draws on our Barclays facility; partially offset by
- \$211 million in cash outflows from principal repayments on debt related to our Pre-delivery Credit Facilities and 2025-1 EETCs; and
- \$3 million in cash outflows for payments related to tax withholdings of share-based awards.

During the nine months ended September 30, 2025, net cash provided by financing activities was \$418 million, driven by:

- \$354 million in cash proceeds from debt issuances, consisting of \$205 million drawn on our Revolving Loan Facility, \$148 million drawn on our Pre-delivery Credit Facilities, and \$1 million drawn on our Barclays facility;
- \$248 million in net proceeds received from sale-leaseback transactions; and
- \$6 million in proceeds from the exercise of stock options; partially offset by
- \$188 million in cash outflows from principal repayments on debt, which includes \$130 million on our Revolving Loan Facility and \$58 million on our Pre-delivery Credit Facilities; and
- \$2 million in cash outflows for payments related to tax withholdings of share-based awards.

As of September 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 nine months ended September 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 29%, 27%, 24% and 24% of total operating expenses for the three and nine months ended September 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 nine months ended September 30, 2026, a hypothetical 10% increase in the average price per gallon of aircraft fuel would have increased aircraft fuel expense by approximately \$113 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 defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2026. Based on such evaluation, our principal executive officer and principal financial officer concluded that, as of September 30, 2026, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

During the three months ended September 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 third 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 September 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 August 4, 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 May 12, 2026 for the sale of 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, and was scheduled to expire on May 10, 2028. On August 7, 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 an indeterminable number of shares to be acquired upon the future vesting of restricted and performance stock units, until May 10, 2028.

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

ITEM 6. EXHIBITS

<u>Exhibit Number</u>	<u>Exhibit Description</u>	<u>Incorporated by Reference</u>				<u>Filed Herewith</u>
		<u>Form</u>	<u>File Number</u>	<u>Date</u>	<u>Number</u>	
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†^	Amendment No. 6 to Rate per Flight Hour Agreement, dated as of August 25, 2026, by and between CFM International, Inc. and Frontier Airlines, Inc.					X
10.2†	Amendment No. 2 to Rate per Flight Hour Agreement, dated as of August 4, 2026, by and between CFM International, Inc. and Frontier Airlines, Inc.					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: October 28, 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.



**AMENDMENT NUMBER 6
TO
RATE PER FLIGHT HOUR AGREEMENT**

Between

FRONTIER AIRLINES, INC.

And

CFM INTERNATIONAL, INC.

Agreement Number: 1-2494673211

Dated: August 25, 2026

This proposed Amendment will remain open until August 31, 2026, and will expire if not signed by all Parties on or before that date.

PROPRIETARY INFORMATION NOTICE

The information contained in this document is CFM Proprietary Information and is disclosed in confidence. It is the property of CFM and will not be used, disclosed to others or reproduced without the express written consent of CFM. If consent is given for reproduction in whole or in part, this notice and the notice set forth on each page of this document will appear in any such reproduction. Export control laws may also control the information contained in this document. Unauthorized export or re-export is prohibited.

**Amendment No 6 To
RATE PER FLIGHT HOUR AGREEMENT NO. 1-
2494673211**

This Amendment No. 6 (this "Amendment") **to CFM Rate per Flight Hour Agreement No. 1-2494673211** (as assigned and amended from time to time, the "Service Agreement") is entered into this 25th day of August, 2026, and made effective as of the 25th day of August 2026, by and between **CFM International, Inc.** ("CFM") and **Frontier Airlines, Inc.** ("AIRLINE") (CFM and AIRLINE being hereinafter collectively referred to as the "Parties"). Capitalized terms used and not otherwise defined herein shall have the meanings as set forth in the Service Agreement.

WHEREAS, CFM and Republic Airways Holdings Inc. ("Republic") entered into the Service Agreement dated October 17, 2011, whereby CFM provides Engine shop maintenance and other services to support maintenance and overhauls of LEAP-1A Engines;

WHEREAS, [***];

WHEREAS, the Parties entered into Amendment No. 1 dated August 29th, 2017, whereby certain terms of the Service Agreement were amended;

WHEREAS, the Parties entered into Amendment No. 2 dated August 12th, 2021, [***];

WHEREAS, the Parties entered into Amendment No. 3 dated July 28, 2023, whereby the Parties amended the Service Agreement to [***] under the Service Agreement;

WHEREAS, the Parties entered into Amendment No. 4 dated September 30, 2025, whereby the Parties amended the Service Agreement to delete and replace Exhibit D titled "Price Adjustment Matrix" and amend certain other terms of the Service Agreement;

WHEREAS, the Parties entered into Amendment No. 5 dated March 6, 2026, to reflect their mutual agreement to [***] and make other amendments related thereto; and

WHEREAS, the Parties now wish to amend the Service Agreement to reflect their mutual agreement [***] and make other amendments related thereto, subject to the terms and conditions of this Amendment.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other valuable consideration, the receipt and adequacy of which are hereby acknowledged the Parties agree as follows:

1. The Service Agreement is amended [***].
2. The language in Exhibit B (Engines Covered and Operating Parameters) of the Service Agreement reading [***] is hereby deleted and replaced with, [***]

3. [***].

4. [***].

5. Notwithstanding anything in the Service Agreement to the contrary, the Parties agree and acknowledge that [***] shall occur solely between AIRLINE and such Engines' Lessor. Accordingly, to the extent [***] would otherwise give CFM the rights to [***].

6. For the avoidance of doubt, the Parties agree that the waivers set forth in Section 5 of this Amendment are limited to the subject matter and transactions contemplated herein, and no such waiver shall be deemed a future or further waiver of CFM's rights or AIRLINE's obligations with respect to [***] pursuant to [***] of the Service Agreement, respectively. [***].

7. AIRLINE and CFM agree and acknowledge that nothing herein shall operate to limit AIRLINE's obligations pursuant to the Service Agreement other than as set forth explicitly herein. Except as set forth herein, the terms and conditions set forth in the Service Agreement shall remain in full force and effect and remain unchanged. The obligations set forth in this Amendment are in addition to the obligations set forth in the Service Agreement. In the event of inconsistency between the terms of the Service Agreement and the terms of this Amendment, the terms of this Amendment shall take precedence. Except as otherwise provided by the terms and conditions hereof, this Amendment contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes any previous understandings, commitments, or representations whatsoever, whether oral or written, related to the subject matter of this Amendment.

8. This Amendment may be signed by the Parties in separate counterparts, and any single counterpart or set of counterparts, when signed and delivered to the other Party, shall together constitute one and the same document and be an original Service Agreement for all purposes.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date last executed below.

CFM International, Inc.

By: /s/ Sharyn Cones
Name: Sharyn Cones
Title: Deputy VP, Contracts
Date: 8/11/2026

Frontier Airlines, Inc.

By: /s/ Howard Diamond
Name: Howard Diamond
Title: EVP, Legal
Date: 8/11/2026

Exhibit B: Engines Covered

[**]

Annex 1: Removed Engines

[**]

CFM PROPRIETARY INFORMATION
Subject to restrictions on the cover or first page

[***] 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.



AMENDMENT NUMBER 2
TO
RATE PER FLIGHT HOUR AGREEMENT
Between
Frontier Airlines, Inc.
And
CFM International, Inc.

Agreement Number: 1-0000001328

Dated: effective as of August 4, 2026

This proposed Agreement will remain open until August 30th, 2026, and will expire if not signed by all Parties on or before that date.

PROPRIETARY INFORMATION NOTICE

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**Amendment No. 2 to
RATE PER FLIGHT HOUR AGREEMENT NO. 1-0000001328**

This Amendment No. 2 (this "Amendment") **to CFM Rate per Flight Hour Agreement No. 1- 0000001328**

is entered into and made effective as of this 4th day of August, 2026 (the "Effective Date"), by and between

CFM International, Inc. ("CFM") and **Frontier Airlines, Inc.** ("Customer") (CFM and Customer being hereinafter collectively referred to as the "Parties"). Capitalized terms used and not otherwise defined herein shall have the meanings as set forth in the Service Agreement.

WHEREAS, the Parties entered into the CFM Rate per Flight Hour Agreement No. 1- 0000001328 dated August 29, 2017 whereby CFM provides Engine shop maintenance and other services to support maintenance and overhauls of Customer's specified CFM CFM56-5B Engines, which agreement was amended by Amendment No. 1 dated September 12, 2025 (as amended, the "Service Agreement"); and

WHEREAS, the Parties wish to further amend the Service Agreement as provided below.

NOW THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. The text of Article 3 entitled "Term of the Service Agreement" is deleted in its entirety and replaced with the following:

"The Term of this Service Agreement will commence on the first installed Engine Entry Into Service date (the "Commencement Date").

Each Installed Engine will be covered by this Service Agreement for the period beginning on the Engine's Entry Into Service date and ending on the sooner of [***]. Refer to amended and restated Section 4 of this Amendment for applicable pricing. [***]

[***].

Spare Engines per Exhibit B shall be eligible for Services under this Service Agreement from the date on which each Spare Engine is delivered to Customer by CFM until the date on which the Term expires for the last Installed Engine operated at the as-delivered Spare Engine thrust within its respective Group (I, II, or III).

This Service Agreement will continue, unless sooner terminated as provided herein, for a period ending on the earlier to occur of the completion of the Coverage Period described above or November 30, 2032 (the "Term")."

2. The pricing table after item c. of Article 7.1 titled "Covered Services Pricing", is amended by deleting such pricing table and replacing it with the following:

Covered Services Rate	Rate per EFH [***]
Popular Rate	[***]
Restored Rate	[***]

3. [***]

“12.3 [***]

[***].

The foregoing amended clause 12.3 is effective upon the execution of this Amendment and shall remain in full force and effect thereafter. Any prior agreements or provisions inconsistent with the foregoing amended clause 12.3 are hereby superseded and rendered null and void.

4. The definition of [***], shall be deleted in its entirety and replaced with the following:

[***]

5. Exhibit E titled [***]

6. The Service Agreement is further amended as follows:

- (i) The definitions of [***] are deleted from Exhibit A.
- (ii) The words [***] are deleted from the last sentence of Article 4.
- (iii) [***].
- (iv) [***].
- (v) The [***] are deleted from the fourth to the last and third to the last paragraphs of [***].

7. Except as expressly set forth herein, all provisions of the Service Agreement shall remain in full force and effect. In the event of conflict between the terms of this Amendment and the terms of the Service Agreement, the terms of this Amendment shall take precedence.

This Amendment shall be governed by and construed in accordance with the laws of New York (USA).

This Amendment may be signed by the Parties in separate counterparts, and any single counterpart or set of counterparts, when signed and delivered to the other Party shall together constitute one and the same document and be an original Amendment for all purposes.

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the Effective Date.

CFM International, Inc.

Signature: /s/ Sharyn Cones
Name: Sharyn Cones
Title: Deputy VP, CFM Contracts
Date: 8/25/2026

Frontier Airlines, Inc.

Signature: /s/ Howard Diamond
Name: Howard Diamond
Title: EVP, Legal
Date: 8/25/2026

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: October 28, 2026

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

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: October 28, 2026

/s/ Mark C. Mitchell

Mark C. Mitchell

Senior Vice President and Chief Financial Officer

(Principal Financial Officer)

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 September 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: October 28, 2026

/s/ James G. Dempsey

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

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 September 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: October 28, 2026

/s/ Mark C. Mitchell

Mark C. Mitchell

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