



Results for the Fourth Quarter 2024

OUR ORGANIZATION

Outgoing tour operators

■ Transat Tours Canada (Canada)

■ Canadian Affair (United Kingdom)

Retail distribution

■ Transat Distribution Canada (Canada)

Air transportation

■ Air Transat

Incoming tour operators

Destination services

■ Trafictours

■ Turissimo

■ North America

■ Europe

Transat A.T. inc., a holiday travel reference worldwide, particularly as an air carrier under the Air Transat brand

Founded in Montréal 37 years ago, Transat has achieved worldwide recognition as a provider of leisure travel. Known for operating as an air carrier under the Air Transat brand, Transat also consists of specialist tour operators and other entities in the retail distribution of holiday travel packages. Its full offerings include products and services for exploring a multitude of international destinations, mainly in Europe and the Caribbean, with growth ambitions in South America and North Africa.

Transat is headquartered in Montréal, with places of business in France and the United Kingdom, as well as the Caribbean. Its airline, Air Transat, is an important part of the Montréal-Trudeau (YUL) and Toronto Pearson (YYZ) airport platforms. Transat employs over 5,000 individuals who share the same purpose: reducing the distances that separate us.

Voted World's Best Leisure Airline by passengers at the 2024 Skytrax World Airline Awards, Air Transat is known for its exceptional customer service. (TSX: TRZ) www.transat.com

Fourth Quarter highlights:

- Revenues of \$788.8 million, up 3.2% from \$764.5 million last year
- Adjusted EBITDA¹ of \$123.3 million, compared to \$89.0 million last year
- Net income of \$41.2 million (\$1.05 per share), versus of \$3.2 million (\$0.08 per share) last year
- Negative free cash flow¹ of \$102.2 million compared to \$83.8 million last year
- Customer deposits of \$781.2 million, up 3.6% from October 31, 2023
- Financial compensation agreement of \$33.6 million with the equipment manufacturer of GTF² engines to make up for the cost of aircraft grounded in 2023 and 2024
- Sale-leaseback transactions for three Pratt & Whitney GTF² engines valued at \$87.5 million; proceeds will be used to finance operations

Fiscal year highlights:

- Revenues of \$3,283.8 million, up 7.7% from \$3,048.4 million for fiscal 2023
- Adjusted EBITDA¹ of \$193.6 million, compared to \$263.3 million last year
- Net loss of \$114.0 million (\$2.94 per share), compared to \$25.3 million (\$0.66 per share) in 2023
- Negative free cash flow¹ of \$122.1 million, compared to positive cash flow of \$162.4 million during fiscal 2023

Quick Facts

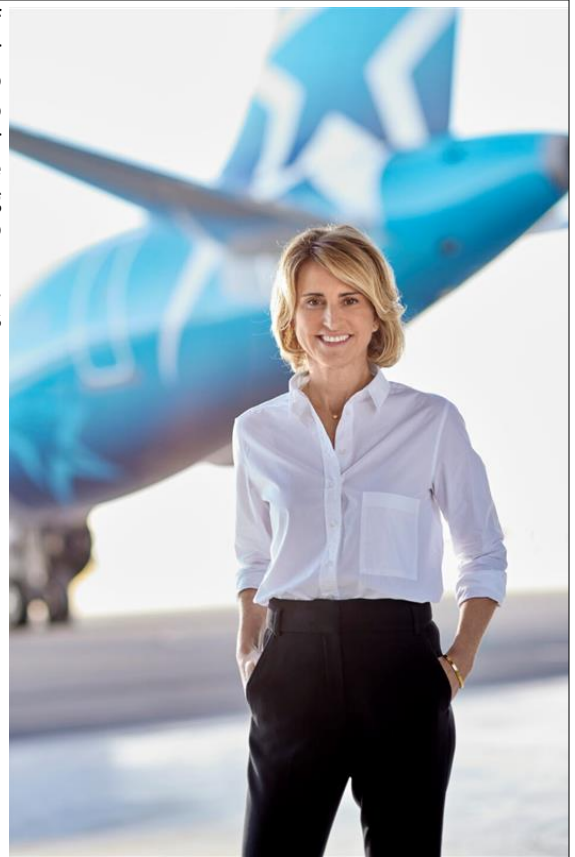
Ticker: TRZ - Listings: Toronto Stock Exchange (TSX)

Year end: October 31

Transat closed fiscal 2024 on a positive note with adjusted EBITDA of \$123.3 million in the fourth quarter mainly driven by higher traffic, lower fuel costs, and financial compensation from Pratt & Whitney related to grounded aircraft over the past two years. In addition, our results point to a more disciplined competitive environment as reflected by slightly better yields on a sequential basis. Looking ahead to fiscal 2025, we expect the industry to continue to favour a measured approach while maintaining relatively stable capacity. The decline in inflation and interest rates also suggests an increase in consumers' discretionary spending. This situation should provide a suitable backdrop to deliver further yield improvements. However, we remain in a period of high economic uncertainty, leading us to exercise caution.

Our Elevation program, a comprehensive optimization plan aimed at maximizing long-term profitable growth, is progressing according to plan. At this stage, the initiatives implemented will contribute \$25 million toward our goal of an annualized adjusted EBITDA improvement of \$100 million. Initial significant impacts on our results are expected beginning in the second half of fiscal 2025.

Annick Guérard
President and Chief Executive Officer, Transat



Financial Highlights

Financial Highlights for the Quarters Ended October 31

(in thousands of Canadian dollars, except per share amounts)	2024 \$	2023 \$	Difference \$	Difference %
Consolidated statements of loss				
Revenues	788,845	764,467	24,378	3.2
Operating income (loss)	64,700	44,721	19,979	44.7
Net income (loss)	41,227	3,195	38,032	1,190.4
Basic earnings (loss) per share	1.05	0.08	0.97	1,212.5
Diluted earnings (loss) per share	1.05	0.08	0.97	1,212.5
Adjusted operating income ¹	123,286	89,007	34,279	38.5
Adjusted net income (loss) ¹	26,427	15,676	10,751	68.6
Adjusted net earnings (loss) per share ¹	0.67	0.41	0.26	63.4

Financial Highlights for the Years Ended October 31

(in thousands of Canadian dollars, except per share amounts)	2024 \$	2023 \$	Difference \$	Difference %
Consolidated statements of loss				
Revenues	3,283,750	3,048,352	235,398	7.7
Operating income (loss)	(12,727)	89,733	(102,460)	(114.2)
Net income (loss)	(114,030)	(25,292)	(88,738)	(350.9)
Basic earnings (loss) per share	(2.94)	(0.66)	(2.28)	(345.5)
Diluted earnings (loss) per share	(2.94)	(0.66)	(2.28)	(345.5)
Adjusted operating income ¹	193,623	263,264	(69,641)	(26.5)
Adjusted net income (loss) ¹	(137,265)	(11,543)	(125,722)	(1,089.1)
Adjusted net earnings (loss) per share ¹	(3.53)	(0.30)	(3.23)	(1,076.7)

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)	As at October 31, 2024 \$	As at October 31, 2023 \$	Difference \$	Difference %
Consolidated Statements of Financial Position				
Cash and cash equivalents	260,336	435,647	(175,311)	(40.2)
Cash and cash equivalents in trust or otherwise reserved (current and non-current)	484,944	450,752	34,192	7.6
	745,280	886,399	(141,119)	(15.9)
Total assets	2,750,910	2,569,370	181,540	7.1
Debt (current and non-current)	682,295	669,145	13,150	2.0
Total debt ¹	2,277,320	2,058,046	219,274	10.7
Total net debt ¹	2,016,984	1,622,399	394,585	24.3

1Non-IFRS Financial Measures

Adjusted operating income (loss) or adjusted EBITDA	Operating income (loss) before depreciation, amortization and asset impairment expense, reversal of impairment of the investment in a joint venture, restructuring and transaction costs and other significant unusual items, and including premiums related to derivatives that matured during the period. The Corporation uses this measure to assess the operational performance of its activities before the aforementioned items to ensure better comparability of financial results.
Adjusted pre-tax income (loss) or adjusted EBT	Income (loss) before income tax expense before change in fair value of derivatives, revaluation of liability related to warrants, gain (loss) on long-term debt modification, gain (loss) on business disposals, gain on disposal of investment, gain (loss) on asset disposals, gain on sale and leaseback of assets, restructuring and transaction costs, write-off of assets, reversal of impairment of the investment in a joint venture, foreign exchange gain (loss) and other significant unusual items, and including premiums related to derivatives that matured during the period. The Corporation uses this measure to assess the financial performance of its activities before the aforementioned items to ensure better comparability of financial results.
Adjusted net income (loss)	Net income (loss) before change in fair value of derivatives, revaluation of liability related to warrants, gain (loss) on long-term debt modification, gain (loss) on business disposals, gain on disposal of investment, gain (loss) on asset disposals, gain on sale and leaseback of assets, restructuring and transaction costs, write-off of assets, reversal of impairment of the investment in a joint venture, foreign exchange gain (loss), reduction in the carrying amount of deferred tax assets and other significant unusual items, and including premiums related to derivatives that matured during the period, net of related taxes. The Corporation uses this measure to assess the financial performance of its activities before the aforementioned items to ensure better comparability of financial results. Adjusted net income (loss) is also used in calculating the variable compensation of employees and senior executives.
Adjusted net earnings (loss) per share	Adjusted net income (loss) divided by the adjusted weighted average number of outstanding shares used in computing diluted earnings (loss) per share.
Total debt	Long-term debt plus lease liabilities, deferred government grant and liability related to warrants, net of deferred financing costs related to the unsecured debt - LEEFF. Management uses total debt to assess the Corporation's debt level, future cash needs and financial leverage ratio. Management believes this measure is useful in assessing the Corporation's capacity to meet its current and future financial obligations.
Total net debt	Total debt (described above) less cash and cash equivalents. Total net debt is used to assess the cash position relative to the Corporation's debt level. Management believes this measure is useful in assessing the Corporation's capacity to meet its current and future financial obligations.
Free cash flow	Cash flows related to operating activities less cash flows related to investing activities and repayment of lease liabilities. The Corporation uses this measure to assess the cash that's available to be distributed in a discretionary way such as repayment of long-term debt or deferred government grant or distribution of dividend to shareholders.

For more detailed information and for the reconciliations between the IFRS financial measures and the non-IFRS financial measures, please refer to Section 2 Non-IFRS financial measures of our MD&A in Annual Report of 2024, which is available on SEDAR at www.sedarplus.ca and on www.transat.com in the Investors section.

Senior Management

Annick Guérard	President and Chief Executive Officer, Transat
Joseph Adamo	President, Transat Distribution Canada Chief Sales and Marketing Officer, Transat
Bernard Bussières	Chief Legal and Government Relations Officer and Corporate Secretary
Julie Lamontagne	Chief People, Sustainability and Communications Officer
Marc-Philippe Lumpé	Chief Airline Operations Officer
Sebastian Ponce	Chief Revenue Officer
Jean-François Pruneau	Chief Financial Officer
Bamba Sissoko	Chief Information Officer

Investor Relations Information

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