Cargojet Announces Second Quarter Financial Results

MISSISSAUGA, ON, August 10, 2026 – Cargojet Inc. (“Cargojet” or the “Corporation”) (TSX: CJT) today announced financial results for the second quarter ended June 30, 2026.

“Our strong second quarter results reflect the resilience of our business model, the strength of our long-term customer partnerships, and our team’s disciplined execution”, said Pauline Dhillon, Chief Executive Officer. “Our One Fleet strategy continues to differentiate Cargojet by enabling us to dynamically deploy our assets to the highest-return opportunities while improving fleet and flight-level asset utilization. Combined with our focus on revenue quality, disciplined cost management and operational excellence, we delivered another strong quarter while maintaining our industry-leading 99.2% on-time performance. These results reflect the dedication and commitment of our entire team. I want to sincerely thank our team members for their outstanding contributions and our customers for continuing to place their trust in Cargojet to deliver their time-sensitive shipments every day.”

For the quarter ended June 30, 2026:

- Total revenue was $275.8 million, an increase of $37.6 million, or 15.8%, compared with the same quarter last year.

- Net earnings were $7.0 million, compared with a net loss of $3.2 million in the second quarter of 2025.

- Adjusted EBITDA(1) was $87.3 million, an increase of $7.1 million, or 8.9%, compared with the same quarter last year.

- Adjusted EBITDA margin(1) was 31.7%, compared with 33.7% in the prior-year quarter, primarily reflecting higher fuel prices, which were substantially recovered through fuel surcharges.

- Free Cash Flow(1) was an inflow of $56.2 million, compared with an outflow of $72.5 million in the same quarter last year, reflecting a net positive cash flow impact of $128.7 million.

(1) Non-GAAP measures. See “Non-GAAP Financial Measures” section.

SECOND QUARTER RESULTS

(Canadian dollars in millions, except where indicated)

Financial highlights	Three Month Periods Ended June 30,				Six Month Periods Ended June 30,			
	2026	2025	Change	%	**2026**	2025	Change	%
Domestic network, ACMI and charter revenues	**$219.9**	$204.6	$15.3	7.5%	**$437.0**	$414.8	$22.2	5.4%
Total revenues	**$275.8**	$238.2	$37.6	15.8%	**$530.5**	$488.1	$42.4	8.7%
Net earnings (loss)	**$7.0**	($3.2)	$10.2	318.8%	**$11.1**	$44.8	($33.7)	(75.2%)
Adjusted net earnings(1)	**$10.0**	$15.7	($5.7)	(36.3%)	**$18.9**	$41.0	($22.1)	(53.9%)
EPS Diluted	**$0.47**	($0.21)	$0.68	323.8%	**$0.74**	$2.80	($2.06)	(73.6%)
Adjusted EPS(1)	**$0.67**	$1.02	($0.35)	(34.3%)	**$1.27**	$2.64	($1.37)	(51.9%)
Adjusted EBITDA (1)	**$87.3**	$80.2	$7.1	8.9%	**$169.2**	$161.0	$8.2	5.1%
Adjusted EBITDA margin (1) **- (%)**	**31.7%**	33.7%	(2.0%)		**31.9%**	33.0%	(1.1%)	
Net cash from operating activities	**$96.2**	$28.0	$68.2	243.6%	**$166.1**	$92.8	$73.3	79.0%
Free cash flow (1)	**$56.2**	($72.5)	$128.7	(177.5%)	**$143.6**	($118.4)	$262.0	(221.3%)

(1) Non-GAAP Measures

Below is a description of certain non-GAAP financial measures and non-GAAP financial ratios used by the Corporation to provide readers with additional information on its financial and operating performance. Non-GAAP financial ratios are ratios or percentages that are calculated using a non-GAAP financial measure. Such measures are not recognized measures for financial statement presentation under GAAP, do not have standardized meanings, may not be comparable to similar measures presented by other entities and should not be considered a substitute for or superior to GAAP results.

"Adjusted EBITDA" is used by the Corporation to assess earnings before interest, taxes, depreciation, amortization, gain or loss on disposal of capital assets, share-based compensation, gain or loss on disposal of property, plant and equipment and assets held for sale, fair value write-down of assets held for sale and property, plant and equipment, fair value increase or decrease on stock warrant, gain on extinguishment of stock warrant obligations, amortization of contract assets, gain or loss on fair value or settlement of swap derivatives, unrealized foreign exchange gains or losses, gains or losses on settlement of debts and lease termination, share of income or loss in associate, and provision for employee pension, as these costs can vary significantly among airlines due to differences in the way airlines finance their aircraft and other assets. The most directly comparable financial measure disclosed in the Corporation's financial statements is net earnings.

"Adjusted EBITDA margin" is defined as Adjusted EBITDA as a percentage of revenue. Adjusted EBITDA margin is commonly used in the airline industry and is used by the Corporation as a means to measure the operating margin excluding certain items as described above.

"Free Cash Flow" is used by the Corporation to evaluate its financial strength and performance of its business, indicating the amount of cash the Corporation can generate from operations after capital expenditures. Free Cash Flow is defined as cash flows from operating activities less additions to property, plant and equipment and intangible assets plus proceeds from disposals of property, plant and equipment and assets held for sale and the related notes receivable and proceeds from disposal of investment in associate and related loan repayment.

“Adjusted net earnings” and “Adjusted net earnings per share” (“Adjusted EPS”) are used to assess the overall financial performance of its business. Adjusted net earnings and adjusted EPS are defined as net earnings and net earnings per basic share excluding fair value write-down of assets held for sale and property, plant and equipment, fair value increase or decrease on stock warrant, gain on extinguishment of stock warrant obligations, amortization of contract assets, gain or loss on swap derivatives, and unrealized foreign exchange gain or loss, as well as the tax impact of these adjustments where applicable. These items are excluded as they may distort the analysis of certain business trends and render comparative analysis to other airlines less meaningful.

Reconciliations of non-GAAP measures are provided below and in the “Non-GAAP Measures” section of the Corporation’s Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) for the three and six month periods ended June 30, 2026 and is available on SEDAR+ at www.sedarplus.ca.

(Unaudited - Canadian dollars in millions, except where indicated)	**Three Month Periods Ended June 30,**		**Six Month Periods Ended June 30,**	
	2026	2025	**2026**	2025
Calculation of EBITDA and Adjusted EBITDA	**$**	$	**$**	$
Net earnings (loss)	**7.0**	(3.2)	**11.1**	44.8
Add:				
Interest	**11.4**	11.7	**23.2**	23.7
Provision of deferred taxes	**5.7**	5.3	**8.4**	7.2
Depreciation of property, plant and equipment	**51.6**	44.5	**103.9**	87.0
EBITDA	**75.7**	58.3	**146.6**	162.7
Add:				
Share-based compensation	**(0.5)**	5.2	**4.9**	1.2
Loss (gain) on disposal of property, plant and equipment	**6.6**	-	**6.6**	(0.9)
Fair value write-down of assets held for sale and property, plant and equipment	**-**	7.0	**-**	7.0
Fair value adjustment on warrant valuation and amortization of contract assets	**4.4**	21.5	**10.1**	(12.5)
(Gain) loss on swap derivative	**(2.5)**	(7.0)	**(0.5)**	7.3
Unrealized foreign exchange loss (gain)	**0.6**	(3.6)	**(0.2)**	(2.5)
Loss on lease termination	**2.7**	-	**2.7**	-
Gain on extinguishment of stock warrant obligations	**-**	-	**(1.8)**	
Share of net (income) loss in associate	**-**	(1.2)	**0.1**	(1.5)
Employee pension	**0.3**	-	**0.7**	0.2
Adjusted EBITDA	**87.3**	80.2	**169.2**	161.0
Revenue	**275.8**	238.2	**530.5**	488.1
Adjusted EBITDA margin	**31.7%**	33.7%	**31.9%**	33.0%

(Unaudited - Canadian dollars in millions)	**Three Month Periods Ended June 30,**		**Six Month Periods Ended June 30,**	
	2026	2025	**2026**	2025
Calculation of Free Cash Flow	**$**	$	**$**	$
Net cash from operating activities	**96.2**	28.0	**166.1**	92.8
Additions to property, plant and equipment and intangible assets	**(54.3)**	(100.5)	**(98.9)**	(212.4)
Proceeds from asset disposals and related notes receivable	**3.5**	-	**65.6**	1.2
Proceeds from disposal of investment and loan repayment	**10.8**	-	**10.8**	-
Free cash flow	**56.2**	(72.5)	**143.6**	(118.4)

(Unaudited - Canadian dollars in millions, except where indicated)	**Three Month Periods Ended June 30,**		**Six Month Periods Ended June 30,**	
	2026	2025	**2026**	2025
Calculation of Adjusted Earnings and Adjusted EPS	**$**	$	**$**	$
Net earnings (loss)	**7.0**	(3.2)	**11.1**	44.8
Add:				
Fair value write-down of assets held for sale and property, plant and equipment	**-**	7.0	**-**	7.0
Fair value adjustment on stock warrant and amortization of contract assets	**4.4**	21.5	**10.1**	(12.5)
Gain on extinguishment of stock warrant obligations	**-**	-	**(1.8)**	-
(Gain) loss on swap derivative	**(2.5)**	(7.0)	**(0.5)**	7.3
Unrealized foreign exchange loss (gain)	**0.6**	(3.6)	**(0.2)**	(2.5)
Tax impact on items listed above	**0.5**	1.0	**0.2**	(3.1)
Adjusted net earnings	**10.0**	15.7	**18.9**	41.0
Weighted average number of shares - basic (in millions of shares)	**14.9**	15.4	**14.9**	15.5
Adjusted EPS	**0.67**	1.02	**1.27**	2.64

Notice on Forward Looking Statements:

Certain statements contained herein constitute "forward-looking statements", including with respect to the Corporation's intention to continue rationalizing costs and capital expenditures to generate cash, strengthen strategic customer relationships, and drive shareholder value. Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "intends," "anticipates," "should," "estimates," "expects," "believes," "indicates," "targeting," "suggests" and similar expressions. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Reference should be made to the Corporation's most recent Annual Information Form ("AIF") filed with the Canadian securities regulators, and its most recent Annual Consolidated Financial Statements and Notes thereto and related MD&A, for a summary of major risks. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if our estimates or assumptions prove inaccurate. The Corporation cautions that the list of risk factors and uncertainties described in the AIF and MD&A is not exhaustive and other factors could also adversely affect its results. Readers are urged to carefully consider the risks, uncertainties and assumptions in evaluating the forward-looking information and are cautioned not to place undue reliance on such information. The forward-looking information contained herein represents our expectations as of the date hereof (or as the date they are otherwise stated to be made), and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws. In the event that we update any forward-looking statement, no inference should be made that we will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

All references to "$" in this press release are to Canadian dollars.

About Cargojet

Cargojet is Canada's leading provider of time sensitive premium air cargo services to all major cities across North America, providing Dedicated, ACMI and International Charter services and carries over 25,000,000 pounds of cargo weekly. Cargojet operates its network with its own cargo fleet of 41 aircraft.

For further information, please contact investor relations at investorrelations@cargojet.com

FINANCIAL INFORMATION AND OPERATING STATISTICS HIGHLIGHTS

(Unaudited - Canadian dollars in millions, except where indicated)

	Three Month Periods Ended June 30,				Six Month Periods Ended June 30,			
	2026	2025	Change	%	**2026**	2025	Change	%
Domestic network, ACMI and charter revenues	**$219.9**	$204.6	$15.3	7.5%	**$437.0**	$414.8	$22.2	5.4%
Fuel surcharge and other revenues	**$58.5**	$38.3	$20.2	52.7%	**$104.1**	$83.5	$20.6	24.7%
Total revenues excluding amortization	**$278.4**	$242.9	$35.5	14.6%	**$541.1**	$498.3	$42.8	8.6%
Amortization of contract assets	**($2.6)**	($4.7)	$2.1	(44.7%)	**($10.6)**	($10.2)	($0.4)	3.9%
Total revenues	**$275.8**	$238.2	$37.6	15.8%	**$530.5**	$488.1	$42.4	8.7%
Direct expenses	**$216.6**	$188.7	$27.9	14.8%	**$430.9**	$385.8	$45.1	11.7%
Gross margin	**$59.2**	$49.5	$9.7	19.6%	**$99.6**	$102.3	($2.7)	(2.6%)
Gross margin - (%)	**21.5%**	20.8%	0.7%		**18.8%**	21.0%	(2.2%)	
Selling, general and administrative expenses	**$25.8**	$23.6	$2.2	9.3%	**$50.5**	$39.9	$10.6	26.6%
Net finance costs and other losses	**$20.7**	$25.0	($4.3)	(17.2%)	**$29.5**	$11.9	$17.6	147.9%
Share of (income) loss in associate	**$0.0**	($1.2)	($1.2)	(100.0%)	**$0.1**	($1.5)	$1.6	nm
Earnings before income taxes	**$12.7**	$2.1	$10.6	504.8%	**$19.5**	$52.0	($32.5)	(62.5%)
Income taxes	**5.7**	$5.3	$0.4	7.5%	**$8.4**	$7.2	$1.2	16.7%
Net earnings (loss)	**$7.0**	($3.2)	$10.2	318.8%	**$11.1**	$44.8	($33.7)	(75.2%)
Adjusted net earnings(1)	**$10.0**	$15.7	($5.7)	(36.3%)	**$18.9**	$41.0	($22.1)	(53.9%)
Earnings per share								
Basic	**$0.47**	($0.21)	$0.68	323.8%	**$0.74**	$2.89	($2.15)	(74.4%)
Diluted	**$0.47**	($0.21)	$0.68	323.8%	**$0.74**	$2.80	($2.06)	(73.6%)
Adjusted(1)	**$0.67**	$1.02	($0.35)	(34.3%)	**$1.27**	$2.64	($1.37)	(51.9%)
Adjusted EBITDA (1)	**$87.3**	$80.2	$7.1	8.9%	**$169.2**	$161.0	$8.2	5.1%
Adjusted EBITDA margin (1) - (%)	**31.7%**	33.7%	(2.0%)		**31.9%**	33.0%	(1.1%)	
Net cash from operating activities	**$96.2**	$28.0	$68.2	243.6%	**$166.1**	$92.8	$73.3	79.0%
Free cash flow (1)	**$56.2**	($72.5)	$128.7	177.5%	**$143.6**	($118.4)	$262.0	221.3%
Operating statistics (2)								
Operating days (3)	**50**	50	-	0.0%	**99**	99	-	0.0%
Average domestic network revenue per operating day (4)	**2.21**	2.05	0.16	7.8%	**2.18**	2.09	0.09	4.3%
Block hours (5)	**15,787**	15,840	(53)	(0.3%)	**32,781**	33,185	(404)	(1.2%)
B757-200	**16**	17	(1)		**16**	17	(1)	
B767-200	**2**	3	(1)		**2**	3	(1)	
B767-300	**23**	23	-		**23**	23	-	
Cargo operating fleet	**41**	43	(2)	(4.7%)	**41**	43	(2.0)	(4.7%)
Head count	**1,847**	**1,817**	30	1.7%	**1,847**	1,817	30	1.7%

1. Non-GAAP measures. See “Non-GAAP Financial Measures” section.
2. The definitions for the Operating statistics included in this table are provided in the notes below.
3. Operating days refer to the days on which the full domestic network air cargo network is in operation. The Corporation’s domestic network air cargo network operates primarily from Monday to Thursday with a reduced network operating on Friday, weekends and on certain weekdays that are adjacent to certain statutory holidays.
4. Average domestic network revenue per operating day refers to total domestic network revenues earned by the Corporation’s per operating day.
5. Block hours refer to the total duration of a flight from the time the aircraft releases its brakes when it initially moves from the airport parking area prior to flight, to the time the brakes are set when it arrives at the airport parking area after the completion of the flight.