



Results for the Fourth Quarter 2025

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 Montreal in 1987, Transat has achieved worldwide recognition as a provider of leisure travel particularly as an airline under the Air Transat brand. Voted World's Best Leisure Airline by passengers at the 2025 Skytrax World Airline Awards, it flies to international destinations. By renewing its fleet with the most energy-efficient aircraft in their category, it is committed to a healthier environment, knowing that this is essential to its operations and the destinations it serves. Based in Montreal, Transat has nearly 5,000 employees with a common purpose to bring people closer together. (TSX: TRZ) www.transat.com

Fiscal year highlights:

- Revenues of \$3,398.5 million, up 3.5% from \$3,283.8 million for fiscal 2024
- Adjusted EBITDA¹ of \$271.0 million, compared to \$203.2 million last year
- Net income of \$241.9 million (\$6.06 per share), compared to a net loss of \$114.0 million (\$2.94 per share) in 2024
- Negative free cash flow¹ of \$45.0 million, compared to negative \$122.1 million last year
- Elevation Program initiatives are expected to contribute \$100M in adjusted EBITDA¹ by mid-2026, in line with the objective
- Conclusion of the LEEFF debt restructuring, reducing the amount owed under the program from \$762.2 million as of the second-quarter to \$400.0 million as at October 31, 2025

Fourth Quarter highlights:

- Revenues of \$771.6 million, down 2.2% from \$788.8 million last year
- Adjusted EBITDA¹ of \$71.4 million compared to \$128.4 million last year
- Net loss of \$12.5 million (\$0.31 per share), versus net income of \$41.2 million (\$1.05 per share) last year
- Negative free cash flow¹ of \$194.2 million compared to negative \$102.2 million last year
- Cash and cash equivalents of \$164.9 million as at October 31, 2025

Quick Facts

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

Year end: October 31

² Geared turbofan ("GTF").

"Transat posted all time record adjusted EBITDA in fiscal 2025. Operationally, we established key building blocks to generate growth momentum through the deployment of high-potential routes, the rigorous execution of our Elevation Program, and the refinancing of our government debt. As for financial performance, adjusted EBITDA grew 33% to \$271 million on revenues of \$3.4 billion, despite a volatile macro-economic environment and persistent Pratt & Whitney engine issues. As expected, fourth quarter revenues declined slightly as substantially lower year-end compensation from Pratt & Whitney overshadowed underlying revenue growth driven by higher yields. We have delivered on the objectives set for fiscal 2025 and continue to make progress toward the full execution of our business plan. Finally, the tentative agreement reached with our pilots' union allows us to focus on meeting solid customer demand for leisure travel. In addition, all collective agreements that had expired since 2023 have now been successfully renegotiated for a period extending at least through 2027.

We are optimistic about accelerating our growth trajectory in 2026. Targeted network expansion across destinations in Africa, Europe and South America, combined with fewer grounded aircraft and network optimization, should result in increased capacity for 2026. In addition, we expect to derive the full impact from our Elevation Program through revamped cost and revenue management practices."

Annick Guérard
President and Chief Executive Officer, Transat



Financial Highlights

Financial Highlights for the Years Ended October 31

(in thousands of Canadian dollars, except per share amounts)	2025 \$	2024 \$	Difference \$	Difference %
Consolidated statements of loss				
Revenues	3,398,503	3,283,750	114,753	3.5
Operating income (loss)	9,803	(12,727)	22,530	177.0
Net income (loss)	241,916	(114,030)	355,946	312.2
Basic earnings (loss) per share	6.06	(2.94)	9.00	306.1
Diluted earnings (loss) per share	5.72	(2.94)	8.66	294.6
Adjusted operating income ¹	270,962	203,212	67,750	33.3
Adjusted net income (loss) ¹	(100,650)	(127,676)	27,026	21.2
Adjusted net earnings (loss) per share ¹	(2.42)	(3.29)	0.87	26.4

Financial Highlights for the Quarters Ended October 31

(in thousands of Canadian dollars, except per share amounts)	2025 \$	2024 \$	Difference \$	Difference %
Consolidated statements of Income (Loss)				
Revenues	771,624	788,845	(17,221)	(2.2)
Operating income (loss)	248	64,700	(64,452)	(99.6)
Net income (loss)	(12,489)	41,227	(53,716)	(130.3)
Basic earnings (loss) per share	(0.31)	1.05	(1.36)	(129.5)
Diluted earnings (loss) per share	(0.52)	1.05	(1.57)	(149.5)
Adjusted operating income ¹	71,367	128,417	(57,050)	(44.4)
Adjusted net income (loss) ¹	(18,666)	31,558	(50,224)	(159.1)
Adjusted net earnings (loss) per share ¹	(0.42)	0.81	(1.23)	(151.9)

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)	As at October 31, 2025 \$	As at October 31, 2024 \$	Difference \$	Difference %
Consolidated Statements of Financial Position				
Cash and cash equivalents	164,920	260,336	(95,416)	(36.7)
Cash and cash equivalents in trust or otherwise reserved (current and non-current)	465,592	484,944	(19,352)	(4.0)
	630,512	745,280	(114,768)	(15.4)
Total assets	2,574,563	2,750,910	(176,347)	(6.4)
Debt (current and non-current)	200,818	682,295	(481,477)	(70.6)
Total debt ¹	1,761,631	2,277,320	(515,689)	(22.6)
Total net debt ¹	1,596,711	2,016,984	(420,273)	(20.8)

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, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring 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 operating income is also used to calculate variable compensation for employees and senior executives.
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 and preferred shares, gain on long-term debt extinguishment, gain on business disposals, gain on disposal of investment, gain (loss) on asset disposals, gain on sale and leaseback of assets, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring 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 and preferred shares, gain on long-term debt extinguishment, gain on business disposals, gain on disposal of investment, gain (loss) on asset disposals, gain on sale and leaseback of assets, the effect of changes in discount rates used for accretion of the provision for return conditions, changes in market price of CORSIA Eligible Emissions Units (carbon credits), restructuring 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 Subordinated 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 2025, 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 Bussi�res	Chief Legal and Government Relations Officer and Corporate Secretary
Julie Lamontagne	Chief People, Sustainability and Communications Officer
Marc-Philippe Lump�	Chief Airline Operations Officer
Sebastian Ponce	Chief Revenue Officer
Jean-Fran�ois Pruneau	Chief Financial Officer
Bamba Sissoko	Chief Information Officer

Investor Relations Information

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