



Results for the Second 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 36 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 2023 Skytrax World Airline Awards, Air Transat is known for its exceptional customer service. (TSX: TRZ) www.transat.com

Second Quarter highlights:

- Revenues of \$973.2 million, up 11.8% from \$870.1 million last year
- Adjusted EBITDA¹ of \$37.6 million, compared to \$56.1 million last year
- Net loss of \$54.4 million (\$1.40 per share), versus \$29.2 million (\$0.76 per share) last year
- Positive free cash flow¹ of \$109.8 million compared to \$154.2 million last year
- Early repayment of \$36.3 million subordinated debt which was due on April 29, 2025
- Customer deposits for future travel of \$896.9 million, up 3% from April 30, 2023

Quick Facts

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

Year end: October 31

Transat delivered double-digit revenue growth for a second consecutive quarter on the strength of increased customer traffic. On the profitability side, adjusted EBITDA declined to \$38 million in the second quarter due to well-documented industry-wide and company-specific issues

We are fully prepared from an operational standpoint for the summer season. As such, we recently completed the process of bringing in-house passenger and ramp services at Montreal-Trudeau International Airport to enhance the customer journey. Additionally, with the launch of phase one of our commercial joint venture with Porter announced yesterday, we will benefit from additional leverage to optimize our partnership. Finally, in the coming weeks, we will complete the reception of seven aircraft, including four A321LRs that represent the cornerstone of Transat's fleet and growth strategy.

Annick Guérard
President and Chief Executive Officer, Transat



Financial Highlights

Financial Highlights for the Quarters Ended April 30

(in thousands of Canadian dollars, except per share amounts)	2024 \$	2023 \$	Difference \$	Difference %
Consolidated statements of loss				
Revenues	973,204	870,111	103,093	11.8
Operating income (loss)	(15,161)	18,740	(33,901)	(180.9)
Net loss	(54,387)	(29,180)	(25,207)	(86.4)
Basic loss per share	(1.40)	(0.76)	(0.64)	(84.2)
Diluted loss per share	(1.40)	(0.76)	(0.64)	(84.2)
Adjusted operating income ¹	37,635	56,144	(18,509)	(33.0)
Adjusted net loss ¹	(39,383)	(7,957)	(31,426)	(394.9)
Adjusted net loss per share ¹	(1.02)	(0.21)	(0.81)	(385.7)

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)	As at April 30, 2024 \$	As at October 31, 2023 \$	Difference \$	Difference %
Consolidated Statements of Financial Position				
Cash and cash equivalents	528,886	435,647	93,239	21.4
Cash and cash equivalents in trust or otherwise reserved (current and non-current)	294,813	450,752	(155,939)	(34.6)
	823,699	886,399	(62,700)	(7.1)
Total assets	2,562,212	2,569,370	(7,158)	(0.3)
Debt (current and non-current)	646,814	669,145	(22,331)	(3.3)
Total debt ¹	1,943,484	2,058,046	(114,562)	(5.6)
Total net debt ¹	1,414,598	1,622,399	(207,801)	(12.8)

1 Non-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, 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, 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 Second Quarterly 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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