



Transat and Porter Airlines

**Transformative Joint Venture
Benefiting Canadian Travellers**

November 28, 2023





Forward-Looking Statements

This presentation contains certain forward-looking statements with respect to the Corporation, including those regarding its results, its financial position and its outlook for the future. These forward-looking statements are identified by the use of terms and phrases such as “anticipate” “believe” “could” “estimate” “expect” “intend” “may” “plan” “potential” “predict” “project” “will” “would”, the negative of these terms and similar terminology, including references to assumptions. All such statements are made pursuant to applicable Canadian securities legislation. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions. Such statements include in particular plans relating to the joint venture agreement with Porter Airlines and the benefits expected therefrom, including with respect to growth in passenger traffic, revenues and profitability resulting from expected fleet optimization. Forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements.

The forward-looking statements may differ materially from actual results for a number of reasons, including if the agreement with Porter Airlines is not performed according to its terms for the duration of the term or is terminated before its term, if the growth in fleet and passenger traffic expected by the Corporation and Porter Airlines does not materialize and if the parties to the agreement are not able to successfully coordinate with respect to areas such as route planning, scheduling and collaboration in fare structure. Other factors that may impact the forward-looking statements contained herein, including the performance and expected benefits of the agreement with Porter Airlines include, without limitation, if the economic conditions, changes in demand due to the seasonal nature of the business, extreme weather conditions, climatic or geological disasters, war, political instability, real or perceived terrorism, outbreaks of epidemics or disease and the lingering effects of the COVID-19 pandemic, consumer preferences and consumer habits, consumers’ perceptions of the safety of destination services and aviation safety, demographic trends, disruptions to the air traffic control system, the cost of protective, safety and environmental measures, competition, the Corporation’s ability to maintain and grow its reputation and brand, the availability of funding in the future, fluctuations in fuel prices and exchange rates and interest rates, the Corporation’s dependence on key suppliers, the availability and fluctuation of costs related to our aircraft, information technology and telecommunications, cybersecurity risks, changes in legislation, unfavourable regulatory developments or procedures, pending litigation and third party lawsuits, the ability to reduce operating costs, the Corporation’s ability to attract and retain skilled resources, labour relations,

collective bargaining and labour disputes, pension issues, maintaining insurance coverage at favourable levels and conditions and at an acceptable cost, and other risks detailed in the Risks and Uncertainties section of the MD&A included in our 2022 Annual Report.

The reader is cautioned that the foregoing list of factors is not exhaustive of the factors that may affect any of the Corporation’s forward-looking statements. The reader is also cautioned to consider these and other factors carefully and not to place undue reliance on forward-looking statements.

The forward-looking statements in this presentation are based on a number of assumptions relating to economic and market conditions, demand for leisure travel, as well as the Corporation’s operations, financial position and transactions. Additional assumptions include that the agreement with Porter Airlines will be performed according to its terms for the duration of its term, that the fleet growth anticipated by the Corporation and Porter Airlines will materialize over the period expected and that the parties will be able to successfully coordinate with respect to areas such as route planning, scheduling, and collaboration in fare structure.

In making these statements, the Corporation also assumes, among other things, that the standards and measures for the health and safety of personnel and travellers imposed by government and airport authorities will be consistent with those currently in effect, that workers will continue to be available to the Corporation, its suppliers and the companies providing passenger services at the airports, that credit facilities and other terms of credit extended by its business partners will continue to be made available as in the past, that management will continue to manage changes in cash flows to fund working capital requirements for the full fiscal year and that fuel prices, exchange rates, selling prices, and hotel and other costs remain stable. If these assumptions prove incorrect, actual results and developments may differ materially from those contemplated by the forward-looking statements contained in this presentation.

The Corporation considers that the assumptions on which these forward-looking statements are based are reasonable. These statements reflect current expectations regarding future events and operating performance, speak only as of the date this presentation is issued, and represent the Corporation’s expectations as of that date. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable securities legislation.



Overview of Joint Venture Agreement

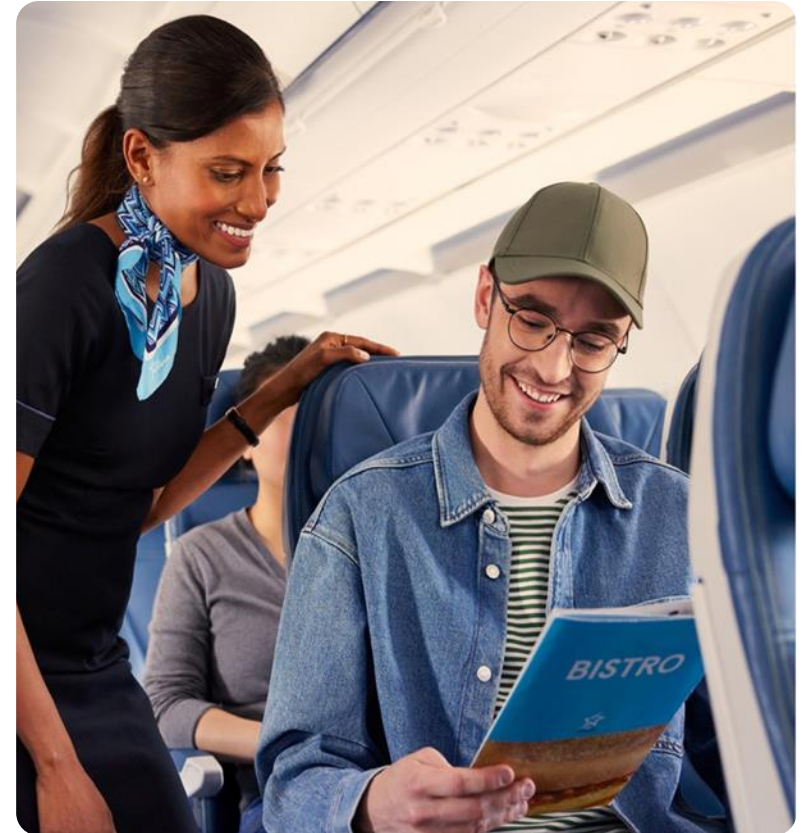
- **Enhance customer experience by providing a wider range of opportunities for travellers**
 - Enables Transat and Porter to grow sales through increased volume of connecting flights and cross-selling opportunities
- **Directly aligned with Transat's strategy to grow customer traffic and bolster network through alliances**
- **Leverage complementary networks and respective strengths**
 - Transat: Transatlantic and leisure destinations
 - Porter: Domestic and transborder flights
- **Establish a long-term partnership that reflects dedication and commitment from both parties**





1. Deal Rationale

- **Joint venture (“JV”) represents a natural next step in Transat-Porter relationship**
 - Transat joined forces with Porter in October 2022 through code-sharing agreement
 - Code-sharing generated more than 60,000 additional passengers for Transat in fiscal 2023
 - JV will enable coordination of route-planning and scheduling, collaboration in fare structure⁽¹⁾
- **Both airlines share common goal of delivering superior customer experience**
 - Part of DNA to exceed passenger needs and provide distinct personalized approach



 **Air transat** | porter



1. Subject to regulatory approvals, as and when necessary.

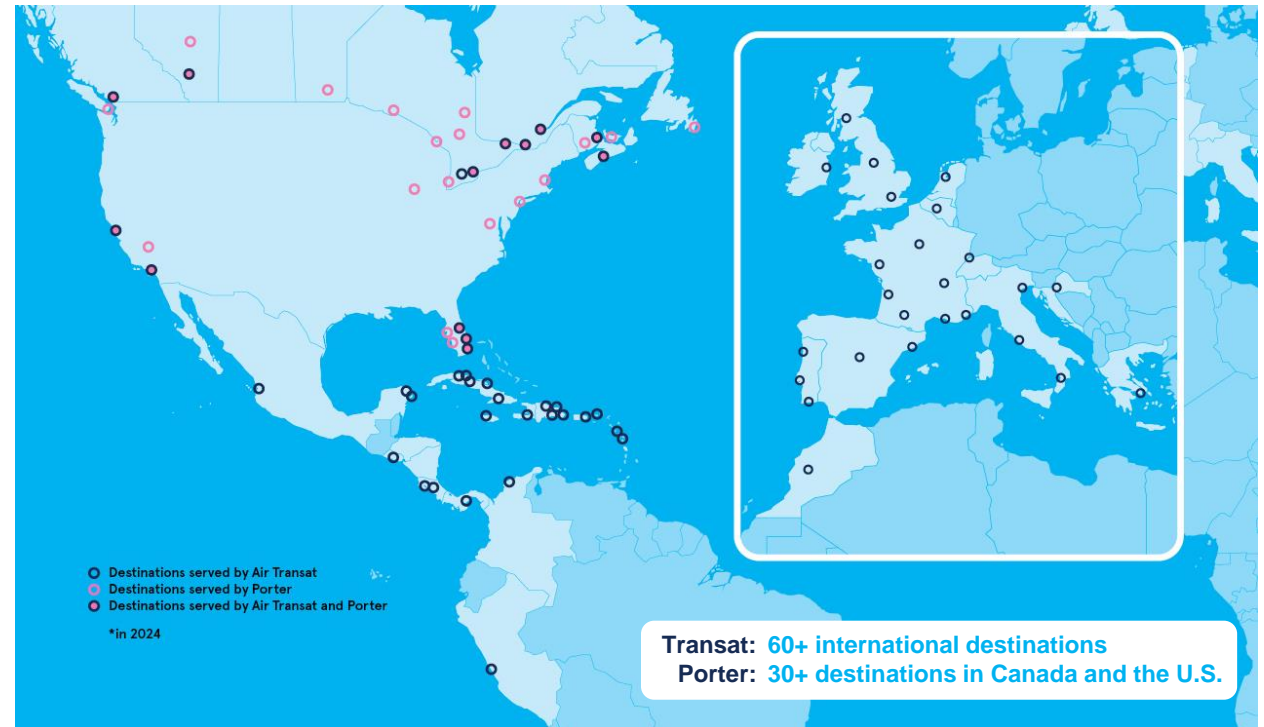


1. Deal Rationale (continued)

Porter will act as feeder network for Transat's flights

- Passengers fly to Toronto Pearson/ Montreal-Trudeau with Porter, then continue journey overseas on Air Transat
- Porter loyalty program member can exchange points for Transat flights

Transat will offer Porter-operated flights across all channels and vice-versa



End-result: Customers take advantage of wider offering and integrated network, while Transat and Porter benefit from increased traffic



1. Deal Rationale (continued)

Seamless Customer Experience

Connecting boarding passes → Luggage checked to end of destination

Sample Itineraries

- Flight from Las Vegas to Toronto Pearson (Porter), then to Lisbon (Transat)
- Flight from Winnipeg to Toronto Pearson (Porter), then to Lima (Transat)

Consumers Benefits

- More choices for consumers: a quality alternative to the current offering for travel to Canada, US, Europe and Latin America
- Savings in travel time; with better connections, and better route planning
- Simpler booking process
- Translates into financial savings for the consumer



2. Structure of the Agreement

- **Agreement extends over 10-year period**
 - Effective immediately and will unfold progressively
- **Agreement does not involve creation of new entity or material investments**
 - On a short-term basis, mainly spending on IT infrastructure required
- **JV governed by committee with equal representation from both airlines**





3. Expected Benefits

- **Implementation extending throughout 2024 and beyond**
 - Increased traffic from Porter's connecting flights will be progressive
 - Should gain momentum as travellers discover possibilities of broader network and combined offering
- **At full potential**
 - Porter connecting flights are forecasted to account for 15%-18% of Transat passenger traffic based on assumed fleet growth at both airlines
- **JV also enables Transat to improve fleet optimization**
 - Redeployment of aircraft to more profitable medium- and long-haul destinations